



## State University System Reductions

In preparation for the 2016-2017 LBR submission to the Legislature and to the Governor, all state agencies were asked to identify the programs and/or services that would be eliminated or reduced if a 5% reduction is made for FY 2016-2017.

For the State University System, the total amount of reductions is an estimated \$129 million. Each institution was allocated a proportionate amount of the total reduction based on their recurring general revenue and lottery appropriations for FY 2015-2016.

The following university summaries highlight various reduction proposals; however, the following provides some examples.

- Reduced support for educational outreach, public service, regional economic development, research activities, and student support;
- Delays in minor construction projects, vehicle repairs, maintenance services, trash removal, and custodial services;
- Inability to recruit and retain qualified faculty that would have a positive impact on student learning outcomes;
- Reduction in on-line distance learning activities and services;
- Reduction in student planned enrollment; resulting in loss of tuition revenues for the upcoming year and beyond;
- Salary reductions and/or layoffs of key personnel;
- Reduction of current and vacant positions; consolidation and/or elimination of colleges, academic and administrative units, degree programs, and class offerings;
- Increase in faculty workload resulting in a decrease in time available for non-instructional activities such as research, curriculum development, design, and evaluation;
- Reductions and delays in upgrading information technology infrastructure;
- Reduced funding for graduate assistantship positions and other applied learning opportunities for students;
- Reduction in financial aid opportunities for merit/need-based students.



**FAMU-FSU College of Engineering  
5% Reduction  
2016-2017 Legislative Budget Request**

<b>Reduction Amount GR:</b>	<b>\$649,984</b>
<b>Reduction Amount Lottery:</b>	<b>\$</b>
<b>Reduction Total:</b>	<b>\$649,984</b>

*(Pursuant to the State of Florida Legislative Budget Instructions for FY 2015-2016, reductions must be program/issue specific and cannot simply be across-the-board percentage reductions.)*

The target budget reduction is substantial to the Engineering program. If implemented, the College's ability to maintain accreditation would be jeopardized. A reduction of 5 full time faculty and staff would be realized. The College's ability to recruit a new Dean and new faculty will be diminished. The ratio of advisors to students would go up and key research activities would decline.



**Florida A&M University  
5 Percent Reduction Exercise  
2016-2017 Legislative Budget Request**

<b>Reduction Amount GR:</b>	<b>\$4,030,424</b>
<b>Reduction Amount Lottery:</b>	<b>\$ 711,404</b>
<b>Reduction Total:</b>	<b>\$4,741,828</b>

*(Pursuant to the State of Florida Legislative Budget Instructions for FY 2015-2016, reductions must be program/issue specific and cannot simply be across-the-board percentage reductions.)*

The University undertook an extensive analysis of its organizational structure and made significant changes to it by reducing the number of direct reports to the President, thereby providing the vice presidents and senior leadership team members with more authority to make decisions in a more timely and responsive manner. Senior leaders are now more accountable for making decisions related to programs under their auspices. Overlapping and duplicating positions were also eliminated.

The University's 2015-2016 operating budget was developed using a new budget-making process. The new process involved having the head of each reporting unit submit goals and objectives and actions plans that were linked to the strategic initiatives outlined in the University's Strategic Plan and that improved the University's outcomes on the performance funding metrics.

All requests for funding had to be aligned with the University's strategic goals and objectives. All academic units had to reduce their baseline budgets by 2.0 percent while all administrative units had to reduce their baseline budgets by 2.5 percent. The savings that resulted from these cuts were then reallocated to high priority programs, especially those that improved the University's outcomes on the performance funding metrics.

The proposed 5 percent reductions have been made using the same strategic budget making process.

<b>General Revenue</b>	
<b>Programs</b>	<b>Amount</b>
<b>Academic Programs</b>	<b>\$1,007,606</b>
<b>Academic Support Programs</b>	<b>1,209,127</b>
<b>Administration</b>	<b>1,813,691</b>
<b>TOTAL</b>	<b>\$4,030,424</b>

<b>Lottery</b>	
<b>Programs</b>	<b>Amount</b>
<b><u>Academic Affairs</u></b>	<b>\$711,404</b>
<b>TOTAL</b>	<b>\$711,404</b>

These reductions are aligned with the three key strategic investments outlined in the University 's 2015 Work Plan:

1. Increase the persistence/retention rates of undergraduate students, leading to increased graduation rates.
2. Increase the number of undergraduate degrees awarded in the areas of STEM and health-related disciplines.
3. Broaden the student base.

### **General Revenue**

#### **Academic Areas**

The University offers 100 degrees programs in 14 colleges and schools. An increased emphasis is being placed on improving our outcomes on the ten performance metrics. Achieving a \$1,007,606 reduction in this area would require cutting the number of faculty members. Our highest paid faculty members make an average of \$254,000 while our lowest paid faculty members at the assistant professor rank make an average of \$44,461. Thus, eliminating roughly three high-paid positions and roughly 5.5 low paid positions, or some combination thereof would achieve the \$1,007,606 reduction.

#### **Academic Support Programs**

This budget category encompasses those program areas such as Academic Affairs, Students Affairs, Public Safety, et al., that enhance the student's educational experience at FAMU. The target reduction for General Revenue for this area is \$1,209,127. Since safety is obviously of paramount concern to the University, no cuts would be made to this area. The next high priority area that would be one of the last areas to cut would be Student Affairs given that the University is committed fully to enhancing its outcomes on its performance funding metrics. Cuts would be

made to other lower priority programs in this area. Assuming an average salary of \$55,000, roughly 22 positions or other expenses would have to be cut to achieve the \$1,209,127 target for this area.

### **Administration**

The category includes the administrative units of the University such a Human Resources, the Office of the President, Finance and Administration, et al. This area is targeted for the largest reduction of \$1,813,691. We project that 20-25 positions or expenses would have to cut to achieve this target.☐

### **Lottery**

#### **Academic Areas**

One hundred (100%) percent of the Lottery funds are allocated to cover the cost of the faculty. Achieving the target reduction of \$711,400 would require the elimination of 8.5 to 11 faculty position or related expenses.



**Florida Atlantic University  
5% Reduction  
2016-2017 Legislative Budget Request**

<b>Reduction Amount GR:</b>	<b>\$7,748,683</b>
<b>Reduction Amount Lottery:</b>	<b>\$ 999,710</b>
<b>Reduction Total:</b>	<b>\$8,748,393</b>

*(Pursuant to the State of Florida Legislative Budget Instructions for FY 2015-2016, reductions must be program/issue specific and cannot simply be across-the board percentage reductions.)*

The 5 percent reduction plan includes the College of Medicine and student financial assistance.

Potential Impact across the University

A reduction the size of \$8.7 million would result in the following:

Priority 1: Potential elimination of nearly 50 non-academic positions

Impact: Reduction of services levels with fewer employees to service students and faculty

Cost Impact: \$3.2M

Priority 2: Instructors, in lieu of tenured and tenure-track professors, will teach courses throughout the academic year including the summer session.

Impact: Increase in workload and reduced student contact hours outside of teaching.

Cost Impact: \$500K

Priority 4: We will continue to reduce or eliminate full-time administrative employees to part-time status, impacting service delivery to students and faculty.

Impact: Reduction of services levels with few employees to service students and faculty

Cost Impact: \$700K

Priority 5: Hiring freezes for student support personnel

Impact: This will stretch current staffing levels thin to accommodate the current level of enrollment which will impact graduation rates and success of student retention and academic progress.

Cost Impact: \$1.3M

Priority 6: Institute a purchasing, administrative hiring and travel freeze.

Impact: Reduction of services levels and elimination of services with fewer employees to service students and faculty

Cost Impact: \$1.2M

Priority 7: Initiatives to improve operational efficiencies will be postponed

Impact: Reduction of services levels and elimination of services with fewer employees to service students and faculty

Cost Impact: \$800K

Priority 8: Outsourcing several basic functions

Impact: Outsourcing will realize operational efficiencies but at a service level reduction.

Cost Impact: \$1M

Methodology for Calculations

Approximately 75% of FAU's educational and general budget is linked directly to teaching, community service, research and student support services.

A reduction of this magnitude will continue to erode the quality of education for our students, will affect our ability to retain faculty and staff, to fund basic student services, keep and maintain facilities, respond to federal and state regulatory issues, and meet the goals and objectives of our strategic plan. The effect of reductions in funding will result in the inability to graduate students in six years and will affect the academic progress rate which in turn has a negative impact on the university's performance metric.

Statutory Changes - N/A

Other State Entities Impacted - N/A



**Florida Gulf Coast University  
5 Percent Reduction Exercise  
2016-2017 Legislative Budget Request**

<b>Reduction Amount GR:</b>	<b>\$3,196,921</b>
<b>Reduction Amount Lottery:</b>	<b>\$341,322</b>
<b>Reduction Total:</b>	<b>\$3,538,243</b>

*(Pursuant to the State of Florida Legislative Budget Instructions for FY 2015-2016, reductions must be program/issue specific and cannot simply be across-the-board percentage reductions.)*

For FY 15-16, Florida Gulf Coast University (FGCU) was one of a number of institutions awarded performance funding based upon the recently approved model. If this 5% reduction was implemented, a significant amount of this funding used for improvements would have to be rolled back thus negating a portion of the benefits the performance funding has provided since inception.

Services in the area of tutoring, lab, writing centers, and career services would feel a loss in funding. Furthermore, the First Year Experience program, including the on-site locations in the residence halls, would suffer as positions and support that was intended to improve the academic progress rate and FTIC graduation rate would not be available. The reduction would total \$550,000

The university has invested recently in the operational infrastructure of the campus. Examples included added personnel in campus police, computer programmers, admissions office and various support functions in student affairs. This investment leads to a productive learning environment for the students. The impact of this reduction would be lost efficiencies in operations, ultimately leading towards an impact to the cost per degree as the processes that are



used to limit cost would be impacted. The total of this issue is \$1,330,000.

Library resources continue to be in demand as the institution looks to maintain the necessary materials for classroom and research purposes. However, in the event of a budget reduction recent gains would be rescinded, resulting in a reduction of \$264,000 in funding.

Florida Gulf Coast University has invested funding into marketing, seeking to improve its strategies and operations in attracting talented students to the campus and the state of Florida. Elimination of this issue would impact the ability to add students who are in demand, but would return \$500,000 of funding to the state.

Unfortunately, the mission of a university is personnel intensive, and a large portion of FGCU's resources are committed to faculty hiring and retention. In the event of a reduction, positions would have to be eliminated that are serving to provide the best possible mix of available classes to the students. Such reductions in funding result in larger than recommended class sizes, fewer sections, and negative impacts on the six year graduation rate. The reduction of funding is \$894,243 annually.



**Florida International University  
5 Percent Reduction Exercise  
2016-2017 Legislative Budget Request**

<b>Reduction Amount GR:</b>	<b>\$11,414,409</b>
<b>Reduction Amount Lottery:</b>	<b>\$ 1,474,725</b>
<b>Reduction Total:</b>	<b>\$12,889,134</b>

*\* Includes FIU Medical School and is based on recurring FY 2015-16 general revenue (excluding Risk Management) and lottery appropriations*

*(Pursuant to the State of Florida Legislative Budget Instructions for FY 2015-2016, reductions must be program/issue specific and cannot simply be across-the-board percentage reductions.)*

### Potential Impact

A 5 percent budget cut will impact the university as follows

- Given our continued current minimal level of reserves, we would be forced to eliminate approximately 111 administrative, faculty, and staff positions to offset this reduction.
- Services and programs offered to students would be directly impacted in the amount of classes offered, advisors available, and support services.
- We will be unable to enroll approximately 1,700 students annually.
- The university will be required to develop plans to eliminate educational programs and support areas.

### Methodology for reduction

- In fiscal year 2007-08 academic and administrative units at FIU developed a long-term budget reduction plan.
  - All academic and operational areas of the university have been reviewed to make targeted cuts that would inflict the least long-term damage to the university.

- As a result of this analysis, the university closed 37 degree programs and 18 centers and institutes
- The university restructured the curriculum in educational units, consolidated departments, and lowered operational costs to just the minimum needed to maintain an acceptable level of services.
- The university renegotiated contracts for services and redefined business models to lower costs of services.
- The university implemented initiatives to save energy and other costs by reducing the size of our fleet of vehicles, moving from liquid propane to natural gas, retrofitting lighting, and other efficiency measures.

An additional state appropriation reduction in Fiscal Year 2016-17 will mean that any net funding increases through the performance funding model will not be available. Planned initiatives to improve results of our performance metrics, providing a return on investment to the state, and realizing the university's strategic goals will need to be scaled back or placed on hold. FIU will need to find a way to operate with \$13 million less and still fund basic student services, maintenance increases, additional compliance requirements, and contractual increases that are not being funded by the state.

Our efforts continue to be focused on providing students with a quality education, but our ability to deliver will be severely hampered with additional reductions. Given the significant decrease in our reserves, we can no longer shield students, faculty, and staff from the negative impact of a 5% budget reduction without requesting the use of statutory reserve balances.

In the event that the 5% reduction becomes a reality in Fiscal Year 2016-17, we will reassess our long-term plan and, in collaboration with academic administration, faculty, staff, and students, will develop recommendations to our Board of Trustees for the elimination or reduction of a number of academic programs, centers, institutes, services, and support operations.



**Florida Polytechnic University  
5% Reduction  
2015-2016 Legislative Budget Request**

<b>Reduction Amount GR:</b>	<b>\$ 1,510,257</b>
<b>Reduction Amount Lottery:</b>	<b>\$ 22,828</b>
<b>Reduction Total:</b>	<b>\$ 1,533,085</b>

*(Pursuant to the State of Florida Legislative Budget Instructions for FY 2015-2016, reductions must be program/issue specific and cannot simply be across-the-board percentage reductions.)*

Potential Impact

Florida Polytechnic University is designed to be a technology-rich and interdisciplinary learning environment to students, as well as a powerful resource and research partner for high-tech industry. The University will open its doors to students in the fall of 2014. A reduction of any magnitude would have a negative impact on the University's ability to fulfill its mission.

Being a brand new University, strategic decisions would need to be made on which areas of the budget would be reduced should the 5% budget reduction exercise becomes reality. For planning purposes, the University would consider the following:

**Priority Number One - Reduce University Support**

- **University Support/Shared Services - (\$500,000)**  
The University would delay hiring additional staff which will result in fewer staff to respond to increasing needs and requirements of the student body, academic programs and regulatory reporting. In addition, the University would have to continue its shared services agreement longer than initially planned which will prevent us from implementing a plan to automate and significantly reduce long-term administrative costs.

- **Information Technologies - (\$300,000)**

The University would limit the implementation of cost-saving technologies that reduce administrative touch labor. We would not be able to adopt new IT technology and equipment which will have a negative impact on our high-tech students and applied research program.

- **Marketing/Communications - (\$333,085)**

Being a new university we rely more heavily on marketing to spread the word and recruit the top STEM-oriented students in Florida. A reduction would impact our ability to recruit high quality students.

**Priority Number Two - Reduce support for plant, operations and maintenance, (including facilities)**

- **Plant, Operations and Maintenance - (\$400,000)**

Although the campus has new buildings, the University would increase the initial timelines for preventative maintenance; eliminate positions and consider outsourcing; and reduce custodial services.

**Justification for Priority Number:** The justification for assigning the relative priority for reduction was based on the least impact to student learning and engagement and the University Strategic Plan.

**Calculation Methodology:** Because the University does not have historical data for its full cost, the calculation methodology used for the reduction issues was based on the budget.

**Statutory Change:** There are no requests for statutory changes.



**Florida State University  
5% Reduction  
2016-2017 Legislative Budget Request**

<b>Reduction Amount GR:</b>	<b>\$15,097,728</b>
<b>Reduction Amount Lottery:</b>	<b>\$ 1,884,010</b>
<b>Reduction Total:</b>	<b>\$16,981,738</b>

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The target budget reduction is substantial. If implemented, it will cut into the university's core mission to preserve, expand, and disseminate knowledge through instruction, research and public service. That mission is funded through 17 program components whose funds provide services ranging from enrollment to student services to library staffing. Significantly, state funds have traditionally been used to fund student access through enrollment program components. Increased numbers of students funded through enrollment program components, in turn, are provided services through funds allocated to the other program components. Due to previous budget reductions, a 5 percent reduction cannot be absorbed through efficiencies or trimming around the edges. The university has by necessity become more efficient. In fact, US News & World Report has consistently ranked FSU as the most efficient university in the country in delivering a quality education. All efficiency savings are being used to retain our employees or to repair and maintain our facilities. Many of these efficiencies are included in a separate submission of efficiencies provided to the Board of Governors. An additional 5 percent reduction in state funds necessarily will require a reduction in planned enrollment program components if critical components of the university are to be

sustained. Most of the remaining program components will be reduced as a result to the loss of funds to the instruction program component and the decline in students to be served. We have identified the planned instruction program component for reduction because taking the 5% reduction only in the remaining program components would disrupt university operations, often in unintended ways. Of course, the university will continue to review its operations to identify additional or alternative efficiencies to allow for continued access. After a reduction of more than a quarter of state revenues, however, these efficiencies are less evident than they once were and are much more difficult to realize.

In order to accommodate a 5% reduction, a decline in 886 FTE students can be anticipated stemming from the decline in services provided with the funds available through the planned instruction program component. FSU continues to be the university of choice for many students; for Fall, 2015 admission, FSU received nearly 40,000 applications. Not only would prospective students and their parents be negatively affected by the reduced slots available for students, but there would also be a reduction in the number of full time faculty and staff (152 FTE). The enrollment reduction represents a decrease of \$5,344,786 in general revenue for the instructional program. The loss of this number of students, if realized, will also result in a reduction of \$4,090,245 in student fees in addition to general revenue. The student fee shortfall as well as a portion of the instructional reduction may be offset, in part, through an overall increase to tuition and fees. It should be noted that some instructional losses may have to be offset for two years using university balances in order to comply with accreditation standards for the “teach out” of students in the midst of pursuing degrees.

Based on the reduction target assigned by the Governor’s Office, a reduction of \$11,636,952 remains to be prioritized among the remaining program components. Most will come from program components providing other academic services and a range of

enrollment related activities. FSU has developed reductions for 13 program components. The reductions are as follows:

**Program Component: Academic Administration**

Administrative, management and support services crucial to delivery of instruction in academic majors and other academic programs will be reduced by \$1,459,444, resulting in slower service and less assistance to students in completing their degree requirements, which could interfere with timely degree completion.

**Program Component: Student Services**

Services and programs which enhance the educational environment of the campus will be reduced \$1,715,311. These reductions will impact the availability of counseling and health services, student activities, Center for Academic Retention and Enhancement (CARE) and orientation programs. There will also be a reduction to services that provide financial aid evaluation and programs to assure prompt and orderly admission of applicants as well as a reduction in service to the area that provides administration services and initiates, maintains and preserves the official academic record of each student.

**Program Component: University Support**

The non-instructional support area will be reduced \$1,644,803. These units include all components of university administration and will result in slower processing of invoices, delay in getting bids to potential vendors, delays in processing vacancies for employee applicants, and slower response times for assistance.

**Program Component: Plant Maintenance**

The plant operations and maintenance will be reduced \$2,832,285. Preventative maintenance efforts will be performed on a less than optimal schedule and slower response time will result for routine repairs and maintenance.

**Program Component: Public Service**



The activities associated with the professional and/or discipline related services, other than instruction, that are beneficial to groups or individuals in the community will be reduced \$171,590.

Program Component: Academic Advising

Formal counseling to students on academic course or program selection, scheduling, and career counseling will be reduced \$283,265. The University has invested heavily in academic advising, academic mapping, and tutoring to help increase graduation and retention rates. These efforts appear to be paying off.

Program Component: Libraries/Audio Visual

Funding associated with the acquisition, organization, maintenance and control of library materials will be reduced \$287,869. The library materials budget will be reduced \$337,073.

Program Component: Radio and TV

Funding associated with activities related to the operation and maintenance of broadcasting services primarily dedicated to educational, cultural and public service programs will be reduced \$85,603.

Program Component: Museums and Galleries

The Ringling Museum activities related to the collection, preservation, and exhibition of historical materials, art objects, scientific displays and other objects under study at the Museum will be reduced \$129,605.

Program Component: Research (includes Institutes and Centers)

The research component will be reduced \$2,690,104. These funds support all ongoing research activities and will result in fewer resources being available to explore new research ideas. These funds support faculty while writing grant proposals.

The FSU Board of Trustees adopted the following Reduction Priorities:

Do not adversely affect enrollment if possible

Maintain sufficient courses to ensure timely graduation and maintenance of MAP progress

Exempt key infrastructure and operational services

Fund shift E&G costs to auxiliaries where possible

Eliminate expenses where possible, but retain expense funds for on-going operations

Promote enrollment by out-of-state students

Provide all units undergoing reduction an opportunity to justify current expenditures

Consolidate services where service quality does not suffer

Assign lower funding priority to entities not providing direct services to students

Preserve where possible programs disproportionately contributing to the research mission and operations of the university

Maintain existing PI accounts where possible



**FSU Student Financial Assistance  
5% Reduction  
2016-2017 Legislative Budget Request**

<b>Reduction Amount GR:</b>	<b>\$73,383</b>
<b>Reduction Amount Lottery:</b>	<b>\$</b>
<b>Reduction Total:</b>	<b>\$73,383</b>

*(Pursuant to the State of Florida Legislative Budget Instructions for FY 2015-2016, reductions must be program/issue specific and cannot simply be across-the-board percentage reductions.)*

Any loss in financial assistance will negate strides being made in graduation and retention. Very often students, who need the aid the most, are those last to complete the application process and finalize paperwork. Since most need-based aid is offered on a first-come basis, these students would be hit hardest.



**Florida State University  
College of Medicine  
5% Reduction  
2016-2017 Legislative Budget Request**

<b>Reduction Amount GR:</b>	<b>\$ 1,716,087</b>
<b>Reduction Amount Lottery:</b>	<b>\$ 30,256</b>
<b>Reduction Total:</b>	<b>\$ 1,746,343</b>

*(Pursuant to the State of Florida Legislative Budget Instructions for FY 2016-2017, reductions must be program/issue specific and cannot simply be across-the-board percentage reductions.)*

**2016-17 Five Percent (5%) Budget Reductions**

Florida State University's College of Medicine was charged by the Legislature to educate and develop exemplary physicians who are especially responsive to the needs of the elder, rural, minority and underserved populations. Resources were provided in the 2015 GAA to accommodate 480 students and actual enrollment is aligned with this target.

FSU College of Medicine developed a priority reduction by program area as follows:

**Program Component: Academic Administration (Priority #1)**

Administrative, management and support services will be reduced by \$666,869 in general revenue and by \$11,758 in educational enhancement funds. This reduction will result in slower and less frequent assistance related to the administrative support required in the delivery of academic programs.

**Program Component: Academic Advising (Priority #2)**

Formal counseling to students on academic course or program selection will be reduced by \$93,943 in general revenue and \$1,656 in educational enhancement.

Program Component: **Research** (Priority #3)

The research component will be reduced by \$708,948 in general revenue and \$12,499 in educational enhancement. These funds support all ongoing research activities and will result in fewer resources being available to explore new research ideas and less student exposure to research activities.

Program Component: **Library Resources and Staffing** (Priority #4)

Library resources will be reduced by \$11,323 in general revenue and by \$200 in educational enhancement, while library staffing will be reduced by \$38,859 in general revenue and \$685 in educational enhancement.

Program Component: **Public Service** (Priority #5)

The activities associated with the professional and/or discipline related services (other than instruction) that are beneficial to groups or individuals in the community will be reduced by \$192,171 in general revenue and \$3,388 in educational enhancement.

Program Component: **University Support** (Priority #6)

The non-instructional support area will be reduced by \$3,974 in general revenue and \$70 in education enhancement. These reductions will result in slower processing of financial transactions and slower response time for assistance.

**FSU College of Medicine Reduction Priorities:**

Do not adversely affect enrollment.

Maintain sufficient faculty to ensure timely completion of the medical degree.

Exempt key infrastructure and operational services.

Fund shift E&G costs to alternate funding sources where possible.

Prioritize expenses in such a way that expense funds are retained for on-going operations.

Provide all units undergoing reduction an opportunity to justify current expenditures.

Consolidate services where service quality does not suffer.

Assign lower funding priority to entities not providing direct services to students.

Preserve where possible programs disproportionately contributing to the mission and operation of the College.



## New College of Florida 5% Reduction 2016-2017 Legislative Budget Request

<b>Reduction Amount GR:</b>	<b>\$884,590</b>
<b>Reduction Amount Lottery:</b>	<b>\$ 49,562</b>
<b>Reduction Total:</b>	<b>\$934,152</b>

*(Pursuant to the State of Florida Legislative Budget Instructions, reductions must be program/issue specific and cannot simply be across-the board percentage reductions.)*

Actions to absorb the previous recurring budget reductions in past years leave very limited options for the College to consider should an additional 5% (\$934,152) reduction need to be implemented effective FY 2016-17. College-wide budget reduction planning efforts, informed by work of the College's faculty planning and budget committee and executive review, have sought to minimize the damage to the core academic program. Efforts will continue to focus on reducing non salary operating expenses. However, given that 75% of E&G costs are related to salary and benefits and in consideration of already insufficient staffing for critical support functions and minimum faculty staffing required for accreditation regarding the range of academic offerings, future reductions approaching 5% will likely require some form of salary reductions and/or layoffs impacting multiple pay plans.

### **Action Plan**

After making all possible reductions in non salary operating expenses, keeping non critical positions vacated through normal attrition unfilled, increasing revenues, where possible, and deploying cash reserves, the College would implement a graduated furlough plan, with higher paid positions being assigned more furlough days and lower paid positions fewer or none. The actual amount of savings needed to be generated will depend on how successful the College is in reducing non salary operating expenses. Furloughs are preferred to permanent salary reductions, at least for the short term, because this would allow time for the College to assess its economic outlook in relation to the State's, both for the immediate future as well as long term, while retaining its bare bones workforce. The down side is that while the basic workforce would remain intact to deliver services, the College's most accomplished faculty and staff may begin to look for other employment opportunities.

Such a reduction would cause significant harm to the core tenets of the College's highly successful and nationally recognized/ranked academic program. Students would have fewer opportunities for tutorials and collaborative research with faculty. Classes would be larger. Some areas of concentration would have to limit enrollment. Support services, which are already underfunded and understaffed, would have to reduce hours of operation.

Hopefully, the furloughs would buy time for Florida's economy to rebound sufficiently such that the furloughs could be reduced or eliminated. If the recovery takes longer and/or legislative decisions are to implement the reduction for whatever reason(s), the furloughs would have to be converted to permanent salary reductions and/or layoffs. It is recognized that these proposed salary actions will have to be negotiated with the College's three bargaining units, but each understands the magnitude of the State's and College's budget challenges and has expressed support for use of furloughs in lieu of layoffs or permanent salary reductions, at least for the short term, in order to allow sufficient time for any permanent cuts (once they are confirmed) to be thoroughly vetted.





**University of Central Florida  
5 Percent Reduction Exercise  
2016-2017 Legislative Budget Request**

<b>Reduction Amount GR:</b>	<b>\$12,470,349</b>
<b>Reduction Amount Lottery:</b>	<b>\$1,725,005</b>
<b>Reduction Total:</b>	<b>\$14,195,354</b>

*(Pursuant to the State of Florida Legislative Budget Instructions for FY 2015-2016, reductions must be program/issue specific and cannot simply be across-the board percentage reductions.)*

Thanks to continuing support of the Florida state legislature, UCF performance-based funding awarded in 2014-15 and 2015-16 is being used to enhance and/or implement a variety of initiatives, programs, and partnerships in support of the university's overall strategy and drive significant improvements in academic quality, operational efficiency, and return on investment. Despite prudent financial management and extensive cost-saving and other strategies implemented during the years of budget reductions and rapid student growth, the planned initiatives critically needed at this stage would simply not be possible without this support.

An estimated five percent reduction equals the amount of the 2015-16 performance-based funding, and hence would require curtailment and/or deferral of a significant portion of both the continuing and recently initiated investment strategies articulated in UCF's Work Plan. Specifically, the key initiatives and investments that would be directly impacted are as follows:

**Faculty Hiring and Retention**

UCF performance funding awarded over the last two fiscal years is being used primarily to implement a strategic faculty hiring plan to recruit and fill 200 new full-time tenured or tenure-track positions—particularly in areas of strategic programmatic emphasis—by the 2016-17 year. The first phase to hire 100 new full-time faculty in 2015-16 is almost complete.

The second 100 faculty positions to start during the 2016-17 academic year require an anticipated investment of \$12.9M (~\$4.6M supported from 2014-15 funds + \$8.3M from 2015-16 funds). The carry forward funds that will strategically accumulate during the recruitment process are already earmarked to fund the required one-time start-up packages for the second phase hires. Of the new positions, 50 have already been allocated to the colleges and the Office of Research and Commercialization; 33 have been allocated to the new faculty clusters in areas of strategic emphasis for the university; and 17 have been allocated to support a special hiring program that recognizes diversity and provides resources for opportunity hires that will strengthen our recruitment of nationally or internationally recognized scholars. While the recruitment efforts are underway or starting imminently, a financial loss of this magnitude means that the actual hires would have to be scaled back or placed on hold next year.

Given that the full-time, tenured or tenure-track faculty hires required to support UCF's growth have not been possible anywhere near the extent needed in recent years, we expect these hires to make a significant and measurable difference in strengthening our academic programs and realizing our goals. Specifically, the loss of these positions would hinder ability and plans to:

- increase course offerings to meet student demand;
- decrease class sizes;
- increase student engagement;
- increase support of undergraduate and graduate research;
- stabilize UCF's student-to-faculty ratio;
- boost growing graduate education, research promise, and potential economic impact.

Furthermore, the 33 anticipated faculty cluster hires are a critical component of our goal to achieve international prominence in research and key programs of graduate study. Deferral or loss of these hires would negatively impact efforts to further enhance research capacity to develop a robust, diverse, and recurring funding base; increase interdisciplinary publications reaching multiple disciplines; and strengthen the overall preparation of our students.

As UCF endeavors to hire and retain exceptional faculty to support our mission and goals, we must also be able to offer market-competitive salaries, professional development opportunities and an infrastructure to support the success of our existing faculty. Limited funding in recent years has challenged the university's ability to keep pace with cost of living and other salary increases, and provide adequate staff to support the university's growth. Consequently, our 2015-16 investment plans call for ~\$4.1M to support faculty retention and success in the form of an administrative discretion and promotion increase package (\$1.9M) and added staff support to further strengthen our academic departments in light of the new hires (\$2.2M). The loss of these funds in 2016-17 would mean deferral or discontinuation of other planned mission-critical activities and programs. Additionally, disruption of UCF's highly-publicized faculty recruitment and retention efforts would negatively impact our competitive edge in hiring and retaining exceptional faculty.

#### **Other Initiatives to Support Student Access and Success**

Supporting the continuation of existing student financial support programs in light of Bright Futures and other changes, as well as existing and new efforts to further promote student success, are essential to continue improving UCF's retention and graduation rates. Harnessing predictive analytics combined with other existing efforts to update current advising software and increase focus on mapping and tracking, will also allow UCF to shift from cohort-based approaches to individualized student interventions that can predict and prevent certain student failures before they happen. Almost \$2.4M of the new performance funds that have been earmarked to support these combined efforts would be impacted by a budget reduction.

In short, alteration to the implementation schedule and/or composition of the planned strategic initiatives that such a reduction would require would significantly impact expected outcomes and improvements to UCF's performance metrics through the 2019 metrics year. This would include changes in the anticipated increases in retention and graduation rates, shortened time to degree, and reduced excess credit hours. In absence of these funds, UCF's commitment to achieving a 90 percent academic progress rate and a 72 percent six-year graduation rate would be compromised, and hinders the university's ability to meet both community and statewide professional and workforce needs



**University of Central Florida  
College of Medicine  
5 Percent Reduction Plan  
2016-17 LBR**

<b>Reduction Amount GR:</b>	<b>\$1,280,077</b>
<b>Reduction Amount Lottery:</b>	<b>\$0</b>
<b>Reduction Total:</b>	<b>\$1,280,077</b>

*(Pursuant to the State of Florida Legislative Budget Instructions for FY 2016 - 17, reductions must be program/issue specific and cannot simply be across-the board percentage reductions.)*

The UCF College of Medicine admitted its seventh class on August 3, 2015 and is actively educating 455 exceptionally qualified students. The college received full accreditation from the Liaison Committee on Medical Education (LCME) on February 26, 2013, which is the second critical step toward achieving full accreditation. According to the LCME Standards, the college must demonstrate sufficient educational resources which include diverse sources of operating funds, sufficient numbers of faculty and staff, and adequate education resources to meet program needs. The letter from LCME conferring full accreditation noted the following:

*"Accreditation is awarded to a medical education program based on a judgment that there exists an appropriate balance between student enrollment and total resources of the institution, including faculty, facilities, and operating budget. If there are plans to significantly modify the educational program, or if there is to be a substantial change in student enrollment or in the resources of the institution such that the balance becomes distorted, the LCME expects to receive prior notice of the proposed change. Substantial changes may lead the LCME to re-evaluate a program's accreditation status."*

A 5% budget reduction of \$1,280,077 would be considered a substantive change and therefore require notice to the LCME. This 5% reduction is the equivalent of up to seven full-time clinical and basic science current faculty positions or positions under recruitment. The faculty positions are part of the staffing plan to support the academic program, and without them the College will be unable to strengthen its ability to deliver the curriculum. The operating expenses are an equally essential component to support the education materials, software, technology, and information resources of the M.D.

degree program. This would represent a 19% in operating expenses, which cannot be supported.

Having been in existence for only 10 years, the UCF College of Medicine is disproportionately dependent on the State of Florida recurring allocation for its overall operating budget when compared with mature medical schools. A budget reduction at this critical juncture significantly impedes implementation of the M.D. degree program, with class sizes increasing to our full enrollment of 480 in 2017. The emerging clinical operation does not contribute to the education program and there is no university hospital to provide academic support funds.

The UCF College of Medicine is an anchor tenant in Orlando's Medical City, a nascent but critical economic development engine for the central Florida region and the State. The success and reputation of the medical school does influence the progress of Medical City, which is estimated to have a \$7.6 million economic impact by 2017. Not meeting full enrollment, or not hiring the faculty resources that bring education, research and clinical expertise to the area, will impede the partnerships the medical school is building in Medical City.

In summary, a 5% recurring budget reduction would:

1. Put the UCF College of Medicine accreditation at risk
2. Prevent the growth to full enrollment of the MD program
3. Adversely affect the progress of Medical City development



**University of Florida  
5 Percent Reduction Exercise  
2016-2017 Legislative Budget Request**

<b>Reduction Amount GR:</b>	<b>\$16,898,974 + 86,869 + 7,099,836 + 5,175,344</b>
<b>Reduction Amount Lottery:</b>	<b>\$2,254,952 + 626,694 + 289,821</b>
<b>Reduction Total:</b>	<b>\$19,153,926 + 86,869 + 7,726,530 + 5,465,165=\$32,432,490</b>

*(Pursuant to the State of Florida Legislative Budget Instructions for FY 2016-2017, reductions must be program/issue specific and cannot simply be across-the-board percentage reductions.)*

During the great recession, UF experienced a significant tightening of its budget. In order to address these circumstances, UF pared instructional, research, and outreach services with the intent of increasing efficiencies while preserving essential functions. No units were spared serious scrutiny, few units were spared substantial cuts, and UF was scoured for efficiencies. In the course of this process, UF strived to maintain and improve the quality of its programs and was largely successful. Subsequently, the Legislature named UF a preeminent institution and that has enabled UF to pursue goals that will greatly benefit the citizens of the State of Florida, notably in the areas of education, research, and economic development. An additional \$32,432,490 in cuts, if not offset by increased revenue from other sources, could not be spread across the university without significantly reducing quality, impacting the preeminence program, and stalling the drive to rise among the top public research universities. Given the size of a 5% reduction, UF's only choice would be to select several large units and subunits for total elimination in order to assure the remaining units could maintain quality.

\$32,432,490 exceeds the total state budget of several of UF's smallest colleges. To meet this reduction, UF would need to eliminate from the university one or more whole colleges or several substantial segments of the large colleges and other budgetary units. Planning for such action would require careful consultation on the campus and with the BOT and an in-depth analysis of the consequences of the decisions on the instructional, research, and outreach portfolios of the university. That process cannot unfold before the due date for this report.

Consequences:

- (1) Students would no longer have the option to pursue the subjects and associated majors in colleges and subunits that had been eliminated.
- (2) The total faculty employed by the university would shrink significantly, resulting in a reduced workforce for instruction.
- (3) Student access to UF would decrease.
- (4) UF would lose the expertise of faculty in affected units. Thus, UF would not have all of the multidisciplinary expertise needed to drive the state's economic development.
- (5) With fewer faculty, UF's research productivity would decrease, resulting in fewer external grants and contracts. UF is awarded more than \$700 million annually. A decrease will represent lost economic opportunity in the State.
- (6) UF is the sole State of Florida institution that belongs to the AAU (Association of American Universities) that comprises the nation's top research universities. Whether or not UF could maintain that status after losing entire colleges is an open question. It would certainly make it difficult for UF to succeed in its drive to join the top 10 publics in the foreseeable future.

UF is committed to quality in discharging its mission as is evidenced by its preeminent status in the State of Florida. That commitment will not change. The strategy outlined above is the only one that would allow the university to maintain the quality of what it does to benefit the students, the State, and its citizens.



**University of North Florida  
5 Percent Reduction Exercise  
2016-2017 Legislative Budget Request**

<b>Reduction Amount GR:</b>	<b>\$4,086,633</b>
<b>Reduction Amount Lottery:</b>	<b>\$ 614,284</b>
<b>Reduction Total:</b>	<b>\$4,700,917</b>

*(Pursuant to the State of Florida Legislative Budget Instructions for FY 2015-2016, reductions must be program/issue specific and cannot simply be across-the-board percentage reductions.)*

Seventy-five percent of UNF's E&G budget is salaries and benefits, 4 percent goes to utilities. Other operating expenses constitute the remaining 18 percent. Thus, achieving a 5 percent reduction in overall state funding requires a reduction in personnel.

\$2,947,809 or 63 percent of the overall reduction would have to be made up of cuts in 45 visiting and assistant professor positions. This reduction in faculty would hamper growth in academic programs and research. The university would also have to reduce enrollment to maintain faculty-to-student ratios, reducing the number of available courses. One of the first places we would look for faculty and course reduction is in internships which are not required by accrediting bodies. Regrettably, these are often the courses that connect our students to future employers and make them more competitive in the workforce.

With a decrease in internships and overall enrollment, we would then look to proportionally reduce the workforce in the administrative and support areas by eliminating internship coordinators, advisors, financial aid and other support positions. These positions would total \$1,020,000. Several of these positions are used to increase access, retention and graduation rates.

**The additional \$733,108 needed to make the 5 percent cut would be achieved by reductions in technology expenses.**





**University of South Florida System  
Five Percent Reduction Plan  
2015-2016 Legislative Budget Request**

Reduction Amount GR:	(\$15,878,912)
Reduction Amount Lottery:	(\$ 2,285,769)
Reduction Total:	(\$18,164,681)

	General Revenue	Lottery	Total
USF Tampa	(\$10,648,427)	(\$1,680,900)	(\$12,329,327)
USF St. Petersburg	(\$1,295,568)	(\$ 74,227)	(\$1,369,795)
USF Sarasota-Manatee	(\$730,350)	(\$ 63,158)	(\$ 793,508)
USF Health	(\$3,164,499)	(\$ 467,484)	(\$3,631,983)
Financial Assistance	(\$40,068)		(\$ 40,068)

*(Pursuant to the State of Florida Legislative Budget Instructions for FY 2015-2016, reductions must be program/issue specific and cannot simply be across-the board percentage reductions.)*

**Instruction - (\$7,393,025) - 40.7% of Total Reduction**

- Optimize existing faculty instructional capacity thereby eliminating some reliance upon adjunct hires and visiting instructors.
- Eliminate instructional FTEs.
- Program reductions and closures.
- Reduce and/or cap enrollment.
- Increase faculty-student ratio.
- Increase faculty workload resulting in an impact to the faculty's ability to have assignable time to pursue research programs.
- Reduce summer school offerings.

**Academic Support - (\$2,016,280) - 11.1% of Total Reduction**

- Reduce staff support for faculty placing more direct burden on faculty for scheduling, procurement, processing, HR support and other office management.
- Reduce and/or eliminate support for academic programs and departments.

- Reduce advising and academic support services.

**University Support - (\$5,612,886) - 30.9% of Total Reduction**

- Eliminate FTEs which will impede delivery of core services such as oversight, compliance, responding to internal and external data requests, and reporting.
- Impact the university's ability to make investments towards meeting its Strategic Plan.

**Research - (\$508,611) - 2.8% of Total Reduction**

- Reduce research support (laboratory technicians, post docs, and graduate students).

**Student Services - (\$726,594) - 4.0% of Total Reduction**

- Streamline and curtail services related to admitting, registering, counseling, career services and other services for both graduate and undergraduate students.

**PO&M - (\$1,761,974) - 9.7% of Total Reduction**

- Reduce service levels resulting in delays in major and minor construction projects, vehicle repairs, maintenance services, trash removal, mowing, custodial services, etc.).
- Limit the ability to cover operational costs for utilities, equipment maintenance and fuel.
- Increase deferred maintenance and limits the ability to implement program improvements.

**Library Services - (\$145,620) - .8% of Total Reduction**

- Reduce and/or eliminate programs developed by medical research librarians that teach students and faculty best practices for research and information management skills.
- Reduce library services and library hours.
- Freeze purchase of electronic medical book packages.



**University  
5 Percent Reduction Exercise  
2016-2017 Legislative Budget Request**

<b>Reduction Amount GR:</b>	<b>\$ 5,298,213</b>
<b>Reduction Amount Lottery:</b>	<b>\$ 377,242</b>
<b>Reduction Student Financial Assistance</b>	<b>\$ 7,888</b>
<b>Reduction Total:</b>	<b>\$ 5,683,343</b>

*(Pursuant to the State of Florida Legislative Budget Instructions for FY 2015-2016, reductions must be program/issue specific and cannot simply be across-the board percentage reductions.)*

The University is continuing its focus on the goals set forth in its performance improvement plan despite budget constraints resulting from the reductions that started in 2007 and which persisted over the course of many years. All together, the University absorbed a total reduction of \$33.8 million.

Additional reductions will have a significant negative impact on the ability of the University to continue making progress to improve its performance metrics and to help students graduate with a quality education and achieve their ultimate career goals.

The priority order of the functional areas targeted below is based on limiting as much as possible the impact any additional reductions would have on UWF's basic mission and the successful retention and graduation of our students. We emphasize that the following estimates are preliminary and are based on various projections. If actual reductions are required, UWF may modify this plan.

**Functional Areas Targeted and Priorities:**

*Priority Number One – Reduced institutional support including information technology support and infrastructure, and facilities; \$2,012,516*

- (1) How the reduction will impact clients, agency operations, or other program areas:

- Fewer staff to respond to the ever increasing needs and requirements of the student body and academic departments.
  - Potential for limited hours of access to vital support services
  - Further increase to the level of deferred maintenance already impacted by lack of PECO funding.
  - Reduced support for process redesign initiatives that promote efficiency and effectiveness.
  - Reductions and delays in upgrading information technology infrastructure.
- (2) Justification for assigning relative priority for reduction:
- Based the priority on the degree to which student learning and engagement could be negatively impacted.
- (3) What calculation methodology was used for reduction issues:
- Historical cost.
- (4) Whether a statutory change is required to implement:
- No.
- (5) An explanation of distribution methodologies used to distribute the reduction to other entities:
- NA

*Priority Number Two – Reduced support for educational outreach, public service, regional economic development, research activities, and student support services; \$2,530,117*

- (1) How the reduction will impact clients, agency operations, or other program areas:
- Inability to fully implement the “Statewide Complete Florida Degree Program” funded in 2013-2014.
  - Reduced advising services both face-to-face and via distance learning.
  - Reduced funding for student employment opportunities.
  - Delays in graduates moving to the workforce and potentially slowing the state and region’s economic recovery.
  - Diminished opportunities to support economic growth in key areas by reduced support for workforce development and continuing education.
  - Reduced opportunities to engage in community and regional partnerships, including those with the military that drive economic growth in the region.
  - Reduced funding for graduate assistantship positions and other applied learning opportunities for students.

- Inability to respond to new initiative opportunities to support regional employer needs and growth in key areas.
  - Inability of centers and institutes to effectively compete for external funding.
  - Reduced funding for programs that support and enhance campus diversity.
  - Elimination of student support important to creating interactive and effective distance learning experiences.
- (2) Justification for assigning relative priority for reduction:
- Based the priority on the degree to which student learning and engagement could be negatively impacted.
- (3) What calculation methodology was used for reduction issues:
- Historical cost.
- (4) Whether a statutory change is required to implement:
- No.
- (5) An explanation of distribution methodologies used to distribute the reduction to other entities:
- NA

*Priority Number Three – Reduced support for academic programs including a reduction in the numbers of full-time faculty and adjunct instructors; \$1,132,822*

- (1) How the reduction will impact clients, agency operations, or other program areas:
- Reduced student retention and graduation rates.
  - Fewer course offerings resulting in delayed student graduation.
  - Inability to recruit and retain qualified faculty having a negative impact on student learning outcomes.
  - Larger class sizes resulting in less opportunity for student and faculty interactions.
  - Reductions and delays in replacing computer lab equipment and upgrading classroom technology.
  - Reduced access to programs, courses, and services delivered at all campuses including the Emerald Coast campuses.
  - Increased student-to-faculty ratios.
  - Increased probability of courses being taught by adjuncts because of reduced numbers of full-time faculty.
  - Reduced ability to maintain services at current levels at the Emerald Coast

- (2) Justification for assigning relative priority for reduction:
  - Based the priority on the degree to which student learning and engagement could be negatively impacted.
- (3) What calculation methodology was used for reduction issues:
  - Historical cost.
- (4) Whether a statutory change is required to implement:
  - No.
- (5) An explanation of distribution methodologies used to distribute the reduction to other entities:
  - NA

*Priority Number Four-Reduced support for need-based student financial assistance; \$7,888*

- (1) How the reduction will impact clients, agency operations, or other program areas:
  - Reduce the number of students receiving need-based financial aid.
  - Reduce student retention and graduation rates.
  - Increase in student debt.
  - Delays in graduates moving to the workforce.
- (2) Justification for assigning relative priority for reduction:
  - Based the priority on the degree to which student learning and engagement could be negatively impacted.
- (3) What calculation methodology was used for reduction issues:
  - Historical cost.
- (4) Whether a statutory change is required to implement:
  - No.
- (5) An explanation of distribution methodologies used to distribute the reduction to other entities:
  - NA