

Nevada System of Higher Education



FY 2008-09

3.42% Budget Cuts

Institution Information and Reference Material

Governor's Cut Target %	3.42%
NSHE FY 09 Op Budget	\$ 650,185,354
Target Reduction Amount	\$ 22,204,037

***** Additional FY 09 Budget Cuts*****

Biennial Totals by Appropriation Area:	General Fund	Required Cuts	Operating		Total FY 09
			Funds	CIP's	Additional Cuts
UNR	\$ 136,590,971		\$ 4,660,979	\$ -	\$ 4,660,979
School of Medicine	\$ 34,753,277		\$ 1,188,562	\$ -	\$ 1,188,562
Athletics	\$ 6,902,237		\$ 236,057	\$ -	\$ 236,057
Statewide Programs	\$ 8,509,466		\$ 291,024	\$ -	\$ 291,024
Agricultural Experiment	\$ 9,249,670		\$ 316,339	\$ -	\$ 316,339
Cooperative Extension	\$ 9,410,306		\$ 321,832	\$ -	\$ 321,832
Business Center North	\$ 2,550,450		\$ 87,225	\$ -	\$ 87,225
State Health Lab	\$ 2,046,391		\$ 69,986	\$ -	\$ 69,986
UNR, All Areas	\$ 210,012,768	\$ 7,172,004	\$ 7,172,004	\$ -	\$ 7,172,004
UNLV	\$ 172,988,843		\$ 5,246,693	\$ -	\$ 5,246,693
Athletics	\$ 9,103,052		\$ 622,469	\$ -	\$ 622,469
Boyd School of Law	\$ 9,126,630		\$ 316,677	\$ -	\$ 316,677
Statewide Programs	\$ 1,458,566		\$ 92,187	\$ -	\$ 92,187
Dental School	\$ 8,431,499		\$ 523,392	\$ -	\$ 523,392
Business Center South	\$ 2,171,463		\$ 140,661	\$ -	\$ 140,661
UNLV, All Areas	\$ 203,280,053	\$ 6,942,079	\$ 6,942,079	\$ -	\$ 6,942,079
CSN	\$ 97,672,554	\$ 3,335,549	\$ 2,985,549	\$ 350,000	\$ 3,335,549
GBC	\$ 16,997,300	\$ 580,463	\$ 580,463	\$ -	\$ 580,463
TMCC	\$ 41,002,040	\$ 1,400,233	\$ 1,400,233	\$ -	\$ 1,400,233
WNC	\$ 21,251,842	\$ 725,757	\$ 725,757	\$ -	\$ 725,757
NSC	\$ 17,670,035	\$ 603,437	\$ 603,437	\$ -	\$ 603,437
DRI	\$ 9,795,172	\$ 334,508	\$ 334,508	\$ -	\$ 334,508
Special Projects	\$ 2,751,729	\$ 93,972	\$ 93,972	\$ -	\$ 93,972
University Press	\$ 916,397	\$ 31,295	\$ 31,295	\$ -	\$ 31,295
Nat'l Direct Student Loans	\$ 50,904	\$ 1,738	\$ 1,738	\$ -	\$ 1,738
System Computing	\$ 23,162,289	\$ 791,000	\$ 791,000	\$ -	\$ 791,000
System Administration	\$ 5,622,271	\$ 192,002	\$ 192,002	\$ -	\$ 192,002
NSHE System	\$ 650,185,354	\$ 22,204,037	\$ 21,854,037	\$ 350,000	\$ 22,204,037

UNIVERSITY OF NEVADA, RENO

Estimated 3.42% Cut: \$4,660,979

At the January 7th special meeting of the Board of Regents, the university outlined its plan in response to the governor's 4.5% general fund reduction for Fiscal Year 2009. Included in this plan were strategic budget cuts in excess the amount necessary to meet the amount required by the governor. These reductions, totaling approximately \$2 million, were intended to partially restore funding for temporary instructors within the colleges and reduce our dependence upon salary savings to fund much of our undergraduate instruction program. Instead, these strategic cuts will now be applied to meet the reduction imposed during the recently concluded special session of the legislature. The strategic reductions included the following:

• Eliminated <u>Applied Research Initiative</u>	675,000
• Restructured <u>Marketing and Communications</u>	574,000
• Shifted funding for <u>Mining Engineering</u>	400,000
• Eliminated <u>Excellence in Teaching Program</u>	310,000
Subtotal	\$1,959,000

In addition to these reductions, the university will take the following actions to balance to the reduced general fund allocation:

- Delay or postpone searches for vacant professional or classified positions:
\$1,000,000
- 5% reduction to college and departmental operating budgets:
\$1,600,000
- Eliminate Equipment Acquisition/Replacement Budget:
\$300,000

SCHOOL OF MEDICINE

Estimated 3.42% Cut: 1,188,562

- Additional salary savings from vacant positions: \$700,000
- Delay in hiring clinical, basic science and administrative faculty: \$400,000
- Operating and travel reductions: \$100,000

STATEWIDE PROGRAMS	\$291,024
AGRICULTURAL EXPERIMENT STATION	\$316,339
COOPERATIVE EXTENSION SERVICE	\$321,832
INTERCOLLEGIATE ATHLETICS	\$236,057
BUSINESS CENTER NORTH	\$87,225
STATE HEALTH LABORATORY	\$69,986

Salary savings, operating reductions, and shift to soft funds

UNIVERSITY OF NEVADA, LAS VEGAS

Note: This information will provide an outline of the impacts of the additional FY09 3.42% reductions. The information below highlights the current assumptions relative to addressing and meeting these additional reductions, but final actions taken and exact amounts realized are likely to change so as to minimize adverse impact and take advantage of unfolding opportunities. It is important to note that there will likely be new information available further into the fiscal year, and this may give rise to other opportunities which could have impacts on the summary plans noted below. This additional information could include further requests for budget reductions. It is important to understand this caveat within the context of reviewing this material.

Overall Summary of Budget Reductions Taken to Date

Listed below is an overall summary of budget reductions already implemented (original “4.5%” cuts). The additional reductions noted later in this report will be on top of these reductions.

	2007-2009 Cuts to Date
Original (\$M)	\$18.1M
Off top/iNtegrate	\$3.14
“1-shots”	\$0.95
Capital projects	\$1.85
Res Infrastructure	\$0.41
HECC funds	\$2.60
Paradise campus lease	\$2.85
Law/Dent/etc	<u>\$0.90</u>
Subtotal	\$12.70
6 mo merit	\$1.44
Other Operating Budget	\$4.0
Subtotal	<u>\$5.44</u>
TOTAL	\$18.1 M

Summary of Additional 3.42% Budget Reduction and Impacts - UNLV

Budget Reduction	Impact
Hiring Restrictions	<ul style="list-style-type: none"> • UNLV has had a “soft” freeze on filling vacant positions since the initial budget reduction discussions which resulted in the 1st Budget Reduction of 4.5%. This hiring freeze will become much harder in that any open position must be reviewed centrally through the Provost’s office before it is advertised

Budget Reduction	Impact
	<p>and filled. It is anticipated that few exceptions will be made and the impact of this will be a further reduction of services to the campus and to students.</p> <ul style="list-style-type: none"> • Savings realized through this strategy will provide some further relief for current budget reduction targets, FY09 budget priorities/requirements (mostly in the Academic area), as well as options for future biennial targets.
Professional Staff Reductions	<ul style="list-style-type: none"> • Notices of Non-reappointment were provided to 28 professional staff members (with annual salary and benefits totaling approximately \$2.52 million), on June 30, 2008. • These Notices of Non-reappointment are in addition to the 70 that had already accumulated during the year, for a total of 98. There would have been between 15 to 20 Letters of Non-reappointment in a “normal” year. • The 28 staff who received notices on 6/30 impacted staffing reductions in the administrative areas across the campus. • Of the 28 that received the Notices of Non-reappointments, 12 individuals took advantage of a buy-out program to allow them to leave before the end of their notice period in exchange for a partial payment of the full annual salary and benefits available to them. The FY 2009 net savings (total annual salary and benefits minus buy-out amount) for these individuals was approximately \$651.1 thousand (includes one position credited in the Law appropriation).
Reduction in Part-time Instruction Expenditures	<ul style="list-style-type: none"> • UNLV has reduced PTI expenditures by about 20% for FY 2009, which amounts to approximately \$1.9 million. In order to address this deficiency in the instructional program faculty teaching loads will be increased and class sizes will be increased to the maximum size allowed by the physical facilities. • This increase in teaching load is not completely sustainable, as it is significantly different from peer institutions and can have an impact on instructional quality (depending on the format of the class) and many of the university’s best faculty could end up leaving.
Vacant Faculty Lines Not Filled	<ul style="list-style-type: none"> • 40 faculty lines will not be replaced effective this year, to address both budget reduction requirements but also to help support other priority program needs for this fiscal year (within the Provost’s Area). • The impact of this action and the reduction in the PTI budget above could result in offering approximately 500 less classes this year than last year. This could impact over 13,000 class seats, and over 1300 annual FTE.
Defer Computer Replacements	<ul style="list-style-type: none"> • The university will take at least a one-year hiatus from routine computer replacements and will only replace broken

Budget Reduction	Impact
	and non-working machines.
Defer Construction and Installation of new IT and Classroom Technology	<ul style="list-style-type: none"> The university will delay installation of new IT and classroom technology in old classrooms, as well as classroom and laboratory renovations/improvements.
Vacant Administrative Lines Not Filled or eliminated.	<ul style="list-style-type: none"> Actions to not fill positions, re-tasking, or appointing internal individuals to positions. Examples include Vice Provost for Academic Resources; VP and APV for Research; Deans of Sciences, Honors, and University College; VP for Student Affairs; combining the dean positions of Allied Health and Nursing Colleges; combining departments in Allied Health and reducing the number of Associate Dean positions needed (e.g. the Hotel College eliminated two administrative positions, an Associate Dean and an Assistant Dean position for a total of \$260k, which will impact their ability to sustain programs and activities). The VP Research eliminated two professional positions which supported technology needs for research infrastructure. The Associate Vice President for Finance position has been eliminated. The VP Advancement eliminated two professional positions in the area of Publications and Reprographics, which will impact campus services.
Reduction of Travel for non-faculty	<ul style="list-style-type: none"> The university has instituted strict oversight and approval for any travel for non-faculty employees.
Graduate Student Support	<ul style="list-style-type: none"> The university has decreased the number of graduate students that can be supported, which also effects instruction because these graduate students would have teaching responsibilities.
Reductions in Enrollment Services	<ul style="list-style-type: none"> The university has made reductions even in the enrollment services area (admissions, registrar, financial aid) even though this area will be implementing the new automated student system (iNtegrate) Operating cuts in this area will reduce their ability to support client needs.
Career Services	<ul style="list-style-type: none"> The university has made some reduction to the career services program.
Student Affairs Technology Support	<ul style="list-style-type: none"> Cuts in the Student Affairs Technology area will reduce Student Help Desk coverage and delay software development and equipment repair. Many student services are now electronic, so reductions will reduce our ability to meet demand for these services.
Student Affairs Divisional Assessment	<ul style="list-style-type: none"> One position was eliminated that was to provide divisional assessment support. The impact of this reduction is that there will be a limited

Budget Reduction	Impact
	ability to assess student satisfaction and make the appropriate adjustments to support the campus climate.
Police Services Operating	<ul style="list-style-type: none"> • The university has reduced funding for the police services operating, but has prioritized retaining the current number of police officers.
Utility Expenditures	<ul style="list-style-type: none"> • The university has already turned up the set points for indoor air temperature in the summer and down in the winter. • The university has also been aggressive in removing turf in order to receive rebates and reduce the water bills. • These and other investments to decrease utility consumption overall will cover unit cost increases for electric, water, etc., and hopefully also allow modest budget reductions.
Defer Larger Building Repair and Maintenance Projects	<ul style="list-style-type: none"> • The university will retain support for on-going building preventative maintenance activities; however, it will eliminate/defer larger building repair and maintenance projects. • This will impact all space, including classrooms as well as research space. There will also be limited ability to support building occupant requests/complaints as the overall building operations staffing has been reduced. • Eight (8) positions were eliminated in HVAC/Maintenance from Facilities.
Business Operations	<ul style="list-style-type: none"> • Less business support staff exists for transaction processing which will likely lead to longer processing times and more complaints about lack of “infrastructure” to support institutional needs. The specific administrative areas where reductions have already been made include the following: <ul style="list-style-type: none"> • Controller/Accounting support • Telecommunications • Human Resources • Business Office operations for Athletics • Purchasing staff support • Operating dollars have also been reduced in most departments (specifically administrative areas), some of which will not have negative impacts (e.g., a vendor “e-bill” program will reduce mailing and other costs through the use of electronic student billings), but in other cases will have negative impacts (e.g., staff professional development and training, replacement of computers and other equipment)
Building Cleaning	<ul style="list-style-type: none"> • Cleaning of buildings will focus on bathrooms and common areas. Individual office trash pick up and cleaning will be reduced from a daily service to 1 to 2 times per week. Other cuts in non-common area cleaning will also be considered (schedule for implementation August 2008).
Reduction for Research Challenge	<ul style="list-style-type: none"> • The reduction of the FY09 Research Challenge Grant will reduce options we have to match external research grants.

Budget Reduction	Impact
Grant (Applied Research Initiatives)	We will, to the extent funds are available, use F&A and other sources to address opportunities that arise.

Overall Summary of Additional 3.42% FY09 Budget Cuts:

NOTE: ALL DOLLARS IN MILLIONS

UNLV Target – All appropriations **\$6.94M**

Note: Priority given to supporting our students, our academic programs, and maintaining our research mission

Summary Proposals:

UNLV Main Campus - Allocated reduction amounts to VP areas (differential allocation of percentage of budget NOT ACROSS THE BOARD) with allocations of cuts		Differential amounts highest to administrative areas.
Net FY09 savings from NNR's who took buy-out (Notice of Non-Reappointments/Notices of Termination)	\$0.60	
PTI Budget Reduction/Increased Class Size/Teaching Load	\$1.90	
Vacant positions held open – net towards reduction	\$0.75	
Reduction in operating	\$0.40	
Reduction for Research Challenge Grant	\$0.68	
Administrative and Facilities Area Staffing Reductions	<u>\$0.92M</u>	
Subtotal	\$5.25M	
Law School operating reductions information below	\$0.32	See summary
Dental School operating reductions information below	\$0.52	See summary
Athletics operating reductions information below	\$0.62	See summary
SW Programs operating reductions information below	\$0.10	See summary
Business Center South operating reductions. information below	\$0.14	See summary
TOTAL	<u>\$6.94M</u>	

Summary of Additional 3.42% Budget Reduction and Impacts – William S. Boyd School of Law: \$316,677 Reduction.

The additional FY09 reductions for the School of Law will be addressed through the initiatives noted below, many of which extend into FY09 programs and activities reduced for FY08.

- Loss of leadership and support for technology both in the Law Library and the Law School as a whole (postponed search for technology-related Law Librarian; cut IT position).
- Reduction in student admissions and recruitment staff (cut one professional staff).
- Reduction in number of faculty positions (cut one faculty position).
- Reduction in library services provided to students and public patrons
- Cancellation of many law journal subscriptions (saving operational dollars).
- Reduction in number of clients that can be served by the law clinic (loss of social worker through Notice of Non-Reappointment and savings due to buy-out vs annual cost).
- Reduction in funding for part time instructors and class electives
- Reductions in funding for computer replacements and classroom equipment
- Reduction of administrative support for faculty teaching and research (postponed support staff searches; cut student administrative and research wages).
- Reduction in supplies and resources for printing

Summary of Additional 3.42% Budget Reduction and Impacts – School of Dental Medicine: \$523,392 Reduction.

The dental school operates on an integrated curriculum within a structured academic year. This curriculum differs from other programs in that dental students have a defined steplock schedule with no optional courses. All current courses are graduation requirements. Due to facility limitations, there are a set number of students in each class. Therefore, it is not possible to add students to increase the class size. Given these parameters, it is impossible to eliminate, reduce, combine or limit programs or courses while maintaining accreditation standards.

The dental school is one of the few NSHE programs that operate its own patient clinical facilities as part of its core curriculum. The dental school is obligated and committed to quality control standards for patient care including the best practices for infection control, blood borne pathogens and HIPAA compliance. This results in mandatory increased costs that are not incurred by all other colleges.

The average national investment of educating a pre-doctoral dental student is \$95,065. The UNLV dental school's investment is \$75,812 or 20% less than the national average, ranking UNLV 38th of 56 dental schools. Budget cuts to date will further widen the funding gap. (Source: American Dental Association, Survey Center, 2006-07 Survey of Dental Education)

Operating expenses have already been impacted by the rising costs of healthcare consumables and additional facility costs thus reducing the effective operating expenses to the minimum allowable for meeting accreditation standards. Therefore, the only viable option for further budget reductions are part-time faculty, non-faculty staff and student supplies. The impact of these reductions will severely cripple the dental school's infrastructure. Some of the impacts of these reductions are highlighted below:

Reduction in part-time clinical faculty resulting in a total loss 8.5 FTE and approximately* \$200K. This will raise the instructor-to-student ratio to the minimum and in some instances may put accreditation status at risk.

Reduction in information technology and institutional support professional staff of approximately* \$100K. This will result in less support for students and faculty in a technology driven environment.

Reduction in dental assistants and administrative assistant classified support staff of approximately* \$193K. This will directly affect patient care and student support services. This will directly affect patient care with longer appointments due to fewer chair side dental assistants, longer waits to schedule appointments, fewer staff to process student applications and compliance with administrative non-clinical procedures.

Reduction in operating expenses by rationing of supplies to dental students of approximately* \$30.4K. This will reduce the number of educational experiences per dental student that are provided from the operating budget and may require students to purchase additional supplies themselves. This reduction will also decrease the opportunity for hands-on experience of a variety of dental equipment and products.

*Actual amounts may vary due to Board approval of reduction plan and actual date of employment separation. Net reduction will be \$523.4K.

Changes for Advanced Dental Education Programs.

The decision on the major change to the Orthodontics program was in part made to recognize and respond to the current financial pressures.

Delays in other Advanced Dental Education programs have also been implemented - we have suspended plans for implementation of these new programs.

**Summary of Additional 3.42% Budget Reduction and Impacts –
Intercollegiate Athletics: \$622,469 Reduction.**

The plan from Athletics includes approximately \$239k from salary savings for seven (7) positions that we have not filled. Additional salary savings may extend beyond this due to position openings (time to fill for those that are critical and forced vacancies for those that are not).

In operations, we will cut an additional \$149k, primarily from savings from the new NIKE multi-year apparel contract.

Historically, we have scholarship savings and will use \$84k from this expenditure area towards the budget reduction. Although this early in the year it is difficult to analyze actual savings in this area because all squad lists and total equivalencies have not been calculated, we are confident that \$84k can be saved in this area given the scholarships allocated to date and including the resident/non-resident mix.

This past year we increased our reserve by \$443,680 to \$1,642,330 dollars and will use \$150k from the reserve (offsetting existing state funded activities) to balance the remaining dollars needed to reach \$622,469.

At this point, without the use of some reserve, we would be reduced to significantly impacting our program operations, which would compromise our team travel, recruiting and meet the minimum competitions. Once that occurs, we have serious concerns regarding Title IX and gender equity, compliance with NCAA certification and safety and liability issues.

**Summary of Additional 3.42% Budget Reduction and Impacts –
Statewide Programs: \$92,187 Reduction.**

The additional reductions would impact the operating/support budgets for the following programs, all of which are relatively small already. These reductions would have a significant impact on their ability to support programming for the fiscal year.

- KUNV Radio Station
- Nevada Small Business Development Center
- Southern Nevada Writing Project
- UNLV Museum
- NSCEE (National Supercomputer Center for Energy and the Environment)

**Summary of Additional 3.42% Budget Reduction and Impacts –
Business Center South: \$140,661 Reduction.**

Business Center South (BCS) provides overall administrative support for UNLV, CSN

and NSC. Specific areas of focus include payroll/personnel and other aspects of Human Resources for all three institutions, and support in purchasing, travel, accounts payable, general accounting, and other administrative areas for NSC. These additional reductions will decrease staffing overall in Human Resources and Purchasing, and greatly limit any operating budget expenditures for these programs for FY09, resulting in diminished services for UNLV, CSN and NSC.

NEVADA STATE COLLEGE - HENDERSON

In order to address the additional 3.42% budget cuts for FY 2008-2009, or \$603,437, Nevada State College has taken the following action:

Suspended the search for Dean of Business -	\$184,639
Suspended the search for a Dean of Nursing -	\$184,639
Reduced operating budgets throughout the institution -	<u>\$234,159</u>
	\$603,437

COLLEGE OF SOUTHERN NEVADA

Over the past several months CSN has worked to address operating budget cuts as imposed on the institution as a result of the state's revenue shortfall. In addition to the initial 4.5% cut addressed through operating reductions, utilization of deferred maintenance funding, excess student fee collections in FY 2007-08, faculty merit pay deferral in FY 2008-09, application of the general fund appropriation of the iNtegrate funding, and the assessment of student surcharge for the 2008-09 academic year, CSN provides the following on an additional 3.42% reduction (which equates to \$3,335,549.)

FY 2008-09 Budget Reduction Assessment

Capital Improvement Funds:

CSN received an appropriation for completion of the Classroom/Library Building for Furniture, Fixtures, and Equipment (FF&E) in the amount of \$4.4M. As a result of the budgetary reductions, the campus has identified \$350,000 of the FF&E to apply to the budget cut. The campus will forego a portion of the FF&E.

Operating Reductions:

Specific strategies to address the balance of the cuts, which requires an additional \$2.9M, will include all operating areas of the institution, specifically:

- Hiring moratorium – during the Spring of 2008, CSN placed a hiring moratorium on all vacant positions; this will identify salary savings which will be utilized for the reduction. The result of the moratorium has had a detrimental impact on students as we have been unable to replace vacant faculty, student services positions, police officers, and other support positions at the campus.
- Operational reductions – the institution is implementing additional reductions to departments within the College. They include a freeze on employee travel, and reduction of departmental supplies, learning materials, and resources for students.

GREAT BASIN COLLEGE

The Governor's mandated budget reduction of 3.42% for fiscal year 2009 amounts to \$580,463 to the Great Basin College's budget. The breakdown of these budget cuts and the impact on the functional areas is as follows:

1. **INSTRUCTION:** The Instruction function has been reduced by 4.5 FTE amounting to \$286,119. This reduction will impact student success directly by reducing numbers of class offerings and increasing the size of classes. We know that the more students in each class will reduce the amount of time instructors can spend with each student, one-on-one. The result of fewer class offerings can actually impact the anticipated graduation date of students.
2. **ACADEMIC SUPPORT:** The Academic Support function has been reduced by 1.5 FTE amounting to \$75,939. This reduction will impact student success by reducing computer services and library assistance. In addition to adding demands on existing staff, the students in most need of these services will directly feel the reductions.
3. **STUDENT SERVICES:** The Student Services function has been reduced by 1 FTE amounting to \$42,093. Unfortunately, the reduction was isolated to the financial aid. This will impact our ability to offer assistance to those who most need financial support. The logical result is a drop in student FTE because of lack of financial counseling and assistance.
4. **INSTITUTIONAL SUPPORT:** The Institutional Support function has been reduced by 1.5 FTE amounting to \$89,304. This reduction will impact student's receipt of timely financial assistance and payments, add longer waits to receiving services and a general slowdown in the critical area of support. This reduction will directly impact students.
5. **OPERATIONS AND MAINTENANCE:** The Operations and Maintenance function has been reduced by 2 FTE amounting to \$87,008. The impact of these cuts will be felt by faculty, staff, and students alike. Lawns will not be mowed timely. Buildings will receive fewer cleanings and deferred maintenance will become the rule of thumb.

Consistent with the governor's request, the 3.42% budget cut will reduce GBC's faculty and staff by 10.5 FTE and create a budget reduction of \$580,463.

TRUCKEE MEADOWS COMMUNITY COLLEGE

The January 2008 approved budget reductions for the 2007-2009 biennium required Truckee Meadows Community College to achieve a reductions of \$3,017,591. This budget cut created significant hardships for students, faculty, staff and the community. In July 2008 the College was informed an additional reduction of \$1,400,233 was required for the 2008-2009 fiscal year. The additional cut requires the College to cut the current year operating budget by \$2,907,894 dollars or 7.09% of the \$41 million budget. The reduction eliminates the College's ability to introduce new programs and respond to work force training needs of the community and has a very negative impact on TMCC and the community it serves.

The following highlights some aspects of the reductions:

Personnel

- As of July 1, 2008, the College had more than 60 vacant positions. Only faculty positions are being replaced. Forty eight of the vacant positions are administrative support and/or administrative positions and these vacancies have resulted in reduced services which includes:
 - o Reduced hours of service to students,
 - o Delays in responding to external inquiries and reports, and
 - o Has affected the cleanliness and appearance of buildings and grounds;
- As of January 2009 use of College facilities by the community will be limited as the College will begin to charge for external facility use;
- A long-term impact will be reduced employee morale.

General Operations

- An effort has been made to preserve operating funds in teaching departments. All other departments will have reductions to already inadequate budgets. The impact will be borne by Student Services, including Financial Aid and Admissions and Records and all Administrative units, including the President's and Controller's offices, Human Resources and Physical Plant;
- Reduction of administrative travel budgets by more than 50% will require some reduction of staff attending Board of Regents meetings as well as a major reduction in participation in professional organizations and training;
- These reductions will adversely impact high-cost programs such as allied health programs;
- Reducing Library budgets has an adverse impact on resources available to students and long-term can impact accreditation.

Maintenance, HECC, Equipment and One-Shots

- Delaying maintenance, replacement and upgrade of facilities is only a short-term solution to cover budget reductions in the general operating areas and maintain student access and success. This change allows the College to continue to provide access but with lesser quality facilities and equipment.

The following overview identifies budget actions to achieve the additional budget reduction of \$1,400,233 for the 2008-09 academic year. TMCC had record student enrollment for the 2007-2008 academic year and projects even greater enrollment for the 2008-2009 academic year. Activities are identified to the Categories identified on the summary financial exhibit for “Biennial Budget Cuts.”

Operating Budget (Personnel)

There are currently more than 60 vacant positions, including maintenance and grounds, advisors, environmental health and safety, student accounts, instructional assistants, internal audit and two cabinet level administrators. These positions are frozen while an assessment of priorities, and the ability to discontinue or share work, and responsibilities is completed. The College will contribute \$800,000 toward the budget cut from salary savings from this group of employees.

<u>Salary Savings</u>	\$800,000
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Other

A variety of measures are underway as follows:

Deferral of office/classroom upgrades	\$100,000
Capital Improvement Fees to cover O&M expenditures	200,000
Reduce memberships, community Activities and discretionary expenses	50,000
Delay additional equipment replacement	50,000
Off load selected activities to non-State funds	200,233
Total	\$ 600,233

TOTAL REDUCTIONS	\$1,400,233
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**TRUCKEE MEADOWS COMMUNITY COLLEGE BUDGET REDUCTION PLANS
FY08 (2007-08) AND FY09 (2008-09)
Modified July 2009 for additional 3.42% reduction in FY09 (2008-09)**

The budget reduction process has been underway since fall 2007 and has included input from and discussion with all areas of the college, the NSHE system office staff, and meetings with the Board of Regents.

TMCC's priorities in making reductions were focused on protecting the core mission: instruction, workforce development, and access and services for our students.

	FY08	FY09		Total 2007-09	
	----- Approved 2/08 -----	-----	Added 7/08	Biennial	
Operating Budget:					
Legislative approved General Fund appropriation	40,132,380	41,002,040		81,134,420	
Administrative travel/operating	120,000	80,000	50,000	250,000	Reduce all administrative departments' travel budgets and some goods and services.
Library	-	20,000		20,000	Reduce library acquisitions budget.
Equipment replacement	66,542	100,000	50,000	216,542	Delay equipment replacement and lengthen the administrative computer replacement life cycle.
Facility Maintenance deferrals	150,000	25,000		175,000	Delay planned facilities projects.
Salary Savings	200,000	100,000	800,000	1,100,000	Freeze administrative vacant positions while an assessment of priorities and the ability to share responsibilities is completed.
Deferred Merit	-	246,583		246,583	Delay FY09's 2.5% professional merit six months to January 2009.
Student Surcharge	-	450,000		450,000	Add a per credit hour surcharge of \$2.75 for FY09. Sunsets after 2009.
Transfer expenses to non-state funds	473,388	186,078	200,233	859,699	The Board of Regents has authorized colleges to transfer expenses to non-state sources like the capital improvement fee.
Cover O&M with Capital Impr Fees			200,000	200,000	
Deferral of office/classroom upgrades			100,000	100,000	
Total Reductions in Operating Budget	1,009,930	1,207,661	1,400,233	3,617,824	
Capital Budget:					
Spanish Springs	500,000	-		500,000	State contribution to Spanish Springs project planning. The project remains TMCC's no. 1 capital project.
Major maintenance projects	-	300,000		300,000	Delay Meadowood's heating and air conditioning replacement project to the 2009-2011 biennium.
Total Reductions	1,509,930	1,507,661	1,400,233	4,417,824	

8/11/2008

WESTERN NEVADA COLLEGE

Consistent with data provided on the attached spreadsheet, Western Nevada College has addressed the 3.42% budget revision request for FY09 with the following reductions:

- **Five Percent Reduction in Operating Accounts – \$50,254.00**
During the budget allocation process, departmental operating budgets were reduced by 5% to assist with meeting the reversion total. These reductions (accounts were reduced by 2% in FY08) will further affect a department's ability to meet faculty and student needs related to providing technical and professional information updates and training for instruction personnel, availability of materials for day-to-day operations, and updating and replacing equipment/software.
- **Employee Vacancies – \$675,503.00**
Initiated during the past year, the college continued a 'hard freeze' on filling all but critical institutional employee vacancies. In addition, the college created an incentive, which enabled employees to apply for a buy-out early retirement program. These processes were successful in generating a number of personnel vacancies, but negatively affected the ability of the college to meet student needs. Student services and administrative staffing for counseling, outreach, financial assistance, academic advisement, cashiering, and current web instruction assistance has been reduced; availability of class sections has been reduced and part-time faculty frequently teach more sections; and opportunities for student employment have been reduced. The reduced number of full-time faculty also limits the involvement of these individuals in the varied operational and organizational challenges of the college community.

DESERT RESEARCH INSTITUTE

DRI has already returned \$862,066 in state-funded capital and operating reductions to the State of Nevada for fiscal years 2008 and 2009. The State is now requiring an additional budget reduction for fiscal year 2009. At the current target of 3.42%, DRI will return an additional \$334,508 to the State in salary, operating and equipment budget reductions in fiscal year 2009. DRI will return \$169,508 in salaries, \$53,400 in general operating, \$28,790 in operations and maintenance (O&M), and \$82,810 in equipment budgets.

As these cuts unfold, DRI has made a concerted effort to preserve critical operations that maintain viability, and will emphasize as its highest priority the protection of research quality and self-funding revenue streams. Nevertheless, these cuts and the cuts already made dramatically negatively affect the already lean and efficient business-oriented operation that is DRI. These cuts also potentially diminish the competitiveness of DRI in the national and global arenas, and impair the ability of DRI to provide the State of Nevada with a return of over four dollars for every dollar invested by the State into DRI.

SYSTEM COMPUTING SERVICES

To address the mandated 3.42% budget reduction for FY 2009 in the amount of \$791,000, System Computing intends to use vacancy savings, with the balance funds reduced from the general operating budget. A summary follows:

Expenditure category	Savings Amount	Rationale
Personnel	\$430,000	Employee hiring “freeze”
General operating	\$361,000	Reduce training, travel and equipment upgrades