• **Actions taken since last board meeting:**
  – Immediate conversion (reduction) of ‘budget’ to reflect ‘actual’ system of reporting
  – Spending frozen at current year actual run rates
  – Extensive focus on expense and revenue management
  – Extensive communication with campus community

• **As a result:**
  – Approximately $22M reduction in ‘budget’
  – Exploring opportunities for expensing FY18 budgetary items in FY17
FY17 Current Year Update

• Examples to date:
  – Office of the President reductions
    • $857K university
    • $625K foundation
  – Office of Communications and Marketing
    • $1.0M
  – Operations
    • HR - $280K deferral
      – Performance Mgmt/360 Program
      – HR Future State Assessment
      – Staff Professional Development program
FY17 Current Year Update

• Examples to date (cont’d):
  – Information Technology - $717K deferral
    • Next Generation Systems
  – Building Maintenance/Classroom renovations - $1.5M – 11.5M deferral
  – Personnel - 1000 Frozen positions
    – 32 % Faculty
    – 68 % Staff
Financial Management

- **Environment**
  - Formerly ‘reactive’ and ‘transaction oriented’
  - Moving to ‘proactive’ and ‘financial planning’

- **Implementing**
  - Monthly financial reporting across university (previously decentralized)
    - Monthly ‘actual to budget’ and YOY
    - Forecasting

- **Cash Management**
  - Monthly Cash Forecasting
  - LOC
Financial Management

- Implementing (cont’d)
  - Active AP management
  - Active AR management
    - e.g. Federal grants submitted quarterly moving to monthly
  - Deep dives into key operational areas
    - HSC – ECG CFO
  - Debt management
Exploring Additional Opportunities

• Parking
  – Rate Increase
  – Potential Outsourcing
• Reviewing AP Spend
• Reviewing outsourcing opportunities
• Expanding business operations services
  – Onboarding, T&E, leave tracking
• Cloud based services
• Energy management
• 3rd party managed print services
• IT Desktop support centralization
## Campus Community Suggestions

<table>
<thead>
<tr>
<th>#</th>
<th>Suggestion</th>
<th>Originator</th>
<th>Category</th>
<th>Feasibility</th>
<th>Impact</th>
<th>Potential Fiscal Impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Revisit contract with Officemax</td>
<td>A&amp;S</td>
<td>Operating</td>
<td></td>
<td>Reduce Expenses</td>
<td>Up to $100,000</td>
</tr>
<tr>
<td>2</td>
<td>Why does UofL have contracts with suppliers such that UofL cost of an item is higher than the cost to the general public? I'm not certain who is the official UofL office supplier these days, Staples or Office Depot. I do know that when my department looked for a computer printer, the quoted UofL price was in the neighborhood of $150. The price online, same printer, same supplier, was $50. Who pocketed that difference? Why pay it in any case? The same difference exists for all sorts of paper and paper supplies. Of course, we're</td>
<td>A&amp;S</td>
<td>Operating</td>
<td></td>
<td>Reduce Expenses</td>
<td>Up to $100,000</td>
</tr>
<tr>
<td>3</td>
<td>Graduate Certificate Programs</td>
<td>A&amp;S</td>
<td>Operating</td>
<td></td>
<td>Generate Tuition Revenue</td>
<td>Up to $1,000,000</td>
</tr>
<tr>
<td>4</td>
<td>Use of new technologies to streamline and promise efficiencies</td>
<td>Education</td>
<td>Operating</td>
<td></td>
<td>Efficiencies</td>
<td>Indeterminable at this time</td>
</tr>
<tr>
<td>5</td>
<td>Continue to enhance data systems</td>
<td>Education</td>
<td>Operating</td>
<td></td>
<td>Efficiencies</td>
<td>Indeterminable at this time</td>
</tr>
<tr>
<td>6</td>
<td>Ask ed. bus &amp; oth depts to push professors to look inward to university operations for improvement, performance, and cost-saving opportunities</td>
<td>Education</td>
<td>Operating</td>
<td></td>
<td>Reduce Expenses</td>
<td>Up to $1,000,000</td>
</tr>
<tr>
<td>7</td>
<td>Analyze costs for alignment w/CEHD’s new Strategic Plan</td>
<td>Education</td>
<td>Operating</td>
<td></td>
<td>Reduce Expenses</td>
<td>Indeterminable at this time</td>
</tr>
<tr>
<td>8</td>
<td>Align hires w/Dept 1 needs &amp; across programs &amp; depts to determine priorities</td>
<td>Education</td>
<td>Operating</td>
<td></td>
<td>Reduce Expenses</td>
<td>Indeterminable at this time</td>
</tr>
<tr>
<td>9</td>
<td>Continue to audit for cost savings and efficiencies in all CEHD operations</td>
<td>Education</td>
<td>Operating</td>
<td></td>
<td>Reduce Expenses</td>
<td>Indeterminable at this time</td>
</tr>
<tr>
<td>10</td>
<td>Explore reallocations of resources from lower preforming area to higher preforming area w/fin</td>
<td>Education</td>
<td>Operating</td>
<td></td>
<td>Reduce Expenses</td>
<td>Indeterminable at this time</td>
</tr>
<tr>
<td>11</td>
<td>Consider consolidating purchases to ensure best deals w/suppliers</td>
<td>Education</td>
<td>Operating</td>
<td></td>
<td>Reduce Expenses</td>
<td>Up to $100,000</td>
</tr>
<tr>
<td>12</td>
<td>Increased philanthropy for student scholarships</td>
<td>Education</td>
<td>Operating</td>
<td></td>
<td>Generate Revenue</td>
<td>More than $1,000,000</td>
</tr>
<tr>
<td>13</td>
<td>Intentional and aggressive effort to obtain grants from all sources</td>
<td>Education</td>
<td>Operating</td>
<td></td>
<td>Grants/Gifts</td>
<td>Indeterminable at this time</td>
</tr>
<tr>
<td>14</td>
<td>Enhancement of scholarships through philanthropy to recruit students within CEHD</td>
<td>Education</td>
<td>Operating</td>
<td></td>
<td>Generate Revenue</td>
<td>More than $1,000,000</td>
</tr>
<tr>
<td>15</td>
<td>Promote more effectively intellectual property of the University’s top scholars</td>
<td>Education</td>
<td>Operating</td>
<td></td>
<td>Grants/Gifts</td>
<td>Indeterminable at this time</td>
</tr>
<tr>
<td>16</td>
<td>Conduct reassessment for businesses</td>
<td>Education</td>
<td>Operating</td>
<td></td>
<td>Generate Revenue</td>
<td>Up to $1,000,000</td>
</tr>
<tr>
<td>17</td>
<td>Implement and hold CEHD &amp; Depts accountable for a strategic Enrollment Growth Plan</td>
<td>Education</td>
<td>Operating</td>
<td></td>
<td>Generate Tuition Revenue</td>
<td>Indeterminable at this time</td>
</tr>
<tr>
<td>18</td>
<td>Differentiate tuition where possible</td>
<td>Education</td>
<td>Operating</td>
<td></td>
<td>Generate Tuition Revenue</td>
<td>More than $1,000,000</td>
</tr>
<tr>
<td>19</td>
<td>Look carefully at out of state and in state tuition cost</td>
<td>Education</td>
<td>Operating</td>
<td></td>
<td>Generate Tuition Revenue</td>
<td>More than $1,000,000</td>
</tr>
<tr>
<td>20</td>
<td>Additional opportunities for electives for students could encourage cross-campus course</td>
<td>Education</td>
<td>Operating</td>
<td></td>
<td>Generate Tuition Revenue</td>
<td>Up to $1,000,000</td>
</tr>
<tr>
<td>21</td>
<td>“Expand 5th year master’s degree options”</td>
<td>Education</td>
<td>Operating</td>
<td></td>
<td>Generate Tuition Revenue</td>
<td>Up to $1,000,000</td>
</tr>
<tr>
<td>22</td>
<td>Look at streamline graduate application process for UofL students in good academic standing as UG programs to move into graduate programs</td>
<td>Education</td>
<td>Operating</td>
<td></td>
<td>Generate Tuition Revenue</td>
<td>Up to $1,000,000</td>
</tr>
<tr>
<td>23</td>
<td>Consider offering community courses w/fees that will show case scholarship &amp; expertise of faculty of community members</td>
<td>Education</td>
<td>Operating</td>
<td></td>
<td>Generate Tuition Revenue</td>
<td>Up to $1,000,000</td>
</tr>
<tr>
<td>24</td>
<td>Increase review of graduate applications to speed up admissions</td>
<td>Education</td>
<td>Operating</td>
<td></td>
<td>Generate Tuition Revenue</td>
<td>Up to $1,000,000</td>
</tr>
<tr>
<td>25</td>
<td>Contract w/ a company to recruit international students the university</td>
<td>Education</td>
<td>Operating</td>
<td></td>
<td>Generate Tuition Revenue</td>
<td>Up to $1,000,000</td>
</tr>
<tr>
<td>26</td>
<td>Cultivate a relationship with alumni/alumnae for donations, provide incentives for donations</td>
<td>Nursing</td>
<td>Operating</td>
<td></td>
<td>Grants/Gifts</td>
<td>Indeterminable at this time</td>
</tr>
<tr>
<td>27</td>
<td>UofL Foundation- use Physical Plant Services vs. Union labor</td>
<td>Physical Pla</td>
<td>Operating</td>
<td></td>
<td>Reduce Expenses</td>
<td>Up to $1,000,000</td>
</tr>
<tr>
<td>28</td>
<td>Examine Supplier Contracts</td>
<td>SPHIS</td>
<td>Operating</td>
<td></td>
<td>Reduce Expenses</td>
<td>Indeterminable at this time</td>
</tr>
<tr>
<td>29</td>
<td>Eliminate overpaid consultants</td>
<td>A&amp;S</td>
<td>Personnel</td>
<td></td>
<td>Reduce Expenses</td>
<td>More than $1,000,000</td>
</tr>
</tbody>
</table>
# Quarterly Reporting
## University of Louisville - Scorecard

### Revenue Enhancement

#### Enrollment Management

- **Increase New Students**
  - Net Revenue
- **Increase Transfer Students**
  - Net Revenue
- **Increase Completed Degrees**
  - Net Revenue
- **Increase Retention**
  - Net Revenue
- **Increase Auxiliary $**

#### Advancement

#### Sponsored Research

- **Increase Sponsored Research**

#### Clinical

- **Increase Clinical Net Dollars**

#### Increase Facilities and Space Management

<table>
<thead>
<tr>
<th>Actual</th>
<th>Goal</th>
<th>Delta (+/-)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Legend:**
- No
- Progress
- Yes

**SUBTOTAL ($)**

![Legend](image)

**Legend:**
- No
- Progress
- Yes
Cost Reductions

- Procurement of supplies/services
- Physical Plant - facilities and space mgmt
- Shared Services
- Student Services
- Organizational Assessment/Efficiency
- Health Care and Employee Benefits
- Other Opportunities

SUBTOTAL ($)

TOTAL ($)
FY18 Timeline

• March 2017 – June 2018
  • Now through May 2017
    – Continue to work towards a balanced budget for delivery to the board in May for approval in June
    – Implement a monthly/quarterly financial management and reporting process
    – Focus on expense management and revenue growth
      • Enrollment management centrally and by units
      • Financial incentives to units to exceed revenue/enrollment targets
      • Increase cash gifts

• June 2017 – June 2018
  – Refine monthly/quarterly financial management and reporting process centrally and with units
  – Report financial progress to board
  – Adjust based upon revenue realized and manage accordingly
FY18 Components to Balanced Budget

• Revenues
  – Increase new enrollment and retention of current students
  – Increase clinical revenues
  – Increase cash gifts

• Expenses
  – Non HR savings – one time and ongoing
  – Hiring frost – 33M at a 75% threshold level

• Circuit Breakers
  – Furloughs