

February 22, 2010

Draft overview of FY 2011 budget recommendations from President Schulz

For the past several months, we have been engaged a budget reduction/revenue generation process. This process has been focused on identifying \$15 million in combined budget reductions and new revenue that would be used for the following purposes.

1. \$9 million to replace temporary resources being used to pay for base operations. That includes \$3.8 million in stimulus funding that would continue to be available in FY 2011 so replacement would not be necessary until FY 2012.
2. \$5 million to strategically restore resources that have been cut from core campus academic units that are operating in a non-sustainable fashion (the colleges).
3. \$1 million in central resources for contingent needs.
4. This process has excluded consideration of “normal inflationary” cost increases like Group Health Insurance, required pay adjustments, or new hires.

The following are being recommended for immediate implementation.

1. Targeted reductions totaling \$8 million over 2 years.
2. If approved by the Student’s Long Term Tuition Strategies Committee and eventually the Board of Regents a proposed \$10 per hour instructional support fee to be reallocated back to the colleges to generate \$5 million.
3. Increase the tuition budget by \$2.0 million to bring existing enrollment growth into the base budget.

Specific suggestions from the Faculty Senate and Student Senate accompanied by a brief response follow. In conjunction with the 1,300 ideas submitted from across the campus, these suggestions were used to develop the short term budget reduction and revenue generation recommendations.

As reflected in our comments, many of the following ideas warrant further discussion and investigation. Groups will be organized for that purpose.

Faculty Senate Suggestions with Responses

SPECIFIC IDEAS TO IMPLEMENT NOW

1. Eliminate New Targeted Excellence Grants. Eliminate funding for any new projects. New grants and a new program could be re-established after state funding for KSU stabilizes. THIS IS BEING PROPOSED.
2. Institute Energy Savings Ideas. Institute energy savings ideas that do not require additional funding. AN ENERGY AND ENVIRONMENT PROGRAM IS BEING CREATING FROM EXISTING RESOURCES.
3. Outsource Telecommunications. Evaluate how telecommunications are billed at KSU and outsource if expenses could be reduced. WE SUGGEST A GROUP BE APPOINTED TO STUDY THIS ISSUE. IT SHOULD INVOLVE THE CIO/VPIT BECAUSE RESTRUCTURING OF TELECOMMUNICATIONS HAS AN IMPACT ON IT INFRASTRUCTURE FUNDING.

4. Audit and Evaluate Departments, Programs, and Courses. Each department, program, and course should undergo an administrative audit that includes economic feasibility, consistency with the mission of KSU, and other factors deemed important by KSU students, faculty and administrators. Underutilized departments, programs, and courses should be eliminated, merged, or cross-listed. FACULTY SENATE AND THE PROVOST'S OFFICE SHOULD APPOINT A GROUP TO ORGANIZE AND INITIATE THIS SUGGESTION.
5. Moratorium on New Departments, Programs, and Majors that Lack Clear Evidence of Feasibility. Lacking compelling evidence for their feasibility and/or consistency with the mission of KSU, no new departments, programs, or courses should be established. FACULTY SENATE AND THE PROVOST'S OFFICE SHOULD COLLABORATE TO ENSURE THIS IS CONSIDERED AS PART OF THE EXISTING PROCESS.
6. Reduce or Eliminate Funding for Beach Museum and McCain. THIS IS BEING PROPOSED.
7. Provide Incentives for Faculty, Departments, and Colleges to Generate Additional High-Quality Credit Hours. THIS IS PARTIALLY ADDRESSED BY THE PROPOSED INSTRUCTIONAL SUPPORT FEE. IN ADDITION, FACULTY SENATE AND CENTRAL ADMINISTRATION SHOULD CONSIDER THIS WHEN DEVELOPING A NEW BUDGET/REVENUE ALLOCATION PROCESS.
8. Institute Per Credit Hour Instructional Fee that Returns to the College Without Budget Implications. The fee should not return to the general budget. This could be a move toward an incentive for faculty, departments, and colleges to generate additional credit hours within existing resources. THIS PROPOSAL IS UNDER DISCUSSION WITH THE STUDENT LED LONG TERM TUITION STRATEGIES GROUP.
9. Add Surcharge to Athletic Tickets. Athletics benefits from academic programs and faculty at KSU; a small surcharge would recognize these benefits. A REDUCTION IN ATHLETIC FUNDING IS BEING PROPOSED. TICKET PRICES SHOULD BE ESTABLISHED BY ATHLETICS BASED PRIMARILY ON MARKET CONSIDERATION.
10. Evaluation of Salina Campus and Programs. THE PRESIDENT, PROVOST AND SALINA CAMPUS ARE EVALUATING AN APPROPRIATE ARRAY OF PROGRAMMATIC OFFERINGS.
11. Actively Market KSU Products. Call Hall ice cream, meat products, etc. A GROUP SHOULD BE APPOINTED TO EXAMINE THIS POSSIBILITY. THE COMMITTEE SHOULD INCLUDE REPRESENTATION FROM THE CONTROLLER'S OFFICE TO ENSURE COMPLIANCE WITH BOARD OF REGENTS AND IRS POLICIES. .
12. Moratorium on Administrative Positions. Faculty and staff are doing more with less and the administration should be expected to do the same. CENTRAL ADMINISTRATION AND THE FACULTY SENATE EXECUTIVE COMMITTEE WILL DISCUSS THIS PROPOSAL.
13. Eliminate Motor Pool. THE DIVISION OF FACILITIES AND THE FACULTY SENATE COMMITTEE ON UNIVERSITY PLANNING SHOULD MEET TO DISCUSS THE OPERATIONAL CHARACTERISTICS OF THE MOTOR POOL AND CREATE A PROPOSAL.
14. Provide Incentives for Creation of High Quality Online Courses, Programs, and Degrees. FACULTY SENATE AND CENTRAL ADMINISTRATION SHOULD CONSIDER THIS WHEN DEVELOPING A NEW BUDGET/REVENUE ALLOCATION PROCESS ALTHOUGH REVENUE SHARING FOR ON-LINE COURSES CURRENTLY EXISTS.
15. Eliminate or Streamline Phased Retirement. PROPOSALS FOR PHASED RETIREMENT WILL BE CENTRALLY REVIEWED TO ENSURE APPROPRIATE VALUE FOR THE UNIVERSITY. THE PROGRAM WILL BE USED MORE JUDICIOUSLY.

16. Create Shuttle System and Charge Surcharge. THE CITY TRANSIT PLANNING GROUP RESULTS SHOULD BE CONSIDERED BY THE PARKING COMMITTEE TO CREATE A PROPOSAL.
17. Investigate Software Licensing Practices, Enterprise Software and Use of Open Source Software. Other universities have brokered excellent deals with Microsoft and other providers. THE VPIT AND IT STRUCTURE CAN WORK TOGETHER TOWARDS THIS GOAL.
18. Encourage Departments to fill Open Positions with Qualified Adjunct, Emeritus, or Extension Faculty. THIS SHOULD BE COMMUNICATED AS AN APPROPRIATE STRATEGY TO ALL UNITS.
19. Eliminate State Bids/Vendors. LEGISLATION IS BEING PURSUED. THE CONTROLLER'S OFFICE WILL WORK TO IMPROVE PROCUREMENT PRACTICES.
20. Establish a Four-Day Work Week. A GROUP INCLUDING REPRESENTATIVES OF THE FACULTY SENATE, THE OFFICE OF THE PROVOST AND HUMAN RESOURCES SHOULD BE APPOINTED TO INVESTIGATE THIS AS AN APPROPRIATE STRATEGY.
21. Eliminate the U.S. Post Office housed on campus. THE DIVISION OF FACILITIES WILL INVESTIGATE THE APPROPRIATENESS OF THIS SUGGESTION AS IT ADJUSTS TO MORE BUDGET CUTS.
22. Evaluate university funded centers and institutes for alignment with university mission, effectiveness, and efficiency; determine whether the activities of these units could be distributed to other offices or programs. Take appropriate action to eliminate university funded centers/institutes that do not support mission, are not effective or efficient, or can be accomplished within other units. A GROUP APPOINTED BY THE PROVOST AND FACULTY SENATE SHOULD DISCUSS THIS PROPOSAL.

IDEAS TO INVESTIGATE FURTHER

1. Explore Consortial Purchases of Software, Hardware, and other Materials with the Other Regents Schools. LEGISLATION IS BEING PURSUED. THE CONTROLLER'S OFFICE WILL WORK TO IMPROVE PROCUREMENT PRACTICES.
2. Expand Capacity and Provide Incentives to Deliver High-Quality Online and Distance Education Courses. FACULTY SENATE AND CENTRAL ADMINISTRATION SHOULD CONSIDER THIS WHEN DEVELOPING A NEW BUDGET/REVENUE ALLOCATION PROCESS ALTHOUGH REVENUE SHARING FOR ON-LINE COURSES CURRENTLY EXISTS.
3. Take Advantage of Opportunities Presented by the Olathe Campus and the Kansas City Market. Institute programs and degrees that make sense for a new market. For example, a masters/teacher certification program for people who have undergraduate degrees but want to become teachers in the greater Kansas City area. THE PROVOST AND VP OF MARKETING AND COMMUNICATION ARE PURSUING THESE OPPORTUNITIES.
4. Reduce State Funding to NISTAC. Unless they undergo comprehensive audit, their funding should be reduced or eliminated. THIS IS BEING PROPOSED
5. Centralize IT. PROGRESS HAS OCCURRED BUT INTERACTION BETWEEN THE CIO/VPIT AND AFFECTED CAMPUS GROUPS IS NECESSARY.
6. Require Students to Own a Laptop or Include a Laptop in Price of Tuition. A GROUP OF STUDENTS, FACULTY MEMBERS AND IT REPRESENTATIVES SHOULD BE APPOINTED TO INVESTIGATE THIS PROPOSAL.
7. Move Some Services at Salina to Manhattan. EFFICIENCIES ARE CONTINUALLY PURSUED.
8. Streamline Facilities and Maintenance. EFFICIENCIES ARE CONTINUALLY PURSUED.

9. Increase Choices, by Staff and Faculty, for Percentage of Appointment (e.g., in tenths versus just 9/12 month appointments). AVAILABLE AND WILL BE COMMUNICATED.
10. Institute More Specific Lab or Program Fees. If it costs more to educate students in a particular program, then those students should pay the extra expense and not be subsidized by other students. STUDENTS MUST BE INVOLVED.
11. Lift the Current Hiring Freeze. The hiring freeze is negatively impact students, faculty, staff and the mission of KSU. THE SOFT FREEZE HAS GREAT FLEXIBILITY.
12. Evaluate revenue generation feasibility of a Kansas State University Developmental Assessment Center. THIS SHOULD BE CONSIDERED BY THE PROVOST AND FACULTY SENATE.

IDEAS TO AVOID ALL ARE CONSIDERED TO BE LAST RESORT AND WOULD REQUIRE ADDITIONAL DISCUSSION AND PLANNING

1. Furloughs. KSU salaries and benefits are already at the bottom of the Big Twelve.
2. Pay Cuts. See above.
3. Across the Board Cuts. Cuts need to be strategic.
4. Merging the College of Agriculture and Veterinary Medicine.
5. Merging the College of Education and Human Ecology.
6. Outsourcing Facility and Maintenance Support.

Student Senate Response

RECOMMENDATIONS TO IMPLEMENT NOW:

1. Regarding tuition and fees, we recommend that the current Long Term Tuition Strategies Committee process continue for all discussion regarding possible tuition rate increases, college-specific fees, and course-specific fees. AGREED
2. Eliminate new Targeted Excellence grants. THIS IS BEING PROPOSED.
3. Institute cost-efficient energy-saving ideas. AN ENERGY AND ENVIRONMENT PROGRAM IS BEING CREATING FROM EXISTING RESOURCES.
4. Moratorium on new programs and majors that require significant start up resources. FACULTY SENATE AND THE PROVOST'S OFFICE SHOULD COLLABORATE TO ENSURE THIS IS INCLUDED AS PART OF THE EXISTING PROCESS.
5. Eliminate or phase out the current \$500,000/year payment to NISTAC. THIS IS BEING RECOMMENDED.
6. Eliminate or significantly reduce phased retirement. PROPOSALS FOR PHASED RETIREMENT WILL BE CENTRALLY REVIEWED TO ENSURE APPROPRIATE VALUE FOR THE UNIVERSITY. THE PROGRAM WILL BE USED MORE JUDICIOUSLY

RECOMMENDATIONS TO CONSIDER FURTHER:

1. Centralize Information Technology Services. PROGRESS HAS OCCURRED BUT INTERACTION BETWEEN THE CIO/VPIT AND AFFECTED CAMPUS GROUPS IS NECESSARY.
2. Self-collect debts when practical (in lieu of utilizing a collection agency). COLLECTION AGENCIES ARE ONLY USED AS THE LAST STEP IN THE PROCESS.
3. Combine University Printing Services with the Department of Communications Printing Services. THE VP OF MARKETING AND COMMUNICATION IS WORKING WITH OTHER DEPARTMENTS THAT HAVE PRINTING CAPABILITY TO DEVELOP A PLAN THAT MAXIMIZES EFFICIENCY.

4. Transition to a four-day-class and work week; we only recommend considering this idea further if course offerings are not reduced and class sizes not increased due to increase constraints on available classroom space. A GROUP INCLUDING REPRESENTATIVES OF THE FACULTY SENATE, THE OFFICE OF THE PROVOST AND HUMAN RESOURCES SHOULD BE APPOINTED TO INVESTIGATE THIS AS AN APPROPRIATE STRATEGY

RECOMMENDATIONS TO AVOID:

1. Elimination of computer labs on campus and requiring all students to purchase a laptop. ANY DISCUSSIONS ABOUT A PROPOSAL OF THIS TYPE WOULD INVOLVE STUDENTS.
2. Elimination of high-tech classrooms. WE AGREE, NOT PRACTICAL TO ELIMINATE.
3. Placing a surcharge on athletic tickets or reducing University support of the K-State Athletics. TO MAINTAIN OUR CORE ABILITIES, WE BELIEVE THAT IT IS NECESSARY TO MODESTLY REDUCE UNIVERSITY FUNDING DEDICATED TO ATHLETICS. .
4. Across the board cuts; if further cuts are deemed necessary, we recommend the University make targeted and strategic cuts. WE AGREE, OUR PROPOSAL TO REDUCE THE BUDGETS OF NON-ACADEMIC UNITS IS NOT AN ACROSS THE BOARD APPROACH.
5. Large reductions in non-educational initiatives such as student organizations, Greek organizations, etc. ONLY MODEST REDUCTIONS TO NON-COLLEGE UNITS AT THE VICE PRESIDENTIAL LEVEL ARE PROPOSED. SPECIFIC DECISIONS WILL BE DELEGATED TO THE VICE PRESIDENTS.
6. Furloughs; we only recommend the use of furloughs if they are deemed necessary to protect teaching positions. THIS WILL ONLY BE CONSIDERED AS A LAST RESORT AND WOULD REQUIRE ADDITIONAL DISCUSSION AND PLANNING.