

## **Summary of Comments by Dean Ashley, chair of Budget Planning Team, Open Budget Forum, Feb. 26, 2009**

On Jan. 30, the administrative and academic divisions submitted their budget plans. As you know, this was the second round of budget cuts for administrative divisions, which had already submitted initial plans to the Working Group on Stewardship and Cost Containment. This was the first submittal for academic divisions. One of the first tasks of the team is to make sure all divisions have given equal consideration to their budgets. The Budget Planning Team will revisit these submitted plans once the outcome of the Voluntary Transition Program is known.

Our priorities are:

1. Preserving academic quality
2. Providing access to students

Since Jan. 27, the Budget Planning Team has been:

1. Reviewing the budget parameters, which are figured three years out and include major considerations such as tuition, board and room, salaries and wages, and financial aid. Our initial recommendations include:
  - a. A 4% increase in tuition, board and room
  - b. No increase in student wages and no increases in block-visitor salaries for three years
  - c. A 0.5% increase in staff and faculty salaries and wages. That amount covers the Consumer Price Index, which is based on the December-to-December average of .09% and a small pool for extraordinary merit.
  - d. A 10% increase in the college's contribution to health care
  - e. Increasing financial aid by about 5% next year, with those funds coming from the operating budget.
  - f. A sharp reduction in the equipment budget next year and more modest cuts in the next two years.
  - g. A big cut in renewal and renovation of buildings for next year, with an increase the second year.

These actions would reduce the college's projected deficits as follows:

2009-2010: From \$5.2 million to \$1.2 million

2010-2011: From \$8.2 million to \$2.2 million

2011-2012: From \$10 million to \$1.7 million

2. Trying to identify major sources of enhanced revenue and economies, among them:
  - a. Cutting \$500,000 from the block-visitor budget (this would require an increase in the number of spaces made available in classes, and possibly reconsideration of the college's class-size limits)
  - b. Looking at areas currently subsidized by the college which could stand on their own and asking units running deficits to make budget.