Report to the Strategic Alignment/Budget Reduction Review Committee

Date: November 13, 2009

Budget reductions to be implemented:

- FY09, November, 2008 reduction in base budget: $16,036
- FY09, March 2009 reduction in base budget: $6,512
- FY09, March 2009 one-time reduction: $12,750

Total cumulative reduction in budgets: $35,298
Total cumulative reduction in base budget: $22,548

Strategies employed to manage budget reductions:

- Services and supplies budgets (including travel) were reduced about 20% in FY 2009 to absorb the one-time reduction of $12,750 and an additional $11,500. We expect to save about $11,000-$11,500 in services and supplies on a recurring basis.
- Increased size of entering class from 150 to 180 students, which resulted in increased resource fee/differential tuition of $22,500 ($250/student/term). About half of this increased revenue went into additional course offerings to meet the increased demand. The other half went towards budget reductions.

Planning for further biennial budget reductions:

- The UHC is exempt from the guidelines on minimum class size, given our mandate to offer courses with small enrollments (20 lower division, 12 upper division). The UHC also does not have departments or other subdivisions.
- Management of additional cuts would include discussions with the Honors Activities and Advisory Council (students), the University Honors College Council (Professors and Students), and the UHC leadership (Dean, Associate Dean, Staff). Revenue cuts would come from reductions in class offerings and keeping vacant positions open. Increases in revenue could come from increases in the number of UHC students and an increase in the differential tuition.