

# Budget Reduction Plan

March 4, 2021

# Budget Reduction Plan

- Target and Tools
- Current Biennium Cuts
- The Process
- The Plan
- What's Next?

# Target

- **Initial \$2.5 million target for FY22, FY23**
  - February forecast improved
  - ***\$2 million target***
- **Variables**
  - Tuition: ?
  - Enrollment: ?
  - Allocation: ?
  - BESIs?

# Tools

- Administration cuts
- Reassign time/duty days
- Adjuncts/fixed-terms
- Funding source/givebacks
- Departures/BESIs
- Cancelled searches
- Eliminate vacant positions
- Reorganization
- Retrenchment/Layoffs

# Current Biennium Cuts

- **FY20, FY21**

- Eliminated 27 faculty positions
- Fixed-term hires
- Net -2 excluded administrators
  - \$350,000 savings
  - Administrative salaries frozen
- Investments in student support
- Classified positions flat or slightly increased
- **\$2.8 million net reduction so far**

# The Process

- **Both Art and Science**

- Council of Deans
- Shared governance
- Dashboards
- Overlays
- 42 listening meetings
- Result:
  - Broad based cuts
  - Long-term strategy

# The Plan

- **Today's Draft Plan**

- “Final” plan in May
- Adjustments throughout FY22, FY23
  - Tuition
  - Enrollment
  - Departures/BESIs

# The Plan

- **Three categories of cuts**
  - Departures/Canceled Searches/Administration (34%)
  - Funding Source Changes/Givebacks (34%)
  - Reorganization (32%)



# The Plan

- **Departures/Canceled Searches/Administrative cuts (34%)**
  - Canceled searches, CoE, CSET, CoB
  - Library, CAH departures, duty days, grad assistant
  - \$150,000 in additional administration cuts (net -\$500k in FY21, FY22)
- **Category/Running total: \$748,220**

# The Plan

- **Funding Source Changes/Giveback (34%)**
  - Changed funding source for positions in AHN, CoE, and SBS away from base, both faculty lines and adjunct funds.
  - Looking for more
  - \$100,000 giveback from Academic Affairs summer allocation
- Category total: **\$761,500**
- Running total: **\$1,509,720**

# The Plan

- **Reorganization (32%)**

- Combine CAH, SBS into a new college, *effective 7/1/2022*

- \*Sensible way to foster additional collaboration, interdisciplinary work in related fields AND cut the budget without major personnel changes
    - Classified staffing reductions from vacancies, attrition, BESIs, possible layoffs
    - Reduction in extra faculty duty days
    - Eliminate vacant Development Officer position from Division of Advancement
    - Additional savings in year two based on faculty/staff/student input

- **Category total: \$679,951**

- **Running total: \$2,189,671**

# The Plan

- **Reduction for FY22/FY23 (\$2.19 million)**
  - Minimized impact on current personnel
  - Classified reduction via attrition, departures, BESIs, possibly layoffs
  - No IFO retrenchment
  - Requires continued hiring discipline in FY22, FY23
  - Continue to seek administration efficiencies

# Next Steps

- Requesting consultation on this plan
  - <https://link.mnsu.edu/budgetplan>
- Small group meetings, open forums
- Program meetings
- Reorganization conversations begin ASAP
- \*Strategic Budget Planning next year