

# University of Louisiana System

## Mid-Year Cut March 5, 2016

### Grambling State University

This will pose a significant hardship on Grambling State University in this late time within the academic year.

Unfortunately, the University will be forced to make personnel cuts, suspend athletic play for some sports, but most significantly the University will have extreme difficulty meeting its cash flow requirements such as: payroll and student recruitment travel, etc. This is also compounded with the fact that roughly \$300,000 (plus) will not be received as a result of TOPS funding being cut.

### Louisiana Tech University

This additional cut would prevent us from hiring faculty/adjuncts for Spring Quarter and reduce or eliminate course offerings in critical areas for courses beginning next week.

The reduced cash flow could prevent the payment of faculty salaries in June for summer school. In addition to affecting summer school operations, the funding for the summer orientation sessions for incoming students and other summer programs could be severely limited which could negatively impact our freshman enrollment for 2016-17.

This cut could also result in furloughs and layoffs of unclassified staff for the remainder of the fiscal year, significantly impacting the services provided to our students and overall university operations for Spring Quarter.

This additional budget reduction would also freeze the recruiting and hiring process of critically needed faculty currently underway for next year and prevent the University from filling essential instructional positions in high demand areas for 2016-17.

### McNeese State University

Description of Reduction	# Positions	Consequences of Reduction to Operations and Students
Freeze Travel		Planned professional development will be reduced.
Reduce Supplies		Purchases for needed office supplies will be limited.
Reduce Equipment		Replacement of aged equipment will be delayed.
Reduce Operating Services		Utility expense less than expected.
Freeze Instructor/Adjunct positions	20	Increase class sizes or reduce number of classes
Freeze Unclassified positions	24	Increase duties and services will take longer
Freeze Classified positions	32	Services will take longer

**Nicholls State University**

If confronted with a \$2,267,956, the institution could respond in a variety of ways. The table below indicates two of those ways.

It should be noted that these funds are coming from self-generated revenues, that is, our students are paying for the shoring up of the state general fund with their tuition and fees. Nicholls will give back to the state more money than it received in initial distribution on 1 Jul 2015.

Option	Action	Impact	Details	Risk
1	Salary and Benefits/Non Salary Expense Reductions	\$2,267,956	Stop <u>all</u> hiring actions, purchasing actions, non-core mission (academic) events, activities, professional development, etc.	<ul style="list-style-type: none"> <li>- Delays all student, faculty and staff services, -</li> <li>- Terminates faculty &amp; student recruitment, retention and development initiatives</li> <li>- Negative impact on recruiting and retention for 3-5 years</li> <li>- Athletic travel eliminated (potential forfeitures, fines, loss of Div I status)</li> <li>- Creates, accreditation reaffirmation concerns</li> <li>- Jeopardizes ability to meet operations and bond covenant requirements for future fiscal year</li> <li>- Threat to "going concern"</li> </ul>
	OPTION TOTAL	\$2,267,956	Subtracted from current year's <u>approved</u> budget	

<b>O p t i o n</b>	<b>Action</b>	<b>Impact</b>	<b>Details</b>	<b>Risk</b>
2	Salary and Benefit Reductions	\$2,267,956	- Furloughs starting o/a March 15, 2016 - Curtail maintenance, grounds, custodial work	- Curtailment of services provided to essentially all student, faculty and staff - Facility maintenance, custodial, security will be at deplorable levels. State assets in jeopardy. - Spring 2016 instruction quality in jeopardy - Regional accreditation problematic - Negative impact on recruiting and retention for 3-5 years - University would risk losing students as well as federal Title IV funding - Potential fines for missing deadlines for tax obligations, etc. - Depletes funds to levels of concern to meet operations and bond covenant requirements for FY 2016-17. - Threat to "going concern"
	OPTION TOTAL	\$2,267,956	Subtracted from current year's <u>approved</u> budget	

### Northwestern State University

<b>Reduction Amount</b>	<b>Description of Reduction</b>	<b># Positions Reduced</b>	<b>Consequences of Reduction to Operations and Students</b>
\$ 450,000.00	Reduce Athletic Transfer		Reduction in Reserves
\$ 1,005,379.00	Freeze Hiring on Vacant Positions		Positions not being filled will negatively affect the ability to serve students, this will affect retention and recruiting.
\$ 1,266,232.00			Furlough 207 9-Month Faculty <b>6 days</b> and 387 other employees <b>12 days</b> during the next 4 months. This will dramatically and negatively impact services to students and employee's abilities to meet their financial obligations.

**Southeastern Louisiana University**

<b>Reduction Amount</b>	<b>Description of Reduction</b>	<b># Positions Reduced</b>	<b>Consequences of Reduction to Operations and Students</b>
\$ 1,391,555	Withhold budgeted merit increases	NA	Withhold budgeted merit increases for faculty/staff this fiscal year. Our faculty and staff have not received merit/cost of living pay raises since FY2009, with the exception of classified staff receiving one merit adjustment over this seven year period. In addition, other auxiliary operations will participate including athletics.
\$ 2,212,582	Hiring Freeze	NA	Given the state's fiscal condition, the University has been extremely conservative in filling vacant positions. In an effort to yield additional savings, the University will implement a hiring freeze which further impairs our ability to maintain compliance with accreditation standards and address critical workforce shortages in fields such as information technology. Also, this further limits our ability to address audit findings concerning system access, as segregation of duties and the establishment of greater redundancies requires the hiring of additional staff. In addition, other auxiliary operations will participate including athletics.
\$ 175,000	Expenditure Freeze	NA	We will freeze discretionary spending for items like travel and supplies. Given prior reductions, these amounts are already at minimal levels. In addition, other auxiliary operations will participate including athletics.
\$ 167,966	Layoff	15	Layoff approximately 15 classified and unclassified staff members.
\$ 612,000	Employee Furloughs	789	Furlough non-tenured faculty as well as both unclassified and classified staff. In addition, other auxiliary operations will participate including athletics. (210 employees)

\$ 4,559,103		<p>The above action items represent the very limited number of options available to address a reduction of this magnitude, particularly given the timing of such a significant reduction and actions taken to accommodate prior reductions. Additional programmatic reductions carry significant negative impacts on self-generated revenues, mitigating the potential savings. It should also be noted that all of these budget saving measures will prove detrimental to operations and negatively affect the quality of the delivery of mission-critical services to our students.</p>
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**University of Louisiana at Lafayette**

Reduction Amount	Description of Reduction	# Positions Reduced	Consequences of Reduction to Operations and Students
\$ 100,000.00	Reduce Office Supplies		Purchases for needed office and educational supplies will be limited.
\$ 100,000.00	Reduce travel		Travel will be limited
\$ 1,626,250.00	Furloughs		Furlough unclassified (327) and classified employees (341) paid from the Operating budget on Fridays which is currently a 5 hour day. This represents a 12.5% reduction in salaries of these employees through year-end.
\$ 3,500,000.00	Cut funding to research centers		Funding for research centers will be removed from the Operating budget.
\$ 1,903,541.00	Freeze positions	25	Hiring freeze will be implemented through year end.

**University of Louisiana at Monroe**

Reduction Amount	Description of Reduction	# Positions Reduced	Consequences of Reduction to Operations and Students
\$ 1,592,334.00	Freeze hiring remainder of year	28	Loss of instructional classes, potential loss of accreditation
\$ 441,083.00	Reduce Transfer to Athletics		Athletics programs will be scaled down. This reduction will cause Athletics to operate at a deficit.
\$ 866,574.00	Furlough - 1 day per week remainder of fiscal year		Grounds maintenance will be skeletal. Buildings will be serviced every other day instead of daily.

			Reduction of customer service to students/faculty
\$ 150,000.00	Reduction in Travel		Reduction in Professional development, both faculty and professional staff; Reduction in enhanced training
\$ 410,853.00	Layoff probational staff remainder of fiscal year	34	Loss of customer service, loss of support staff for faculty, reduced student accounting services, reduction in plant services

### University of New Orleans

UNO will drain restricted reserves to buy time to determine whether exigency declaration is necessary to cut payroll by this much. We can eliminate some staff, including adjunct professors, without that so may be able to delay that step for a few months when next year's anticipated new lower baseline funding kicks in. But exigency becomes inevitable at some point.