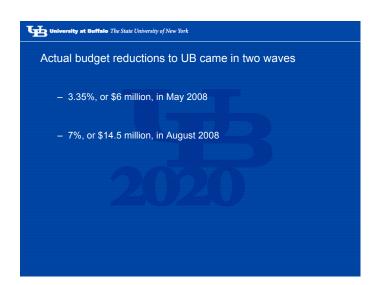




Summer 2008 headlines

- Downturn in NY and US economies significantly reduces NY tax revenues
- Projections indicate statewide shortfalls in excess of \$6 billion in 2008, and \$20+ billion over next three years
- Governor orders all state agencies to reduce budgets by 7%
 on top of previously ordered 3.35% cut
- \$96 million estimated reduction for SUNY
- Total cuts to UB could exceed \$20 million in 2008





The Campus response

- The initial \$6 million cut was applied evenly across all units of the campus
 - Units developed specific plans for mamging the reduction
 - Cuts achieved largely through reductions in OTPS with some slowdown in non – essential hiring
- The 7%, \$14.5 million reduction, however, required a more strategic and comprehensive response
 - · Seek broad based opinions and ideas
 - Make principled based decisions
 - Minimize impact to teaching and research

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- Provost formed Financial Management Advisory Group
 - Austin Booth University Libraries
 - Carol Brewer School of Nursing
 - John Canty School of Medicine and Biomedical Sciences
 - Peter Grollitsch Undergraduate Student Association
 - Bob Hoeing Department of Linguistics, Faculty Senate
 - Daniel Kehoe Graduate Student Association
 - Janiece Kiedrowski Arts and Sciences Libraries, Professional Staff Senate
 - Christanne Miller Department of English, College of Arts and Sciences
 - Sharon Mitchell- Student Health and Wellness, Division of Student Affairs
 - Scott Nostaja Office of the President and Human Resources
 Joe Rabb Environmental, Health and Safety
 - Debbie Schifferle University Communications
 - John Thomas School of Management
 - Scott Weber Department of Civil Engineering
- Convened Deans and VP's for strategic ideas
- Solicited opinions / suggestions from campus at large via web and other means (1,700 responses)



Several principles emerged from inputs received

- Make selective and strategic decisions
- Enhance the quality of the UB educational experience
- Enhance UB's scholarly and creative capacities
- Create efficiencies through organizational restructuring
- Expand and diversify revenue streams



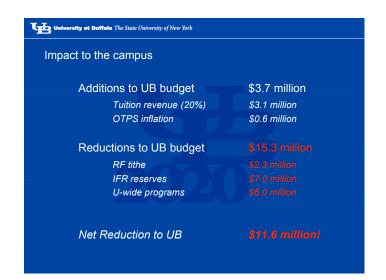
Cost reduction and revenue enhancement strategies

- Moratorium on all hires (limited exceptions) and on all expenditures in excess of \$5,000
- Seek cost reductions through restructurings and reorganizations
 - Currently exploring IT and Development
- Pursue various unit specific cost reduction plans
- Increase efficiency in FSA and Housing to enhance revenues (projected \$3 million)
- Expand summer session opportunities to increase revenues
- Use central funds to absorb half the cuts <u>and</u> differentiate cuts across campus units (less to academic units)



2009 - Governor proposes new cuts to UB and SUNY

- Proposes to increase tuition by \$600 but directs 80% of the new revenue into State's general fund
- Proposes a tax on all funds generated by the campus for research
- Proposes a permanent tax on campus held IFR reserves
- Proposes to offset 80% of professional program tuition income
- Proposes to raise graduate tuition by 21% but retains 80% of income and reduces tuition scholarship funds by 15%
- Proposes reductions in various university-wide programs (e.g., MCEER, RIA)



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Campus actions

- · Aggressively pursue passage of UB 2020 legislation
- · Reconvene the Financial Management Advisory Group
- · Accelerate restructuring and reorganization efforts
- Consider and develop new approaches for further cost reduction scenarios