



University of Louisville Budget Forum

April 15, 2008





House Bill 1



Postsecondary Education Improvement Act – 1997

The University of Louisville shall become
“a preeminent nationally recognized
metropolitan research university”



UofL – a Public Institution



$$\frac{\text{State Appropriation(07-08)}}{\text{Total UofL Operating Budget}} = \frac{\$193,472,200}{\$417,465,400} = 46\% *$$

So,

* 22% of Total Budget (research funding, etc.)



The State Budget



“It won’t win any beauty contest.”

Speaker of the House
Jody Richards



History State Funding



Total State Appropriation as Percent of Total Operating Budget

Fiscal Years 1998-through 2009

| Fiscal Year | Total State Appropriation | % of Appropriation to Total Budget |
|------------------------|--------------------------------------|---|
| 1998-99 | 159,277,900 | 61% |
| 1999-2000 | 167,131,000 | 59% |
| 2000-01 | 173,373,200 | 57% |
| 2001-02 | 180,698,500 | 57% |
| 2002-03 | 173,567,300 | 54% |
| 2003-04 | 176,286,400 | 54% |
| 2004-05 | 174,062,300 | 51% |
| 2005-06 | 177,440,200 | 48% |
| 2006-07 | 189,244,800 | 49% |
| 2007-08 | 193,472,200 | 46% |
| 2008-09 | 186,549,100 | 44% |



Quick Background



| | |
|--------------------|---|
| December 21, 2007 | Governor announces 3% cut to Higher Education |
| January 3, 2008 | Meeting with Governor; Discuss 3% cut |
| January 4, 2008 | Governor announces "worst" case, Another 12% cut |
| January 29, 2008 | Governor recommends 12% budget cut for Higher Education |
| February/mid March | House budget deliberations restores 12% cut – still 3% cut |
| Late march | Senate budget deliberations restores 9% of cut – still 6% cut |
| April 2, 2008 | Conference Committee/House/Senate approve 3% cut on top of 3% |



UofL Budget Snapshot



| Resources | | |
|--|------------|--------------------------|
| "Where It Comes From" | | |
| Reduction in State Base Appropriation | | (10,029,100) |
| Other State Funding Changes | | (648,653) |
| University Revenue Decisions | | |
| Tuition Rate Increase | 11,704,100 | |
| Enrollment Increase | 3,315,600 | |
| Transfer from Athletics | 250,000 | |
| Other General Fund Revenue | 497,953 | |
| Unit Budget Reductions | 6,203,000 | |
| University-Wide Budget Reductions | 5,305,600 | |
| Resources based on UofL Actions | | <u>27,276,253</u> |
| Increased Revenue Available for Budget Initiatives | | <u>16,598,500</u> |



UofL Budget Snapshot



| Expenditures | | | |
|--|-------------------|-------------------|--|
| Where It Is Proposed To Go" | | | |
| Fixed Costs | 3,302,886 | | |
| Personal Services | 1,240,894 | | |
| Current Expenses | (204,499) | | |
| Policy Initiatives | <u>12,259,219</u> | | |
| Proposed Increases in Operating Expenses | | <u>16,598,500</u> | |



UofL Budget Snapshot



| Expenditures | | |
|---------------------------------|-------------------|--|
| Where It Is Proposed To Go" | | |
| Policy Initiatives | | |
| Student Financial Aid | 4,174,600 | |
| Salaries/Health Insurance | 4,677,899 | |
| Strategic Research Faculty | 1,500,000 | |
| BioSafety Lab | 1,316,320 | |
| Ph.D. Fellowships | 230,400 | |
| Diversity Initiatives | 100,000 | |
| "Ideas to Action" QEP | 260,000 | |
| | | |
| Total Policy Initiatives | 12,259,219 | |
| | | |



So, Let's Talk About Tuition



CPE Tuition Policy



2008-09 Estimated Undergraduate Resident Tuition and Mandatory Fees

| | 2007-08 | | 2008-09 | | \$ Change | |
|---------------------------------|----------------|----------------|----------------|----------------|--------------|--------------|
| | Resident | NonResident | Resident | NonResident | Resident | NonResident |
| University of Louisville | \$3,470 | \$8,867 | \$3,782 | \$9,177 | \$312 | \$310 |
| University of Kentucky | | | | | | |
| Lower Division | \$3,548 | \$7,448 | \$3,867 | \$7,940 | \$319 | \$492 |
| Upper Division | \$3,651 | \$7,547 | \$3,980 | \$8,045 | \$329 | \$498 |
| Morehead State University | \$2,640 | \$6,670 | \$2,878 | \$7,270 | \$238 | \$600 |
| Murray State University | \$2,709 | \$7,359 | \$2,872 | \$7,801 | \$163 | \$442 |
| Northern Kentucky University | \$2,976 | \$5,388 | \$3,268 | \$5,916 | \$292 | \$528 |
| Western Kentucky University | \$3,208 | \$7,735 | \$3,449 | \$8,315 | \$241 | \$580 |
| | | | | | | |
| | | | | | | |



Consultation/Input



- Task Force for Tuition and Fee Setting
- Faculty Senate
- Staff Senate
- Student Government Leaders (SGA)
- Vice Presidents and Deans - Mixed
- Provost's Budget Advisory Committee
- Public Forums
 - VP Student Affairs – 2 forums in April
 - Today – April 15
- CPE – April 25 and April 30
- Board of Trustees – May 8
- Council on Postsecondary Education – May 9

Current Year Tuition and Fees CPE Benchmark Institutions



2007-08 Annual Tuition and Fees

| Institution Name | Undergraduate | | Graduate | | Average Academic Year Room & Board |
|--|---------------|--------------|--------------|--------------|------------------------------------|
| | Resident | Nonresident | Resident | Nonresident | |
| University of Pittsburgh* | 6,438 | 11,193 | 7,765 | 13,785 | 8,300 |
| Temple University | 5,401 | 9,660 | 6,767 | 9,755 | 8,518 |
| University of Illinois at Chicago | 5,273 | 11,468 | 5,456 | 11,455 | 8,118 |
| University of Cincinnati-Main Campus | 4,700 | 11,961 | 6,056 | 10,973 | 8,799 |
| University of South Carolina-Columbia | 4,173 | 10,816 | 4,644 | 9,790 | 6,804 |
| Wayne State University | 3,922 | 8,298 | 5,496 | 11,339 | 6,702 |
| University of California-Irvine* | 3,778 | 13,588 | 5,107 | 12,601 | 10,547 |
| University of California-San Diego* | 3,728 | 13,538 | 4,688 | 12,182 | 8,882 |
| University of Louisville (9) | 3,470 | 8,867 | 3,764 | 9,045 | 5,722 |
| University of Iowa | 3,147 | 9,733 | 3,579 | 9,572 | 7,250 |
| SUNY at Buffalo* | 3,109 | 6,239 | 4,145 | 6,155 | 8,620 |
| Virginia Commonwealth University | 3,098 | 9,370 | 4,452 | 8,876 | 7,787 |
| Stony Brook University* | 2,880 | 6,010 | 3,879 | 5,889 | 8,734 |
| University of North Carolina at Chapel Hill* | 2,670 | 10,494 | 3,118 | 10,117 | 7,090 |
| University of Utah | 2,494 | 7,831 | 2,195 | 6,915 | 6,240 |
| University of New Mexico-Main Campus | 2,286 | 7,472 | 2,512 | 7,681 | 7,020 |
| University of Alabama at Birmingham | 2,104 | 4,648 | 1,960 | 4,417 | 7,680 |
| University of South Florida | 1,728 | 8,078 | 3,339 | 11,066 | 7,590 |

* AAU member



Current Year Tuition and Fees 2020 Benchmark Institutions (non CPE)



2007-08 Semester Tuition and Fees

| Institution Name | Undergraduate | | Graduate | | Average Academic Year Room & Board |
|--|---------------|--------------|--------------|--------------|------------------------------------|
| | Resident | Nonresident | Resident | Nonresident | |
| University of Michigan-Ann Arbor | 5,224 | 14,566 | 7,874 | 15,829 | 9,090 |
| Rutgers University-Newark* | 5,134 | 9,718 | 6,887 | 9,900 | 10,034 |
| College of William and Mary | 4,582 | 13,467 | 4,900 | 11,507 | 7,385 |
| Indiana University-Bloomington* | 3,919 | 11,158 | 3,604 | 9,695 | 7,532 |
| University of Maryland-Baltimore* | 3,845 | 10,131 | 4,841 | 10,047 | 5,981 |
| The University of Texas at Austin* | 3,835 | 12,272 | 3,524 | 7,687 | 8,576 |
| The University of Texas at Dallas | 3,678 | 7,014 | 3,307 | 5,809 | 4,235 |
| University of Kentucky | 3,548 | 7,448 | 3,835 | 8,079 | 7,973 |
| University of Louisville (9) | 3,470 | 8,867 | 3,764 | 9,045 | 5,722 |
| Indiana University-Purdue University-Indianapolis | 3,426 | 9,453 | 3,224 | 8,868 | 2,700 |
| University of Colorado at Boulder* | 3,318 | 12,399 | 4,147 | 11,604 | 9,088 |
| University of Kansas | 3,300 | 8,054 | 3,266 | 7,279 | 6,144 |
| University of Washington-Seattle Campus* | 3,193 | 11,066 | 4,709 | 10,732 | 9,108 |
| University of Nebraska-Lincoln* | 3,108 | 8,118 | 3,225 | 7,785 | 6,523 |
| University of Houston | 3,042 | 6,378 | 3,450 | 5,952 | 6,717 |
| University of Oregon* | 3,018 | 9,396 | 5,789 | 8,171 | 7,848 |
| University of Colorado Denver | 2,966 | 8,944 | 3,917 | 9,032 | 8,780 |
| University of Alabama | 2,850 | 8,259 | 2,850 | 8,259 | 5,868 |
| University of Texas Health Science Center at Houston | 2,828 | 8,012 | 2,373 | 7,139 | N/A |
| Georgia Institute of Technology-Main Campus | 2,653 | 10,850 | 3,222 | 11,667 | 7,328 |
| Florida State University | 1,678 | 8,244 | 3,056 | 10,633 | 8,000 |

* AAU member



Questions

