



OSU Budget Forum

June 7, 2010

2009-2011 Biennium – Key Budget Information Recap

FY10 General Fund Budget: Where We've Been

- Initial Budgets, balanced after managing budget reductions:
 - E&G Budget: \$285.9 million (included \$5.4 million in cuts)
 - SWSP Budget: \$76.4 million (included \$9 million in cuts)
- Implemented furloughs, and cut spending in anticipation of 66 and 67
 - \$7 million in E&G budget
 - \$5.4 million in SWPS budget
- Averted further cuts in Feb. 2010, given the vote on 66 and 67
- May 2010 State Revenue Forecast was down \$577 million resulting in
 - \$7 million reduction in E&G budget
 - \$ 4.9 million reduction in SWPS budget

2009-2011 Biennium – Key Budget Information

Positive Budget Changes Since Last Fall

- Tuition Revenue \$8.5M-\$9M above projections
- Indirect Cost Recovery Revenue \$1M-\$1.5M above projections
- Enrollment Growth Settle-Up from OUS \$1.7M
- Furlough – Salary/Benefit savings \$2M-\$2.5M
- Ballot Measures 66 & 67 pass Averted \$7M in cuts

2009-2011 Biennium – Key Budget Information

The Latest

The most recent state revenue forecast was down \$577M, requiring further cost-cutting at all state agencies, per Gov. Kulongoski.

What does this mean for OSU?

For OSU, General Fund **reduction of \$7M**

For Statewide Programs at OSU, General Fund **reduction of \$4.9M**

2009-2011 Biennium – Key E&G Budget Information

Managing Through This Challenge

Through careful use of Fund Balances and growth in non-resident enrollments and research OSU can manage the shortfall without further furloughs or layoffs, and invest in building faculty capacity and improving infrastructure assuming we're permitted to manage our own resources.

OSU E&G Fund Balance Totals Under This Scenario

	Ending Balance	% of Operating Revenue
FY09	\$20.9M	7.6%
FY10	\$41.8M	13.9%
FY11	\$44.7M	14.3%
FY12	\$34.8M	11.2%
FY13	\$26.1M	8.0%

2010-2011 – Key E&G Budget Information

- Enrollment Increase, most significantly among non-resident populations
- Modest tuition increases in keeping with state mandates
- Infrastructure and System Improvements to support enrollment and research growth \$15M-\$20M (through use of fund balances)
- Access funding \$2M-\$2.5M
- Tenure-track faculty hires: 30
- Additional fixed-term/staff hires to support enrollment growth