



CNAS Budget Committee Meeting



CURRENT BUDGET SITUATION

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February 21, 2017



Purpose of Today's Meeting

- Share information on university situation
- Where does CNAS stand?
- Solicit your input on CNAS budget priorities



Guiding Principles

Protecting the core mission of the university – academic achievement, scholarship and student success – is paramount. Budgetary decisions should be consistent ... with a primary focus on preserving strong academic programs, increasing the number of graduates at all levels, and enhancing diversity and inclusion.



Guiding Principles (BOG)

- **Summary of Guiding Principles**
 - **Quality**
 - **Growth**
 - **Affordability**
 - **People**



Two Budget Issues

- FY 17 Withholding
- FY 18 Budget Hole and Resulting Cuts to Higher Education and MSU



Reminder on MSU Funding

- Tuition and fees are 62% of our funding
- State Funding is 38% of our funding



Funds Withheld – FY17

- Total withheld = \$6,317,673 – 7.1%
 - Covered with “one-time” funds from reserve
- Academic Affairs Portion = \$1.7 million
(75% covered by Provost’s Office)
- CNAS Portion = **\$65,983.28**
 - 75% was covered centrally. 25% came from departments based on % of total CNAS budget.



FY18 State Budget Cuts

- \$130 million was cut from Higher Ed budget, including \$70 million from core budgets
- 9% cut for all 4-year universities in Missouri
 - **FY17 MSU = \$91,649,516**
FY18 MSU = \$83,451,576
 - **Diff is \$8,197,940, or about 5% of our total MSU budget**



FY18 State Budget Cuts

- The \$2 million to add mechanical engineering to the MSU cooperative engineering program was also cut. The money would have been split (50:50) with Missouri S&T.
- We will not begin this program in fall of 2017.



Dealing with the FY18 Cut

- \$7.5 million cut for Springfield Campus (\$8.2M less 3% automatic withhold)
- \$3.5 million proposed tuition and fee increase
(in-state tuition increases to \$210/credit hour)
BOG will decide actual tuition/fee increases in March
- \$4 million in cuts across all university units with \$2 million coming from academic affairs



Some Caveats

- We are trying to be conservative and realistic
- The budget process still has to go through the legislature
- Final budget will not be adopted until May
- We are hoping some money gets added back in
- We also must consider FY19 - unknown



Budget Realities

- All Budget Cuts in FY18 most come from “**ongoing funds**” not from one-time money
- Tuition and Fee Increases will not be used to cover the entire deficit
- **Limited by law to no more than annual CPI rate**



Unbudgeted Revenues

- Enrollment increase in 2016/2017 resulted in \$3.5 million in unbudgeted revenue
 - Will cover the \$2 million increase in Moser Contribution
 - Will cover promotions, PSIP
 - Will cover increased utility and lease fees



CNAS FY17 Operating Budget

- Total Budget = **\$16,511,300.13**
- Salary & Benefits - **89.1%**
- TA's – 5%
- Operating (travel, supplies, etc) – 5%
- Undergraduate student workers – 1%



Hiring Status

- We currently have 5 open faculty searches, 4 tenure-track and one instructor:
 - 2 GGP
 - 1 BIO
 - 1 CHM
 - 1 HL (instructor)
- We also currently have a search for CSC Department Head as current head's term ends this summer.
- Limited Staff searches continue to be approved on a case by case basis
- At this point there are only three open faculty lines and one staff line (retirements/resignations as of today). This changes on a daily basis.



Online Courses and Internet Incentive Funds

- Online students pay \$285/ch vs 205/ch for face-to-face courses
 - Additional cost pays for Blackboard, Mediasite, staff to help with online course production and incentive funds.
- CNAS paid \$75,000 last year in Internet Incentive Funds (university paid \$2.1 million)



Possible Changes in Internet Incentive Funds

- Elimination of \$18.33/CH/student payments
- Reduction to \$10/CH/student payments
- Payment restricted to last fifteen students in class of 40
- Restriction of payments to first-year teaching an on-line course



Hypotheticals

TARGET FOR 5% CUT = \$825,565.01

For illustration purposes only



Likely Outcomes

- Currently faculty searches may be need to be cut (trying not to but....)
- Faculty searches for 2018-2019 may be delayed or cancelled
- Larger class sizes – some have already done this
- Fewer elective classes offered



Certain Outcomes

- Faculty who are not “research active” will teach a 4/4 load
- Less reassigned time granted
- Review of all staff positions and the need for each.
- Centers must be self-supporting. We cannot continue to support OEWRI and CRPM with state funds. Even BSFS will take a cut. (No center directly produces credit hours although they do many other great things.)



Cost Saving Strategies

- Each Head is charged with efficient use of Departmental operating funds
- Each unit is asked to review curriculum for any savings. Think of the big picture and the necessary basic learning that each graduate needs to be successful. We cannot afford to teach every elective, every interesting topic that is there. We have to make choices!



Seeking Your Input

- What are your thoughts on priorities for CNAS?
 - Revenue enhancing activities?
 - Cost efficiencies?
 - Priorities?
- Quality Growth Affordability People