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3 October 2016

Supplementary Report

To the Faculty Senate:

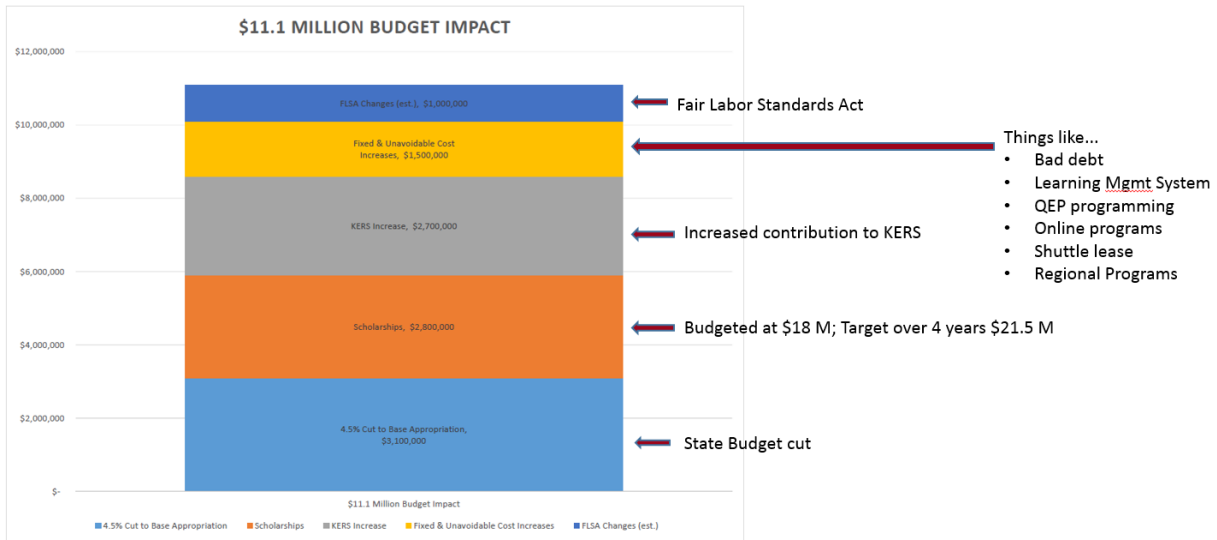
Folks,

I don't know about you, but I've found it difficult to keep all of the budget information we have received straight. So, with thanks to Barry Poynter, I thought it might be helpful to the Faculty Senate to add some perspective to the overall budget situation, indicate where we stand as an institution at present, and show how far we have yet to go.

You will recall that last April we began with what we knew at the time, and projected an \$11.1 million shortfall. That estimate has been (and is) updated by the Budget Office whenever additional information is received. That allows the university to track changes as updated data is received. Part of that process increased our estimated shortfall to \$11.8 million.

Budget Update

Last April we began looking at the 2017-18 budget
and estimated a deficit of \$11.1 million



Since that time the university has taken action on several items which are listed in the president's report. These actions will impact spending in three broad categories; fixed and unavoidable costs, Scholarships, and Faculty & Staff positions.

Actions taken/Identified

Close Somerset Campus & Regional Program Savings	200,000
Shuttle Lease & Transportation Services	185,000
Cell Phone Plan Reduction	200,000

Athletics Summer School Scholarships	200,000
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Academic Affairs Reduction in Force (5 positions)	307,571
Academic Affairs Retirement Transition (6 positions)	415,219
Academic Affairs Vacant Position Sweep (12 positions)	1,044,135
Academic Affairs – M&O Reduction (Various Areas)	112,575
Athletics Reduction in Force (5 positions)	211,603
Change in Part Time Benefits Eligibility (Estimate)	114,000
Health Care Plan Savings (Estimated annual savings)	1,019,520
Office of the President Personnel Reduction	102,000
Police Acceptance into Hazard Duty Retirement Plan	329,367
Student Success Reduction in Force (11 positions)	275,563

But these cuts only get us part of the way toward our goal, and they are already factored into our projections. That leaves us with a current projected shortfall (after all presently identified actions have been taken into account) with a projected deficit of \$7,089,417.00.

Current Projections

Eastern Kentucky University
Budgeted Revenue and Fixed Cost Summary
For the Fiscal Year Ending June 30, 2017

Category	Recurring Funding	
Funding Sources		
Total Change in State Appropriations	(3,061,521)	
Total Change in Tuition Revenue	7,404,934	
Total Change in Other Income	449,599	
Total Change in Funding Sources Increase (Decrease)	4,793,012	← Revenue
Funding Priorities		
Total Change in Fixed Costs	757,570	
Total Change in Institutional Financial Aid	3,606,915	
Total Change in Faculty & Staff Positions	7,517,944	
Total Change in Strategic Funding	-	
Total Change in Funding Priorities Increase (Decrease)	11,882,429	← Expense (Estimate increased to \$11.8 M)
SURPLUS (DEFICIT)	(7,089,417)	← Projected Deficit (as of 3 Oct 16)

I hope this, in conjunction with the president's report, provides some additional perspective to our situation.

Best.



Richard