

Idaho State UNIVERSITY

Vice President for Finance and Business Affairs
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MEMORANDUM

To: Matt Freeman, Executive Director
Office of the State Board of Education

From: ^{jsw} Glen Nelson, Vice President for Finance and Business Affairs

Date: December 4, 2019

Subject: Budget Reductions

Idaho State University is developing a plan to address the Governor's request of a 1% general fund appropriation rescission for fiscal year 2020 and a 2% reduction in the general fund appropriation for fiscal 2021. This memo outlines the actions we are planning to take for FY 2020 and FY 2021.

FY 2020

General Fund Appropriation \$82,220,400

1% (822,204)

The university anticipates the \$822,204 reduction will met through a reduction in expenses related to personnel costs. We are instituting a hiring slow down and a thorough review of all backfills and newly created positions. We believe the hiring or delay in hiring actions will achieve the 1% reduction target. In addition to the focus on personnel costs, we will be undertaking a review of all general operating expenditures with a focus on discretionary costs such as travel, publications and subscriptions, and professional memberships.

FY 2021

General Fund Appropriation \$82,220,400

2% (1,644,408)

The university is in the early stages of the FY 20201 budget setting process. We are undertaking a campus-wide exercise to identify the sources of a 2% reduction is base funding. This process is designed to identify the options for reductions that will be the least disruptive to student success versus an across the board 2% reduction. The leadership team will review all vacant

positions and approve all postings. The elimination of some of the vacant positions and a slow-down in the replacement of approved vacant positions should contribute to 50-75% of the required reduction. All proposed newly created positions will be reviewed for their net impact to the financial position of the university.

The remainder of the reductions will come from activities focused on reducing operating expenses.

We have asked the campus community to identify areas for reductions.

We will be reviewing all copying and printing activities to look for opportunities to consolidate contracts for these services.

We will reassess our deferred maintenance backlog and postpone non critical items slated for 2021.

We are reviewing all leases to determine the necessity of the asset. If the asset is not critical to the university's operations and goal of student success, we will assess the fiscal viability of exit the arrangement.

The administration at Idaho State University is committed to maintaining the quality of the student experience and improving retention and graduation rates, while honoring the spirit of the Governor's request.