

University of Illinois at Chicago
FY 2012 Budget Update

Presentation for APAC
March 3, 2011

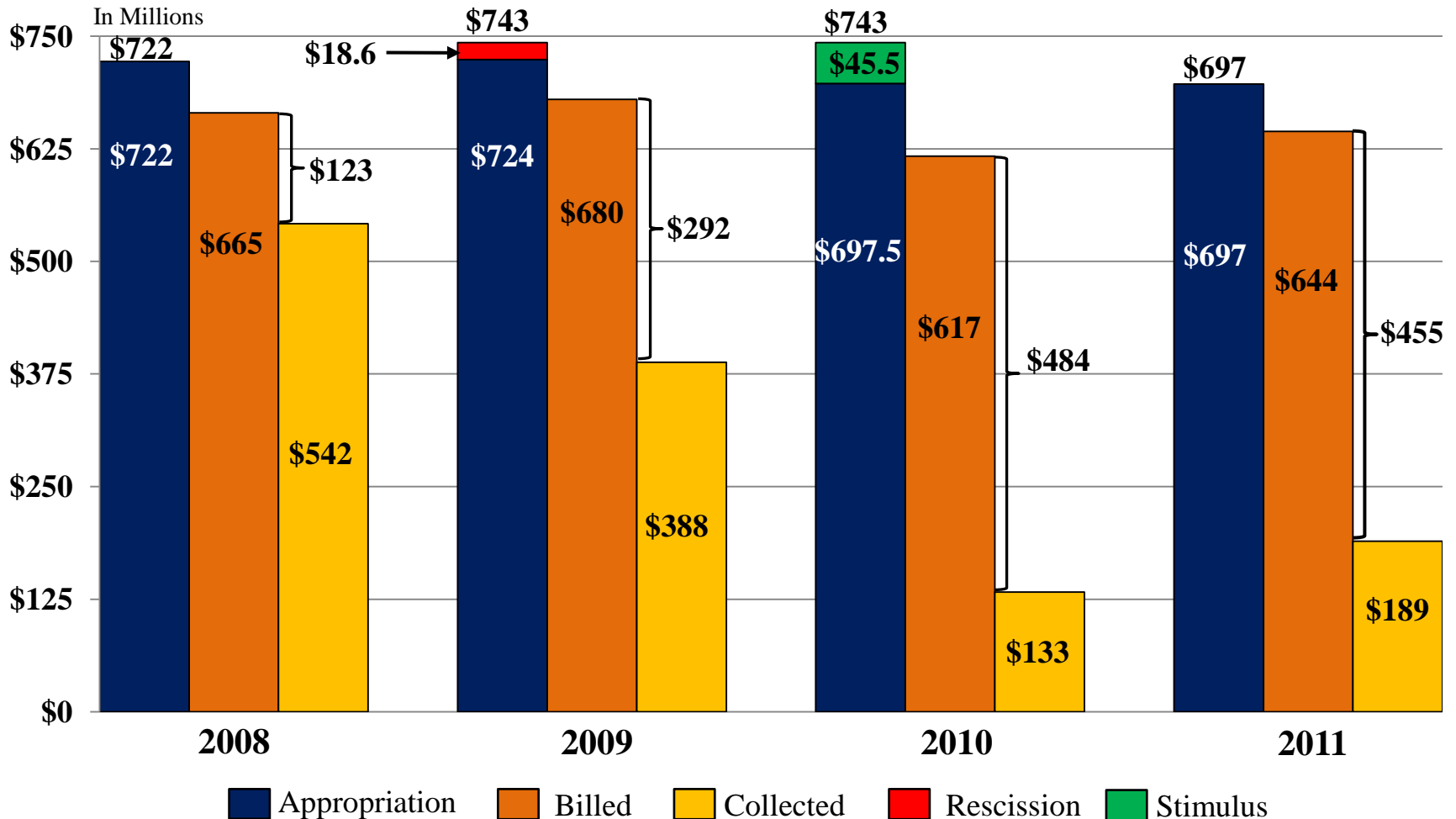
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State Appropriation Revenue

Unrestricted Funds

Billings and Collections through February 28, 2011

Does not include \$44.8 million Receivable due for Fall & Spring MAP billings



FY09 appropriation includes \$18.6 million rescission. FY08-FY10 through Feb 28th.

FY10 appropriation includes \$45.5 million of federal stimulus funding.

Recent Legislation

- Pension reform (affecting new hires)
 - Spending caps
 - Medicaid reform
 - Tax increases
-
- Further changes possible...
 - Tax reform?
 - Further pension changes?

Projected Illinois deficits in FY2011 and FY2012 with & without changes enacted
January 11, 2011

	FY11	FY12	Notes
	(\$ bill.)	(\$ bill.)	
Baseline budget gap without new law	-10.9	-11.9	IGPA estimates using Fiscal Futures Model with "consolidated funds budget" data
Continuing revenues			
Income tax increase	3.7	7.7	Estimated additional revenue from both the personal and corporate income tax changes plus estate tax (effective half of FY11)
Spending changes			
Across-the-board		0.3	New law caps general fund growth at 2%, which decreases non-pension non-debt spending by 1%
Service (FY11) pension bonds		-0.6	Assumes eight year payback at 5.0% interest
Operating deficit (subtotal)	-7.2	-4.4	
One time revenues			
Tobacco securitization & interfund borrowing	2.2		Previously legislated for FY11
New pension borrowing	3.7		Required pension payment of \$3.5 billion is less than the \$3.7 billion borrowed.
Remaining cash deficit	-1.3	-4.4	
Backlog carried in	-6.0	-7.3(?)	

Governor's FY 2012 Budget Proposal

- Operating Budget
 - Funding for universities flat at FY 2011 levels
 - 1.17% increase (\$25M) to ISAC for MAP grants
- Capital Budget
 - R&R
 - ACTB?

Principles:

- **Ensure fiscal integrity** – decentralized responsibility and decentralized accountability
- **Ensure good decision making** – assign decision making authority to appropriate entity
- **Maximize use of resources** – include financial, physical and human resources
- **Balance priorities** – balance support for instructional, research, patient care, economic development and service missions of the Campus
- **Maintain quality** – reduce and redirect budgets in a manner that best preserves quality

Goals:

- **Grow the research enterprise** – done in a cost effective manner
- **Support diversity** – build it into decision process
- **Ensure the integrity of the physical infrastructure** – coordinate infrastructure renewal and replacement with institutional priorities
- **Support access** - income and its correlates, race/ethnic
- **IT** – provide the infrastructure to support the instructional and research mission of the campus
- **Globalization** – foster global diversity and a global perspective

**The University of Illinois at Chicago
Budget Planning
Increments/Decrements**

Sources		
	State Appropriation (GRF)	(XXX,XXX)
	Tuition	XXX,XXX
	Reallocation	<u>XXX,XXX</u>
	Subtotal, Sources	XXX,XXX
Uses		
	Tuition Distribution to Colleges	XXX,XXX
	University-wide Costs	XXX,XXX
	Campus-wide Costs	XXX,XXX
	Salary Program	XXX,XXX
	Strategic Investments	<u>XXX,XXX</u>
	Subtotal, Uses	XXX,XXX
Net		XXX,XXX

FY 2011 Budget Planning

- Base budgets reduced 5.6%, driven by...
 - UIC's share of \$46.4M GRF cut
 - No general salary program (1% allowance for exceptions)
 - 9.5% tuition rate increase, enrollment growth
 - Reallocation for campus costs (financial aid, R&R)
- Implement additional expense reductions of 4.7%

FY 2012 Budget Planning

- Phase 1: 4.7% reduction to budgets
- Phase 2: 8.8% additional reduction, total driven by...
 - UIC's share of potential GRF cut
 - Salary program
 - Modest tuition increase, flat enrollment
 - Reallocation for campus costs (financial aid, R&R)
 - Strategic investments

University of Illinois at Chicago Impact by Unit - State funds only								
College/Unit	State Base	Tuition Revenue	Salary Prgm Augment	Program Changes	Salary Pgm Cost	Reallocation	Net Impact	Net Impact as % of base
Applied Health Sciences	\$XXX,XXX	\$XXX,XXX		\$XXX,XXX	\$0	\$XXX,XXX	\$XXX,XXX	X.XX%
Architecture and the Arts	\$XXX,XXX	\$XXX,XXX		\$XXX,XXX	\$0	\$XXX,XXX	\$XXX,XXX	X.XX%
Business Administration	\$XXX,XXX	\$XXX,XXX		\$XXX,XXX	\$0	\$XXX,XXX	\$XXX,XXX	X.XX%
Dentistry	\$XXX,XXX	\$XXX,XXX		\$XXX,XXX	\$0	\$XXX,XXX	\$XXX,XXX	X.XX%
Education	\$XXX,XXX	\$XXX,XXX		\$XXX,XXX	\$0	\$XXX,XXX	\$XXX,XXX	X.XX%
Engineering	\$XXX,XXX	\$XXX,XXX		\$XXX,XXX	\$0	\$XXX,XXX	\$XXX,XXX	X.XX%
Honors College	\$XXX,XXX	\$XXX,XXX		\$XXX,XXX	\$0	\$XXX,XXX	\$XXX,XXX	X.XX%
Liberal Arts & Sciences	\$XXX,XXX	\$XXX,XXX		\$XXX,XXX	\$0	\$XXX,XXX	\$XXX,XXX	X.XX%
Medicine	\$XXX,XXX	\$XXX,XXX		\$XXX,XXX	\$0	\$XXX,XXX	\$XXX,XXX	X.XX%
Nursing	\$XXX,XXX	\$XXX,XXX		\$XXX,XXX	\$0	\$XXX,XXX	\$XXX,XXX	X.XX%
Pharmacy	\$XXX,XXX	\$XXX,XXX		\$XXX,XXX	\$0	\$XXX,XXX	\$XXX,XXX	X.XX%
Public Health	\$XXX,XXX	\$XXX,XXX		\$XXX,XXX	\$0	\$XXX,XXX	\$XXX,XXX	X.XX%
Military Officer Education (ROTC)	\$XXX,XXX	\$XXX,XXX		\$XXX,XXX	\$0	\$XXX,XXX	\$XXX,XXX	X.XX%
Social Work	\$XXX,XXX	\$XXX,XXX		\$XXX,XXX	\$0	\$XXX,XXX	\$XXX,XXX	X.XX%
Urban Planning & Public Affairs	\$XXX,XXX	\$XXX,XXX		\$XXX,XXX	\$0	\$XXX,XXX	\$XXX,XXX	X.XX%
Subtotal, Colleges	\$XXX,XXX	\$XXX,XXX	\$0	\$XXX,XXX	\$0	\$XXX,XXX	\$XXX,XXX	X.XX%
Chancellor	\$XXX,XXX		\$0	\$XXX,XXX	\$0	\$XXX,XXX	\$XXX,XXX	X.XX%
VC Development	\$XXX,XXX		\$0	\$XXX,XXX	\$0	\$XXX,XXX	\$XXX,XXX	X.XX%
VC for External Affairs	\$XXX,XXX		\$0	\$XXX,XXX	\$0	\$XXX,XXX	\$XXX,XXX	X.XX%
ACCC	\$XXX,XXX		\$0	\$XXX,XXX	\$0	\$XXX,XXX	\$XXX,XXX	X.XX%
Library	\$XXX,XXX		\$0	\$XXX,XXX	\$0	\$XXX,XXX	\$XXX,XXX	X.XX%
Graduate College	\$XXX,XXX		\$0	\$XXX,XXX	\$0	\$XXX,XXX	\$XXX,XXX	X.XX%
Provost Office and Units	\$XXX,XXX		\$0	\$XXX,XXX	\$0	\$XXX,XXX	\$XXX,XXX	X.XX%
External Education	\$XXX,XXX		\$0	\$XXX,XXX	\$0	\$XXX,XXX	\$XXX,XXX	X.XX%
VC Administrative Services	\$XXX,XXX		\$0	\$XXX,XXX	\$0	\$XXX,XXX	\$XXX,XXX	X.XX%
Healthcare Systems; DSCC	\$XXX,XXX		\$0	\$XXX,XXX	\$0	\$XXX,XXX	\$XXX,XXX	X.XX%
Healthcare System; Mile Square	\$XXX,XXX		\$0	\$XXX,XXX	\$0	\$XXX,XXX	\$XXX,XXX	X.XX%
Healthcare System; Medical Cntr	\$XXX,XXX		\$0	\$XXX,XXX	\$0	\$XXX,XXX	\$XXX,XXX	X.XX%
VC for Human Resources	\$XXX,XXX		\$0	\$XXX,XXX	\$0	\$XXX,XXX	\$XXX,XXX	X.XX%
VC for Research	\$XXX,XXX		\$0	\$XXX,XXX	\$0	\$XXX,XXX	\$XXX,XXX	X.XX%
VC for Student Affairs	\$XXX,XXX		\$0	\$XXX,XXX	\$0	\$XXX,XXX	\$XXX,XXX	X.XX%
Subtotal, Administrative Units	\$XXX,XXX		\$0	\$XXX,XXX	\$0	\$XXX,XXX	\$XXX,XXX	X.XX%
Subtotal, Campus General	\$XXX,XXX	\$XXX,XXX	\$0	\$XXX,XXX	\$XXX,XXX	\$XXX,XXX	\$XXX,XXX	X.XX%
Total UIC	\$XXX,XXX	\$XXX,XXX	\$0	\$XXX,XXX	\$XXX,XXX	\$XXX,XXX	\$XXX,XXX	X.XX%

Sources for more information

- www.uic.edu/depts/oaabpa
- www.pb.uillinois.edu
- www.igpa.uillinois.edu
- www.capitolfax.com
- uicapac.blogspot.com