

School / College / Divisions FY 2015 Challenges, Cost Containment and Budget Reductions

June 2014

Summary of Reduction Efforts to Balance Budget

- Permanent budget reduction of \$7.7 M
 - Over \$65 M in budget reductions and re-allocations over last five years
- Elimination of 72 faculty and staff lines
- Reduction of part-time faculty and staff positions
- Absorb inflationary increases with existing operating budget of units
- Fringe benefits will be budgeted at FY 2014 levels
- Postpone certain strategic initiatives to FY 2016
- Utilize \$2.6 M of rainy day funds to balance budget and fund selected strategic initiatives
- Postpone of the hiring of several faculty and staff positions until FY 2016

FY 2015 Committed Budget Reductions

School / College	Controllable Base Budgeted Amounts	Amount of Reductions Determined by Metrics	President / Provost Reductions	Total Reductions	FY 2015 Committed % Reductions
Business Administration	\$10,970,181	\$383,956	\$110,505	\$494,461	4.5%
Education	\$11,399,191	\$341,976	\$200,969	\$542,945	4.8%
Engineering	\$20,457,767	\$102,289	\$204,578	\$306,867	1.5%
Fine, Performing, and Comm. Arts	\$13,080,395	\$65,402	\$130,804	\$196,206	1.5%
Graduate School	\$1,613,234	\$32,265	\$19,359	\$51,623	3.2%
Honors	\$1,314,981	\$26,300	\$15,780	\$42,079	3.2%
Law	\$8,472,829	\$296,549	\$3,451	\$300,000	3.5%
Liberal Arts and Sciences	\$55,111,740	\$551,117	\$676,106	\$1,227,223	2.2%
Library and Information Science	\$2,094,443	\$20,944	\$25,133	\$46,078	2.2%
Medicine	\$54,811,592	\$548,116	\$520,710	\$1,127,406	2.1%
Nursing	\$9,624,726	\$192,495	\$96,247	\$288,742	3.0%
Pharmacy and Health Sciences	\$12,845,149	\$128,451	\$141,394	\$269,845	2.1%
Social Work	\$4,495,594	\$0	\$22,478	\$22,478	0.5%
Total	\$206,291,822	\$2,689,860	\$2,167,513	\$4,915,953	2.4%

Divisions	Controllable Base Budgeted Amounts	Amount of Reductions Determined by Metrics	3% ATB Reductions	Total Reductions	FY 2015 Committed % Reductions
Provost	\$33,494,274	\$0	\$981,671	\$981,671	2.9%
Athletics	\$2,018,021	\$0	\$64,471	\$64,471	3.2%
C&IT	\$11,688,300	\$0	\$351,000	\$351,000	3.0%
Development	\$5,972,761	\$0	\$0	\$0	0.0%
Finance and Business Ops	\$24,166,667	\$0	\$754,838	\$754,838	3.1%
General Counsel	\$3,235,957	\$0	\$46,962	\$46,962	1.5%
Govt and Com Affairs	\$872,547	\$0	\$26,215	\$26,215	3.0%
Marketing and COS	\$10,515,721	\$0	\$135,088	\$135,088	1.3%
Research	\$12,700,000	\$0	\$380,129	\$380,129	3.0%
President	\$429,574	\$0	\$12,500	\$12,500	2.9%
Total	\$105,093,822	\$0	\$2,752,874	\$2,752,874	2.6%

Note: Public Safety & Development exempted from reductions. In addition, the Lawyers from the Office of the General Counsel were also exempted

DETAILS OF FY 2015 COMMITTED REDUCTIONS

School / College Division	# OF FILLED POSITIONS	\$ OF FILLED POSITIONS	# OF VACANT POSITIONS	\$ OF VACANT POSITIONS	OTHER CUTS	TOTAL CUTS	Controllable Base Budgeted Amounts	% OF CUT
Business School	1.00	\$142,059	2.00	\$277,402	\$75,000	\$494,461	\$10,970,181	4.51%
Education	1.00	\$81,495	6.20	\$461,450	\$0	\$542,945	\$11,399,191	4.76%
Engineering	1.60	\$84,338	1.00	\$59,417	\$163,112	\$306,867	\$20,457,767	1.50%
Liberal Arts & Sciences	9.50	\$704,146	8.00	\$523,077	\$0	\$1,227,223	\$55,111,740	2.23%
FPCA	2.20	\$136,169	1.00	\$60,037	\$0	\$196,206	\$13,080,395	1.50%
Graduate School	0.00	\$0	1.50	\$48,397	\$3,226	\$51,623	\$1,613,234	3.20%
Honors College	0.00	\$0	0.00	\$0	\$42,079	\$42,079	\$1,314,981	3.20%
Law	1.00	\$50,000	0.90	\$250,000	\$0	\$300,000	\$8,472,829	3.54%
Library Information Science	0.00	\$0	1.00	\$25,000	\$21,078	\$46,078	\$2,094,443	2.20%
Medicine	0.00	\$0	6.35	\$1,035,416	\$91,990	\$1,127,406	\$54,811,592	2.06%
Nursing	1.00	\$103,010	1.50	\$179,646	\$6,086	\$288,742	\$9,624,726	3.00%
Pharmacy	1.00	\$77,654	0.50	\$109,905	\$82,286	\$269,845	\$12,845,149	2.10%
Social Work	0.00	\$0	0.00	\$0	\$22,478	\$22,478	\$4,495,594	0.50%
Provost	6.50	\$305,418	3.00	\$280,967	\$160,228	\$746,613	\$25,094,274	2.98%
Libraries	0.00	\$24,928	3.00	\$153,525	\$56,605	\$235,058	\$8,400,000	2.80%
Athletics	0.00	\$0	0.00	\$0	\$64,471	\$64,471	\$2,018,021	3.19%
C&IT	0.00	\$0	0.00	\$0	\$351,000	\$351,000	\$11,688,300	3.00%
Development	0.00	\$0	0.00	\$0	\$0	\$0	\$5,972,761	0.00%
Finance and Business Ops	1.50	\$63,545	5.00	\$412,567	\$278,726	\$754,838	\$24,166,667	3.12%
General Counsel	0.00	\$0	0.00	\$0	\$46,962	\$46,962	\$3,235,957	1.45%
Govt and Com Affairs	0.00	\$0	0.50	\$14,715	\$11,500	\$26,215	\$872,547	3.00%
Marketing and COS	0.00	\$0	0.00	\$26,211	\$108,877	\$135,088	\$10,515,721	1.28%
Research	4.40	\$351,227	1.00	\$28,902	\$0	\$380,129	\$12,700,000	2.99%
President's Office	0.00	\$0	0.00	\$12,500	\$0	\$12,500	\$429,574	2.91%
Total Reductions	30.70	\$2,123,989	42.45	\$3,959,134	\$1,585,704	\$7,668,827	\$311,385,644	2.46%

The reductions from Business & Research will be returned as investments in strategic initiatives

School and Colleges: Challenges and Reductions

Business School--Challenges

- In the past academic year, seven TT faculty have left the school due to retirement, contract non-renewals, or resignations. Only two of these faculty have been replaced for FY 2015
- Based on input from the BAC, the bulk of the business cuts for FY 2015 will be either eliminating or leaving vacant these additional tenure-track faculty lines.

Business School--Reductions

- Close three faculty lines \$419k
- Reduction of Summer Research \$75k
- While these reductions will occur in the business school, all of the funding will be restored to the new dean to provide strategic funding during the transition

Education--Challenges & Cost Control

Challenges

- Hostile environment of public education
- Competitive higher ed environment
- Budget Cuts
- Legislation
- Enrollment Declines
- Resistance to Change

Cost Control

- Elimination of faculty & staff positions
- Elimination of small classes
- Reduction of part-time faculty
- Reviewing & revising curriculum
- Controls on printing expenses

Education--Reductions

- Elimination of Faculty lines \$492k
 - The majority of these reductions are the elimination of vacant lines or retirements
- Elimination of non-academic staff \$50k
- TOTAL \$542k

Engineering--Cost Controls

- Recent Cost Control Efforts
 - Centralizing admin functions
 - Disallowing TT faculty to teach during S/S
 - Monitoring of CoE workload policy
- Program Review Efforts
 - ABET accredited for six of our programs
 - CS and BME are working on first time accreditation

Engineering--Challenges

- Lack of adequate resources to maintain our growth in enrollment, retention, graduation, research and philanthropic activities
- Inadequate space (research and office space)
- Inadequate support of Graduate Assistants for Ph.D. students
- Core nFab facility staffing and operation cost
- Inadequate Engineering Building Security

Engineering--Reductions

- Reduction of General Expense \$163k
- Reduction of non-academic staff \$143
- Total Reduction \$306k

Fine Arts--Cost Controls & Reductions

- Increased endowment funding reduced reliance on general fund
- Review of full-time faculty course loads and reduction of part-time faculty
- Raised course enrollment limits
- Additional multipurpose space reduced equipment expenses and support staff
- Improved enrollment management data analysis and more effective course scheduling and efficient use of resources
- Aggressive recruitment and retention strategies
- Three faculty positions closed
- Supply budget reductions; increased non-general fund resources
- Reduced reliance on part-time faculty

Fine Arts--Reductions

- Phased Retirement, Art and Art History \$22 k
- Closed Lecturer Lines, Art History and Music \$118 k
- Faculty Resignation, Theatre and Dance \$56 k
- TOTAL \$196 k

Honors--Cost Controls & Reductions

- Program Review Efforts
 - Honors value added research and analysis
 - Completion of Honors Transfer student focus group and program assessment
 - AAC & U LEAP Assessment
 - Upcoming Presidential Scholar freshman focus groups
 - **Monita Mungo:** *Assessing Service-Learning as a Pedagogical Approach to Closing the Educational Achievement Gap in Higher Education.* This project will analyze secondary data to assess the viability of using service-learning at Wayne State University.
 - **Liza Lagman-Sperl:** *Examining the performance of transfer students recruited through the Community College merit scholarship program.*

Honors--Reductions

	2010	2011	2012	2013	2014
General Fund Budget	\$1,566,000	\$1,498,000	\$1,461,000	\$1,458,000	\$1,319,000
Reduction	\$15,500	\$46,966	\$129,00	\$37,201	\$69,000
Actions	Reduced supplies, materials, marketing and AVI	Scaled back Scholars Day, marketing, conferences, professional development and travel, HSA and Model UN	Reduced academic personnel, Kales, Model UN, ArtCorps, travel, AVI, student assistants, yield events, graduation, David Mackenzie, Honors/CoS expansion	Reduced marketing, recruitment events, student assistants, course development	Academic staff salary reduction, temp position, reduced travel, programming expenses, printing and communication s

Law School—Enrollment Challenges

■ **Initial Decline Purposeful to Promote Selectivity**

- 220-185: In 2008, after Wayne Law falls to 4th tier in rankings, faculty made conscious decision to maintain median entrance exam (LSAT) scores

■ **Additional Decline due to National Trends**

- 185-140: Beginning in 2011, national decline in demand for legal education due to changing job market and increase in costs.

- **Goal:** JD Class of 150-175, LLM Class of 30-40

Law School—Enrollment Challenges

JD Enrollment Decline Nationwide

Approximately three fourths of 201 ABA-approved law schools experienced declines in first-year enrollment.

- Number of students taking LSAT:
 - 2009: 171,514
 - 2013: 105,532
- Total applicants to Law Schools
 - 2009: 564,000
 - 2013: 385,400
- First-year enrollment at ABA-approved law schools:
 - 2009: 51,600
 - 2013: 39,700

Law School--Reductions

- FY2014 Budget Reductions
 - Cut funding in all vacant faculty lines and administrative positions
 - Shifted General Fund Expenses to Private Funds
 - Student Scholarships
 - Faculty Support
 - Programming
- Other Cost Control Efforts
 - Scholarship Audit and Reforms
 - Using Technology to Cut Costs

Law School--Reductions

FY 2015 Plan to cut \$300,000

1. Restructuring student services to promote efficiency (savings: \$200,000)
2. Shift more scholarship funds to private accounts.
 - Reform scholarship awarding and processing to cut costs, improve accuracy and promote efficiency.
3. Eliminate nearly all general fund supported programming and events.

CLAS--Challenges

- Enrollment declines in FTIACS, transfers, continuing and masters students
- Overall research funding decline and keeping moral of junior faculty up
- Offering more on-line courses to meet student demand and reach larger markets for students
- Obtaining various data in a timely manner so that we can make better informed decisions
- Inability to quickly downsize/right size due to various constraints

CLAS—Cost Control

- Finalize the centralization of IT staff to improve efficiencies / services
- Continue pursuing staff re-organization and possibly establish additional service units to improve efficiencies / services
- Monitor faculty work/teaching loads more thoroughly
- Monitor low productivity programs and make adjustments as necessary

Initials FY 14-15 CLAS Proposed Budget Reductions

<u>Source/Description:</u>	<u>G.F. BUDGET FTE</u>	<u>AMOUNT</u>
Eliminate I.T. positions	2	\$110,000
Non-Acad Staff re-org	2	\$88,000
Other Acad pool savings	n/a	\$58,000
C.E.E.M. restructuring:		
Other Acad Staff	2	\$86,000
Non-Acad Assoc Director	1	\$85,000
<u>Labor@Wayne restructuring:</u>		
Extension Coordinator	1	\$55,000
Academic Services Officers	2	\$120,000
Vacant Faculty Positions	6	\$360,000
Future vacant DUSP Chair	1	\$155,000
		<u>\$1,117,000</u>

Medicine--Cost Control & Reductions

- Past Budget Reductions
 - 2014: \$4,085,497
 - 2013: \$2,096,928
- Recent Cost Control Efforts
 - Consolidation of non-academic functions
 - Continue to reduce non-academic expenses
 - Stricter monitoring of start-up funds
 - Continue to take advantage of retirements and faculty buyouts
- Program Review Efforts
 - 5-year department and annual chair reviews
 - Removal of several department chairs
 - Recruitment and retention of highly productive chairs
 - To date the SOM has been successful in meeting its budget targets

Medicine--Current Challenges

- Balancing tuition with student debt in compliance with LCME requirements
- Maintaining quality educational experiences in our multiple clinical training sites
- Securing residency positions for students/ maintaining high match rate
- Ability to provide the necessary resources for LCME self study and accreditation
- Start-up funding restraints
- Transition of senior faculty
- Retention of productive junior and mid-level faculty
- Ability to reverse trend of declining research funding

Medicine--Reductions

■ Budget Reductions

- 2015 - \$1,096,232 and 2016 - \$2,192,464
 - Non-academic are at low levels, the plan will be to reduce Academic by approximately 11FTE's and 21 FTE's, respectively.
 - If department consolidations are achieved then some non-academic positions may be substituted for academic positions.

■ Action plans

- Continue to take advantage of retirements and faculty buyouts
- Aggressively pursue reduction in FTE's where appropriate
- Stricter monitoring of expenses

Nursing---Cost Control Efforts

- Reduced PT faculty assignments to align with budget
- Reduced faculty and staff overtime
- Revising faculty workload document
- Working with Procurement and Strategic Sourcing (PASS) on development of a supply chain management process for all WSU health science divisions to cost share frequently purchased or bulk purchased items

Nursing--Current Challenges

- Transitional leadership
- Addressing large decline in graduate enrollment due to complex situation surrounding decision to close large MSN programs which led to interrupted enrollment
- Need to find funding for Salesforce in our Office of Student Affairs (\$360/user/year)
- Ability to increase external research funding given current funding climate

Nursing--Reductions

- **Eliminate 1 vacant faculty line and not fill .5 clinical line - \$166,365**
 - Less salary savings to fund PTF or other operational costs
 - **Convert 12 month to 9 month Instructor, Clinical - \$13,281**
 - **Eliminate 1 non-academic position - \$103,010**
 - Distribution of work to remaining staff/faculty which may cause delay in processing or response time
 - **Reduction in other operating expenses at \$6,086**
 - Eliminate paying for professional memberships
- Total Proposed FY 2015 Budget Reduction - \$288,742**

Pharmacy--Budget Challenges

- Enrollment, retention, research, scholarship, development are solid. Keep momentum?
- College is productive – need 5 yr investment strategies to maintain gains.
- National health care needs/opportunities huge

Pharmacy--Recent Budget Losses

- Closure of one program
- Eliminated 2 FTE faculty
- Eliminated 4 graduate assistants
- Eliminated 8 support staff
- Eliminated IT Director

Pharmacy--Budget Reductions

- Eliminate vacant faculty positions \$172k
- Eliminate part-time faculty positions \$15 K
- Eliminate General expenditures \$82K
- Total \$269k

Social Work--Current Challenges

- CSWE Accreditation
- Faculty / Student Ratio, dependence on PTF
- Funding for PhD Students (TA/GRA)
- Scholarships
- Space, outgrown current space, need designated classrooms and research space
- Philanthropy / fundraising to renovate new building – \$4M (part time MGO)
- Advisors to assist with recruitment, retention and student support

Social Work--Cost Controls & Reductions

- Highlights of Past Budget Reductions
 - 2010-2014 \$552,161K total in Budget Reductions
 - FY \$149K reduction; \$35,661 HR Transformation Project
 - FY13 \$129.5K reduction which included \$85K faculty position
 - FY12 \$199K reduction
 - FY10 \$39K reduction which included \$23K reduction in salaries and \$16K reduction in general expense
- Recent Cost Control Efforts
 - 3% reduction from each area budget and continued monthly management review
 - Marketing – reducing Visions newsletter from four issues to two issues
 - Reduction in capped amount for both faculty and staff travel
 - Reducing student assistant hours in various areas
 - Maintain tight monthly monitoring of office supply expenditure throughout school
- Program Review Efforts
 - Reaffirmation of accreditation, 2014-2015
 - Internal Review, PhD Program and Certificate Programs

Social Work--Budget Reductions

■ Academic Reductions

- PTF - \$20,362 reduction, hiring four lectures and one associate professor

■ Operational Expense

- \$15,000 visions newsletter and annual report reduced to one each per year
- \$9,594 - Implementation of course material fees (estimated revenue \$39K) will offset Field Liaison monthly mileage, Field Work Database and other costs previously absorbed through the general fund. This will in turn provide the remaining reduction.

Division Reductions

FINANCE & BUSINESS OPERATIONS

Fiscal 2015 Budget Proposal

Department	FY 2014 APPROVED BUDGET	FY 2015 BUDGET REQUEST	CHANGE FROM FY 2014
Office of the Vice President	\$1,058,154	\$1,009,092	(\$49,062)
Facilities Planning & Management	18,635,001	18,260,001	(375,000)
Human Resources	4,526,885	4,410,170	(116,715)
Fiscal Operations	3,472,468	3,428,113	(44,355)
Investment, Debt & Risk Management	828,865	814,016	(14,849)
Banking Fees	280,000	280,000	0
Insurances	1,697,100	1,697,100	0
Business and Auxiliary Operations	998,711	898,840	(99,871)
Housing	900,000	900,000	0
Procurement and Strategic Sourcing	1,176,174	1,140,889	(35,285)
Totals	\$33,573,358	\$32,838,221	(\$735,137)

**DEPARTMENT: OFFICE OF THE VICE PRESIDENT
Addition/Reduction Schedule**

Fiscal Year 2014 Approved Budget **\$1,058,154**

Description	#	Amount
Personnel		
<i>Reclassify Position</i>		
Delete: Utilize budgeted funding for reduction target	0	(\$77,362)
Add: Process Document Specialist Position	1	50,000
<i>Salary Parity for "non-rep" positions with "rep" positions</i>		14,600
Subtotal - Personnel	1	(12,762)
General Expenses		
Professional Development for IT staff		10,500
General Expenses for IT staff in new office location		13,200
Subtotal - General Expenses		23,700
Revenues		
ProCard Revenue		(60,000)
Subtotal - Revenues		(60,000)
Total of Changes	1	(49,062)

Fiscal year 2015 Proposed Budget **\$1,009,092**

% Change from Fiscal Year 2014 **-4.6%**

CURRENT AND NEAR-TERM CHALLENGES

1. Address the University's declining fund balance and rigorous implementation of campus-wide cost efficiency initiatives.
2. Ensure sufficient capital and operational funding for facilities, plant and equipment, especially new buildings.
3. Build on the Hyperion implementation to facilitate the move toward RCM.
4. Effectively support the University's strategic initiatives.

DEPARTMENT: FACILITIES, PLANNING & MANAGEMENT
Addition/Reduction Schedule

Fiscal Year 2014 Approved Budget	\$18,635,001
Campus-wide exempted costs	(6,529,591)
ADJUSTED BUDGET	12,105,410

<u>Description</u>	<u>#</u>	<u>Amount</u>
Personnel		
<i>Eliminate Associate Director-Grounds</i>	(1)	(\$75,800)
<i>Eliminate Floating Engineer Position</i>	(1)	(67,000)
<i>Consolidate Team Leader Responsibilities</i>	(1)	(102,000)
<i>Reclassify Engineering Position</i>	—	12,000
Subtotal - Personnel	(3)	(232,800)
General Expenses		
Subtotal - General Expenses	—	0
Revenues		
Increase Internal Revenues	—	(142,200)
Subtotal - Revenues	—	(142,200)
Total of Changes	(3)	(375,000)
Subtotal	—	11,730,410
ADD BACK: Campus-wide exempted costs	—	6,529,591
Fiscal year 2015 Proposed Budget	—	\$18,260,001
% Change from Fiscal Year 2014 [Controllable Costs]	—	-3.1%

CURRENT AND NEAR-TERM CHALLENGES

1. Continuing erosion of funding levels for general fund facilities' operations and maintenance.
 - 65 of 85 buildings have had no substantive component renewal in over 15 years.
 - Most of the buildings are supported by original, obsolete and dysfunctional mechanical and electrical infrastructure.
2. Average age of building portfolio is 56 years old.
3. High quantity of emergency and high priority work order requests caused by equipment / system failures negatively impacting teaching, learning and research
4. Absenteeism: On any given day 10-20% of the workforce is out on vacation, comp-time, sickness or FMLA.
5. Complete transformation of organizational leadership changes with Operating Engineers.
6. Effectively provide Operations and Maintenance services to 12 million square feet of general fund and auxiliary buildings.

DEPARTMENT: HUMAN RESOURCES Addition/Reduction Schedule		
Fiscal Year 2014 Approved Budget		\$4,526,885
Description	#	Amount
<u>Personnel</u>		
<i>Salary residual pool reductions</i>		
HR AVP Position		(\$50,000)
Downgrade 1 analyst position		(21,500)
Reduce specialist to 1/2 time	(0.5)	(28,260)
Reduce part-time salary budget		(15,141)
Reduce residual pool		(1,814)
Subtotal - Personnel	(0.5)	(116,715)
<u>General Expenses</u>		
Subtotal - General Expenses		0
<u>Revenues</u>		
Subtotal - Revenues		0
Total of Changes	(0.5)	(116,715)
Fiscal year 2015 Proposed Budget		\$4,410,170
% Change from Fiscal Year 2014		-2.6%

CURRENT AND NEAR-TERM CHALLENGES

1. Obtain funding for a new integrated HR system.
2. Fully implement the HR model within units that are still distributed.
3. Develop objective metrics to demonstrate that the HR transformation is achieving the desired outcomes.
4. Improve the partnership and integration between Labor Relations and Academic Personnel with HR.
5. Expand the WSU recruitment strategy and function.

DEPARTMENT: FISCAL OPERATIONS Addition/Reduction Schedule		
Fiscal Year 2014 Approved Budget		\$3,472,468
Description	#	Amount
Personnel		
<i>Eliminate position(s)</i> Office Services Clerk	(1)	(\$27,400)
Subtotal - Personnel	(1)	(27,400)
General Expenses		
Concur Annual Maintenance Contract		(16,955)
Subtotal - General Expenses		(16,955)
Revenues		
Subtotal - Revenues		0
Total of Changes	(1)	(44,355)
Fiscal year 2015 Proposed Budget		\$3,428,113
% Change from Fiscal Year 2014		-1.3%

CURRENT AND NEAR-TERM CHALLENGES

1. Union opposition to revised pay schedule.
2. Balance fiscal responsibility and student success.
3. Expand use of ACH capabilities within Banner, target of 70% of disbursements payments.
4. User acceptance impeding full realization of TravelWayne capabilities.
5. Realize savings potential of AP Director.
6. Obtain funding for integrated HR/Payroll system.

DEPARTMENT: INVESTMENT, DEBT & RISK Addition/Reduction Schedule		
Fiscal Year 2014 Approved Budget		\$828,866
Description	#	Amount
Personnel		
<i>Salary reduction</i>		
Fund Part-time Positions with MUSIC Dividends		(\$14,850)
Subtotal - Personnel	0.0	(14,850)
General Expenses		
Subtotal - General Expenses		0
Revenues		
Subtotal - Revenues		0
Total of Changes	0.0	(14,850)
Fiscal year 2015 Proposed Budget		\$814,016
% Change from Fiscal Year 2014		-1.8%

CURRENT AND NEAR-TERM CHALLENGES

1. Balance investment income needs with interest rate and credit risk (end of QE2, potential rise in short term interest rates).
2. Minimize cash pool investment income reduction from declining investable cash balances.
3. Support efforts to maintain University's credit ratings – given University credit fundamentals, **this will likely require more effort going forward.**

**DEPARTMENT: BUSINESS OPERATIONS
Addition/Reduction Schedule**

Fiscal Year 2014 Approved Budget **\$998,711**

<u>Description</u>	<u>#</u>	<u>Amount</u>
<u>Personnel</u>		
<i>Eliminated Positions</i>	0	
Subtotal - Personnel	<u>0</u>	<u>0</u>
<u>General Expenses</u>		
Unbudgeted facility costs for Holden operations		\$59,053
Absorb more general fund costs in the auxiliaries		<u>(158,924)</u>
Subtotal - General Expenses		<u>(99,871)</u>
<u>Revenues</u>		
Subtotal - Revenues		0
Total of Changes	<u>0</u>	<u>(99,871)</u>
Fiscal year 2015 Proposed Budget		<u>\$898,840</u>
% Change from Fiscal Year 2014		-10.0%

CURRENT AND NEAR-TERM CHALLENGES

- Manage loss of revenue in auxiliary services due to renovation of Student Center Building, changes in dining contract, and lower enrollment.
- Increase housing maintenance funds by \$350,000 annually to address consistent underfunding.
- Create new free and low-cost parking options for students to replace what is being reassigned to support MBRB parking.
- Improve the leasing of The Block at Cass Park, while addressing routine maintenance and deferred maintenance needs.
- Prepare for need to issue new One Cards to the entire campus community, pending changes in federal legislation requiring new chip-based technology for debit and credit transactions.

DEPARTMENT: PROCUREMENT AND STRATEGIC SOURCING		
Addition/Reduction Schedule		
Fiscal Year 2014 Approved Budget		\$1,176,174
Description	#	Amount
Personnel		
<i>Eliminate position(s)</i>		
Assistant Buyer	(1)	(\$39,015)
Subtotal - Personnel	(1)	(39,015)
General Expenses		
A P Director Software (Annual License)		61,235
SciQuest Annual Conference		2,495
Subtotal - General Expenses		63,730
Revenues		
ProCard Revenue		(60,000)
Subtotal - Revenues		(60,000)
Total of Changes	(1)	(35,285)
Fiscal year 2015 Proposed Budget		\$1,140,889
% Change from Fiscal Year 2014		-3.0%

CURRENT AND NEAR-TERM CHALLENGES

1. Implementation of the internal financial approval policy will involve significant change management throughout the campus.
2. User acceptance of strategic sourcing initiatives.
3. Resignation of the Associate Director effective May 2, 2014.

Summary

- Fiscal Year 2015 proposed budget reflects an aggregate \$4.8 million (14.4% of base budget) in cost reductions since Fiscal Year 2011.
- The Division has also enabled \$2.5 million in purchased goods and services savings, over \$3.0 million in utility cost reductions, and an increase of over \$8.0 million annually in investment income.
- Investments in new technology coupled with change in mindset has helped to improve customer satisfaction and efficiency of processes.
- External factors and the age of facilities preclude additional incremental cost reductions in FP&M.
- Need a new integrated Payroll/HRIS.
- Will continue to do what it takes to support the mission and strategic objectives of the University.

Counseling & Psychological Services

- Increased use of webinars for professional development (est. savings: \$1,500; plus saved time)
- Limiting psychiatrist hours (savings: \$14,400)
- Moved computer from group room for new Secretary to use, rather than purchasing new one (savings: \$800, plus \$400/yr service contract)
- Eliminating 1 phone (\$378/yr)
- Limited office supply & promotional item replenishment (approx. savings \$1,500)

Office for Teaching & Learning

- The OTL will reduce graduate student assistantships from 3 to 2.
- The OTL will pilot alternative staffing options in 2014-2015, such as the Faculty Fellows program, rather than seeking to replace all of the current vacant OTL lines.

Enrollment Services

- The Office of Student Financial Aid has embarked upon a major campaign to convert all paper forms into electronic forms.
- Staff Consolidation – Reduced administrative support to 1 AA and 1 Business Manager to support the associate vice president, five unit directors and department personnel.
- Old storage room was converted into a “smart” conference room to host webinars, training and collaborative engagements amongst key users. The room is equipped with multi-media equip which allows staff to participate in conferences “online” to save on travel and hotel/conference expenses.

Educational Outreach & International Programs

- With the addition of two new sites (ATEC and Schoolcraft) and the increase in international student enrollments, our goal is to try, to the best we can, to reallocate existing resources to accommodate the need for increased staff and administrative support.
- Despite the budget cut we are anticipating this year, our focus has been on increasing revenues by increasing the number of transfer students, the number of international students particularly sponsored students.

Student Success

- Reduction of one advisor in FY 15 in APEX unit.
- Increased use of work-study, student assistants and interns, rather than permanent, paid positions.
- Proposed reduction in CART reporting expenses (support for deaf students) by replacement with less expensive captioning method.
- Increased use of subsidy funding in Career Services.

Undergraduate Programs

- The South End has moved to mainly an e-publication with cost savings in printing and distribution

Overall

- Campus-wide implications in reduction of tuition revenue
- Poor record of time-to-graduate, especially if it becomes a federal metric
 - Downward spiral since fewer funds for support of efforts

Counseling & Psychological Services

- Severity of student problems/diagnoses is increasing, and our students are more severe than national averages for some problems
- Waiting list for services has been necessary, despite improved efficiency
- Proportion of students served is still too low (IACS)
- Need to implement methods for evaluating effectiveness of services

Office for Teaching & Learning

- Wayne State University is clearly committed to excellence in undergraduate teaching and learning. Therefore, the scope of the campus wide mission of the Office for Teaching and Learning will continue to be a broad and multifaceted including instructor demands in face-to-face, hybrid and online environments.
- Pent up demand for professional development and to keep pace with innovations in technology we will need even more acutely another full time instructional development consultant.

Enrollment Management

- WSU has one of the highest student loan cohort default rate within the Michigan Public Universities which poses a significant risk for the university.
- The Enrollment Management service units are heavily and highly engaged with building and sustaining relationships with students and sustaining major data driven, time sensitive operational processes in financial aid, student service center, registration and admissions. These relationships and systems are challenged at times due to lack of staff reporting to work due to intermittent FMLA and/or tardiness and absenteeism.
- The cost for designing promotional materials, assembling these materials and mailing these materials to prospect and admitted students.

Educational Outreach & International Programs

- Our biggest challenge remains expanding our program and course offerings at the extension centers and getting Schools and Colleges to offer the required courses/programs consistently.
- Coordinating with Enrollment Management on transfer recruiting, admission, and financial aid matters, including the implementation of WayneDirect
- Planning for the expansion of Educational Outreach without additional resources.

Student Success

- Improved retention and recruitment are the most viable ways to increase non-restricted revenues, yet student success units are subject to across the board budget cuts.
- APEX Summer Bridge and Rising Scholars Program are important components of our retention initiative, yet they lack permanent funding lines.
- There is increasing evidence that career planning and orientation increase student motivation leading to increased student success. However, our career services unit is too small to provide such services across the campus.
- We are legally bound to provide accommodations for students with disabilities, yet these costs are unpredictable and can be quite large. Accommodations for a single deaf student can cost in excess of \$50,000 per year.

Undergraduate Programs

- Getting the university prepared for program assessment in regard to the upcoming HLC accreditation process

		Salaries							
Department	Acad	FTE	Non Acad	FTE	PTF	PT N-A	Gen Exp	Total	
Provost Administration	\$22,225	0.00	\$88,000	0.00	\$9,855		\$59,418	\$179,498	
Enrollment Management			\$159,676	4.00			\$22,810	\$182,486	
Educational Outreach & International Programs			\$97,389	1.00	\$20,000		\$75,000	\$192,389	
Student Success	\$47,080	1.00	\$69,919	2.00				\$116,999	
Undergraduate Affairs			\$18,000	0.00				\$18,000	
Budget Planning & Analysis			\$57,346	1.50			\$5,814	\$63,160	
Totals	\$69,305	1.00	\$490,330	8.50	\$29,855		\$163,042	\$752,532	
Filled Positions		1.00			5.50	Reduction Target		\$752,532	
Vacant Positions		0.00			3.00				

Optimize

- Web-based e-business
- Document imaging/workflow
- IT consolidation for admin.
 - Email consolidation
 - Server virtualization
- Datacenter consolidation
- Desktop standardization
- Cloud-based systems

Innovate

- WSU mobile app for iPhone and Android
- National software awards
- Campus-wide digital signage
 - Video surveillance
- Classroom lecture capture
 - Distributed cell antennae
- Research computing/network

Grow

- Blackboard distance learning
 - Salesforce CRM
- Admissions reengineering
- Registration shopping cart
- Researchers Dashboard
- Data warehouse/analytics
- New Advancement system
 - Advising management

Operate

- Banner ERP and Blackboard system upgrades
- Disaster recovery initiative
 - Voicemail replacement
- Datacenter power upgrades
 - Research effort reporting
- IT security enhancements

CIO View: Top WSU IT Challenges

- **Medium-term Issues**

- Budget reductions/increasing costs will constrain academic and business operations, consolidation progress and innovation
- Recruitment and retention of IT staff difficult with WSU compensation scales
- The challenge of IT security in a decentralized university IT environment

- **Long-term Issues**

- The need to develop and implement Distance Learning academic and administrative support infrastructures to match anticipated program growth (*mitigated by draft recommendations of Online Instruction Taskforce*)
- Academic technology investments needed – classroom technology, distance learning support, analytics
- Datacenter electrical capacity and PLD reliability present constraints to campus IT consolidation strategy

Proposed FY2015 Budget Reduction *Target:* \$350,649

	Annual Operating Expenditure Reduction	One-time Investment Needed	Comments
Email migration to “free” Microsoft Office 365 cloud service in 2015	\$290k	\$400k	Need to use FY2014 carryforward and Spectrum revenue to fund conversion and pay last year of contract in FY2015
Communication stipend reduction for on-call employees	\$10k		Change on-call employee communication stipends to amount lower than APPM policy
Merit network expense reduction	\$16k		Network expense reduction partially due to enrollment decline
Revenue from Academica portal software sales*	\$35k		Revenue to support regular IT operations and staffing <i>* Need waiver of overhead “tax”</i>

Development—Concerns & Risks

- Launching a \$750 campaign in an environment of annual university-wide budget reductions
- Doubling of fundraising goals during campaign with decreased or level of funding and staffing
- Sustaining the plan for long-term investment to maintain the development operation post campaign
- Eliminated funding for key staffing needs
- Ability to retain seasoned fundraisers, professional staff and new recruits—provide adequate resources to support them
- Funding for WSU Development operation continues to remain far below national average of comparable peer institutions
- Inadequate funding for public campaign launch and regional events
- Most Schools/Colleges have significant major gift prospect potential that cannot be met with current staffing levels

Development-Reductions

- Shift \$180k in salaries from the General Fund to campaign funding which cumulatively reduces new positions from the campaign funding plan by 14 FTE. (Doubling fundraising goal with no new FTE)

- Elimination of bus transportation for teams with smaller roster. We switched to rental vans but with inherent risks.
- Combining resources with Mort Harris Rec Center to gain efficiencies.
- Cut Men's/Women's Fencing program by 50%
- Utilizing one head coach for both Men/Women's teams where practical.
- Monthly review of each sports budget with head coach and sport coordinator to keep costs down.
- Work with hotels and restaurants for discounts when traveling.
- Staff have multiple responsibilities – game operations, ticketing, game oversight.

Sport Challenges

- Retention of coaching staff.
- Starting JV Women's Basketball team.
- Budget reductions for sports when travel costs increase (fuel, hotels, meals)
- WSU salary minimums for coaching staff restrict our ability to create assistant coach positions in line with comparable schools.
- Operating successful sport programs with only one full-time coach and no fulltime assistants. Currently Volleyball, M Tennis, W Tennis, M/W Cross Country and Softball have only one fulltime coach. There are possible Title IX issues.
- Currently two sports have only one fulltime coach for both Men & Women's program without any fulltime assistants (M/W Fencing & M/W Golf)

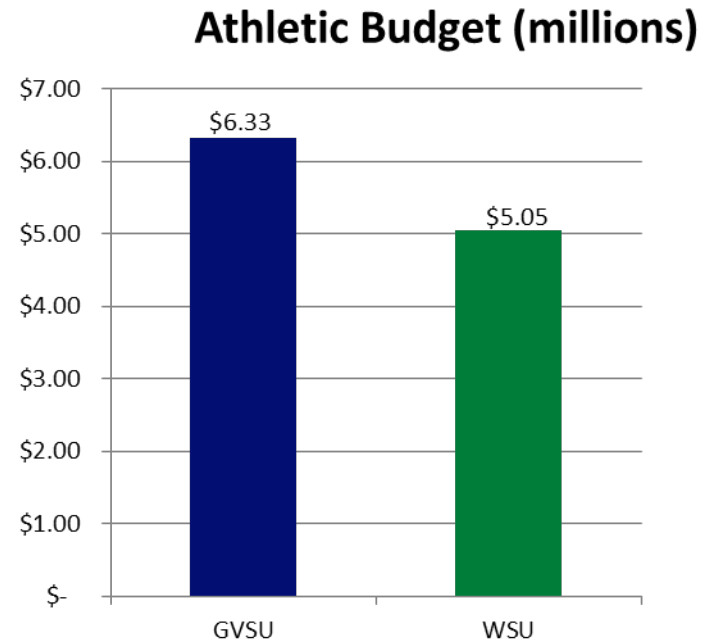
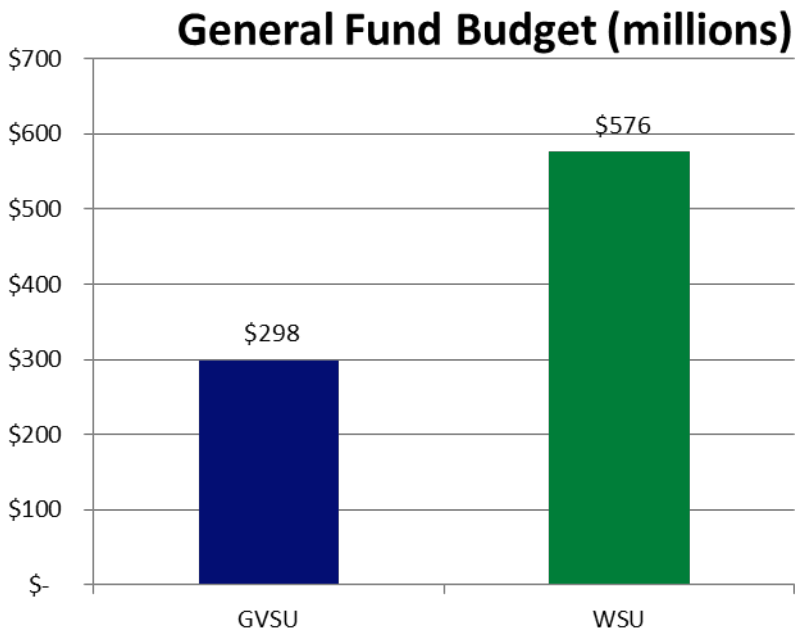
Facility Challenges

- Facility upgrades paid for by Athletics including football lights, track surface, new softball building, basketball office addition, Volleyball and Women's Basketball locker room, and training room.
- Football lights require a generator and external staff to operate at Athletic's expense.
- Aging building causing technology issues from weak WiFi signals to slow data jacks.
- Building not equipped with air conditioning in weight room.
- Facility lacks storage and adequate office space.

Other Challenges:

- Potential facility rental income limitations due to lack of operating staff.
- Restricting Athletics from selling merchandise on campus at Mort Harris Rec Center and limited funding to open storefront at Matthaei.
- Keeping Mort Harris Rec Center relevant to today's students.

Another key challenge is keeping competitive with other schools in the GLIAC who have larger Athletic budgets. Grand Valley State University (GVSU) currently has an Athletic budget of \$6.33M, 22% higher than WSU's Athletic budget of \$5.16M, even though their overall GF budget is only \$298M. GVSU devotes 2.12% of GF budget to Athletics while WSU only devotes 0.8%.



FY15 Reduction of \$64K to be allocated between sport programs.



Financial Impact:
Maintaining competitive success while costs continue to escalate.



Marketing--Cost Saving Measures

- Contracted services:
 - Reduced advertising agency of record monthly service fee and commission rate
 - Work with media buying agency to maximize reach and frequency with added value media opportunities (e.g. WJR added airtime for SAE)
 - New vendor for media monitoring services
- University operations:
 - Created website templates, html email templates, events management system, forms management tool, digital publications and centralized university websites
 - Cost savings in university technical support hours, server space, administrative expenses and streamlined operations
 - Partnered with Procurement & Strategic Sourcing for advertising agency of record contract, media monitoring services, commercial printing, business cards/letter head, and giveaways
 - Maintain below-industry billing rates for MAC services charged to schools/colleges/units
 - Significant school/college/unit marketing and event budget savings (e.g. Bankruptcy Conference, Big Data)
- Travel and expense budget:
 - Significantly reduced employee conferences and training opportunities
 - Minimized phone lines (central lines with cordless phones)
 - Implemented project management software to increase efficiency of operations

Marketing--Budget Challenges

1. Increasing competition and advertising expenditures from local universities
2. Range of university initiatives requiring budget support
 - Brand building: academic and research credentials; overcome Detroit reputational challenges
 - Undergraduate recruitment (FTIAC and Transfer)
 - Graduate recruitment (new initiatives: open house, publications)
 - Need to expand WSU's visibility beyond metro Detroit
 - Internal communications
 - Diversity targeted communications
3. Increasing fragmentation of media outlets
 - Digital advertising channels
 - Social media presence
 - Responsive design websites
4. Inability to sustain year round advertising presence (dark December, late-May, June, July, early-August)
5. Lack of resources in/for schools/colleges
6. Operating at maximum digital team capacity
 - Reduction of web support staff within schools/colleges
 - Growing scope for MAC digital team
 - Dependent on revenue funding to meet current staffing allocation
7. Dependent on one-time funding to sustain marketing activities
 - \$285,000 one-time funding in 2013/14 used to bolster advertising and Undergraduate Admissions outreach

Marketing --Reductions

2014/15 Suggested Reductions	General Funded
Advertising Activity (Recognition budget):	
Jewish News insert	\$25,000
Community college newspaper	\$6,688
Reduce frequency in diversity print publications	\$14,170
General Marketing Initiatives (Recognition budget):	
Undergraduate admission publications	\$25,000
Eliminate WSyoU	\$22,719
Human Resource Management (VP budget):	
Salary savings (current residual)	\$16,211
Associate Director, UTV – change to 100% revenue funded	\$10,000
Total Reduction	\$119,788

2015/16 Suggested Reductions	General Funded
Advertising Activity (Recognition budget):	
Reduction to influencer media (TV and radio)	\$88,431
Human Resource Management (VP budget):	
Reduction of administrative support personnel	\$29,717
Total Reduction	\$118,148

*Based on 3% reduction from the VP Marketing & Communication budget.

Additional year-over-year reduction from 2013/14 to 2014/15 recognition budget will occur to account for loss of one time funding support for media and admission.

Marketing--Impact of Reductions

- Reduced visibility among ‘influencer’ target audience
 - Radio (e.g. WJR “Spotlight on Excellence”) and TV
- Inability to meet competitive spending levels (e.g ., Toledo, Oakland)
- Continued lack of continuity of media messaging throughout the year
- Inability to expand geographical reach
- Reduced ability to expand digital presence
- Reduce print production budget for Undergraduate Admissions communications
- Elimination of WSyoU
- Limited flexibility to support new initiatives (e.g. Great Lakes award, Graduate recruitment, international)

Marketing-- Budget Priorities

1. Sustain advertising efforts in metro Detroit and Grand Rapids to enhance WSU's visibility
 - Expand online advertising presence and re-targeting efforts
 - Increase mobile media advertising
 - Continue to support “Aim Higher” creative strategy with minimal external production support

2. Sustain one-to-one and event marketing support for Undergraduate Admissions to drive applications and yield
 - Continue to supplement media plan with radio and digital OOH timed with University Open House events
 - Enhance digital resources for yield communications

3. Identify opportunities to support new Graduate Admissions activities (open houses, publications)

4. Support internal communication initiatives to build pride and instill optimism
 - Leverage digital tools to maintain frequency with minimal financial investment

Public Safety--Challenges & Risks

- Inadequate general fund budget to fund current operations
 - Sustained increase in OT levels since 2012:
 - Reflects several officers and CCs moved from grant to general fund
 - Participation on multi-agency taskforces which increases our operational effectiveness but also increases OT costs
 - Gasoline costs, vehicle maintenance and replacement, technology equipment usage costs: All have increased significantly over the past 5 years with little additional funding to support them.
 - Past reliance on position vacancies to balance our budget is unacceptable as it impacts our resources available and the ability to maintain the visibility and response times that we've been able to achieve.
- Higher expectations by University and BOG and inadequate funding to provide:
 - More officers/cadets
 - Professional monitors
 - Increased camera coverage
 - Improved lighting
 - Additional blue light telephones

Public Safety--Reductions

FY2015 3% Reduction Target = \$135,534

- Public Safety Officer position value = \$56,948; Target equates to the elimination of 2.4 officers. A reduction in officers would require an increase in overtime to maintain our current operations or a reduction in visibility and response times (scope or extent of work).
- Reduction target equates to a 20.7% reduction to overtime; although we will continue to strive to reduce overtime, a reduction of this magnitude would require elimination of our officer's collaboration on task forces which significantly enhances our ability to reduce crime, would impact our presence on campus and in the community and our response times.
- Reduction target equates to a 22.9% reduction in general operating expense which funds uniforms and equipment, vehicle maintenance/repairs, gasoline, telephones, etc.
- Reduction target equates to an elimination of the building monitor program which costs approximately \$135K annually

Economic Development--Achievements

- Secured **\$5 million** from Ford Foundation and Kresge Foundation for cohorts 3 & 4 of DRFP
- Received more than **\$100,000** from various sources for DRFP Detroit Dialogues program
- Secured **\$1.4 million** for the first year of the GS 10KSB program
- Received **\$20,000** grant to support the WSUPD from the Knight Foundation
- NEI and Blackstone committed **\$300,000** for the continuation of the Launchpad program
- Secured over **\$610,000** of external corporate research funding through the Small Company Innovation Program
- Received **\$35,000** from MEDC for FrontDoor through MCRN
- Coordinated **\$50,000** for students in local internships through SCIA program
- Served as the industry liaison and source of industry partners for two university-wide grants totaling more than **\$2 million** (Best, BioNano)
- **2013 total: \$9.05 million**
- **Two-year total: \$17.3 million**

Economic Development--Achievements

- Completed an RFP process for a mixed-use development at Cass and Canfield expected to generate **\$500,000-\$600,000** annual revenue to WSU
- Launched a 2nd cohort of the DRFP with improved satisfaction levels from both internal and external stakeholders
- DRFP Fellows from first cohort hired in influential roles (Detroit Corridor Initiative, CDAD, Mayor Duggan's office, PLD)
- New website and marketing materials (video, brochures)

Economic Development--Challenges/Risks

- Perception of Detroit
- Reliance on Grant Funding
- Alignment of mission
- Budget...

Economic Development--Reductions

Opportunities for Reduction:

1. Eliminate general fund support entirely for non-salary expenses
2. Increase DRFP direct cost budget to reflect VP's 10%+ effort (i.e., raise additional external funding for DRFP)

General Counsel--Cost Containment Efforts

- Updating of print library has been radically reduced
- Limited continuing education travel by attorneys
- Absorbed Compliance, in process of absorbing new position into OGC with no administrative support, no support for furniture equipment, library, training, supplies.
- Loss of two secretarial positions
- Loss of funding for partial fraud audit position
- Loss of funding for full-time OEO investigator
- Loss of AVP & Associate General Counsel position
- Carolyn Hafner trains at regional, national conferences in exchange for free or reduced attendance fees for other internal auditors

General Counsel--Reductions

- Reduction of general expense

<u>FY2014 Projections</u>	<u>VP General Counsel</u>	<u>Internal Audit</u>	<u>OEO</u>	<u>Labor Relations</u>
Salary Residual Allocated to General Expense	\$ 24,042	\$ 10,110	\$ -	\$ 13,913
General Expense Budget	\$ 25,085	\$ 23,292	\$ 18,292	\$ 10,299
Total Available for General Expense	\$ 49,127	\$ 33,402	\$ 18,292	\$ 24,212
Less: Projected General Expense	\$ 80,031	\$ 66,561	\$ 30,804	\$ 23,754
Budget Surplus (Deficit)	\$ (30,904)	\$ (33,159)	\$ (12,512)	\$ 458
Salary Savings offset (one-time)	\$ 30,158	\$ 37,030	\$ 22,272	\$ 3,359
FY2014 Adjusted Budget Surplus (Deficit)	\$ (746)	\$ 3,871	\$ 9,760	\$ 3,817
Current C/F Balance Available	\$ 111,327	\$ 82,383	\$ 95,927	\$ 51,146
Reduction Target	\$ 4,919	\$ 27,983	\$ 7,025	\$ 7,008
Reduction Target as a % of existing Total Available for				
General Expense	10%	84%	38%	29%

- The deficit positions for each unit, significantly impacting the ability to continue to provide the current scope of service.
- Annual deficits can be offset by carry forward until exhausted

FY15 Reduction Target - \$46,935

Research—Cost Containment

- Continuous improvement initiatives—EPIC, NCURA, Huron, International Research Committee, Huron Advisory Committee, Technology Commercialization
- Staff training
 - Customer service, business and financial practices
 - Quarterly orientation for new employees within the Division, Annual Division Meeting.
- Division of Research Initiative for Innovation, Vision, and Excellence (DRIIVE).
- Technology improvements—Researcher’s Dashboard, eProp, on-line training, Grants Life Cycle

Research—Cost Containment

- Technology Improvements continued—Currently implementing eProtocol—electronic compliance enterprise system (animal studies, conflict of interest human studies, radiation safety, bio-safety)
- Digitized over 500,000 pages of paper research records.
- Reduced paper usage by 17 tons per year
- Disposed over 1,340,00 pounds of e-waste at no cost to WSU
- Centralized business operations for multiple units
- Increased external funds to fill gaps created by reductions in general funds
- Research centers and institutes enhance joint faculty recruiting efforts

Research--Risks and Opportunities

- Aligning core research competencies with resources, incentives, faculty hiring, and educational programs
- Resources for research enterprise in context of declining state and federal funding—start-up, bridge, seed, matching, and commercialization funds; equipment, facilities, technology, faculty development.
- Faculty recruitment, cluster hiring, team science.
- Development of core facilities.
- Ensuring compliance within an increasingly competitive and demanding research environment.
- Administrative staff to support research infrastructure.
- Better integration of research with undergraduate education and retention.

Research--Reductions

PROGRAM	(in Thousands of Dollars)
OFFICE OF THE VICE PRESIDENT	
Elimination of a .40 Non-Represented position	\$ 44,034.00
SPONSORED PROGRAM ADMINISTRATION	
Elimination of 1 Represented position	\$ 56,205.00
INSTITUTE OF ENVIRONMENTAL HEALTH SCIENCES	
Elimination of 1 Non-Represented position	\$ 67,908.00
DIVISION OF LABORATORY ANIMAL RESOURCES	
Elimination of 1 Non-Represented position	\$ 78,000.00
RESEARCH COMPLIANCE ADMINISTRATION	
Elimination of 1 Non-Represented position	\$ 105,080.00
BUSINESS OPERATIONS	
Elimination of 1 Represented position	\$ 68,253.00
TOTAL	\$ 419,480.00
REQUIRED CUTS	\$ 380,129.00
BALANCE	\$ 39,351.00

Government Affairs—Cost Control

- Rebid Federal Lobbyist Contract
- No annual increases for State Lobbyist contract since FY 2007
- Subleasing federal office spaces
- Suspended filling of open positions in Community Relations
- Reduction of sponsorships in Community Affairs

Government Relations-Reductions

- Elimination of Community Relations position
 - \$15k
- Reduction in Sponsorships
 - \$10k
- Reduce spending in MLK Tribute program
 - \$1.5 K
- **TOTAL = \$26 K**