

## UNIVERSITY OF NEVADA, RENO RESPONSE TO LCB QUESTION 1A

### **Budget Reduction Actions Implemented to Date**

The University took a 4.5 percent reduction in appropriation in January 2008 and an additional 3.42 percent appropriation reduction July 1, 2008. Since that time, we have been asked to plan for budget reductions of 14.12 percent and ranging as high as 30 percent. At the direction of the Joint Subcommittee, we have been instructed to develop a detailed plan for a potential budget equivalent to Fiscal 2006 levels augmented by potential tuition increases. This plan will reduce funding to the University of Nevada, Reno and its several appropriation units by \$45.7 million; a 21% reduction from the Fiscal 2009 legislative appropriation.

We have approached the budget reductions with the following principles in mind:

1. Engage faculty leadership, student leadership, deans, and vice presidents early and often with transparency in our decision making.
2. Protect the core missions of the university, teaching and research and ensure students can get access to the courses they need.
3. Do not make across the board reductions, but rather protect and invest where possible in core high-quality programs, even at the cost of reducing other programs.
4. Communicate often with the campus at large, with the faculty, staff and students through town halls, emails, written communication as well as the web.
5. Communicate by direct contact with community leaders and the media what we are and are not doing.

We were able to address the first two reductions with serious short term impact, but still protecting of the long term potential and goals of the University by this collaborative approach. Indeed, the faculty of the University volunteered to defer their merit raises and the student leaders volunteered to pay a surcharge, both of which were approved by the Board of Regents. However, beyond this point, we are now in the process of taking steps which have long term, serious, negative consequences for the university and the state.

### *Preparing for Significant Budget Reductions for FY10-11*

While the NSHE has generated public discussion to minimize budget reductions for higher education in the next biennium, the University of Nevada, Reno has been preparing to operate with a significant state budget reduction in FY10-11 by taking steps to protect the core teaching, research and outreach functions of the university while trimming the use of state funds in a strategic fashion. Throughout the development and implementation of these plans, the Faculty Senate has been involved and student governments have been involved in appropriate discussions.

1. FY09 state budget reductions in administrative units to accommodate the 8% reduction which occurred in the present biennium will carry through the next biennium, including closure of the Applied Research and Excellence in Teaching programs, the replacement of half the cost of the Mining Engineering program with industry funds, and reductions in Marketing and Communications and Campus Recreation units.
2. The university issued 37 notices of non-renewal prior to July 1, 2008 that will not take effect until July 1, 2009; most of these positions were in administrative and student support functions.
3. An employee buyout opportunity resulted in 30 faculty and staff positions being vacated by the beginning of FY10; these positions will be eliminated from the state budget.
4. Administrative units (Student Services, Administration and Finance, Development and Alumni Relations, and the President's Office) have been mandated to eliminate expenses equivalent to 20 percent of their professional salary base resulting in the elimination of an additional 43.78 state funded positions.
5. Separately budgeted units are identifying their methods of preparing for 14.12 percent reductions in the use of state funds, including the Nevada Agricultural Experiment Station, University of Nevada Cooperative Extension, the University of Nevada School of Medicine, Intercollegiate Athletics, the State Health Lab and Business Center North.
6. All academic units have been assessed an amount equivalent to 5 percent of their operating funds for FY09, FY10 and FY11 to address the current year and next biennial budgetary shortfalls.
7. Each departmental faculty participated in a review of teaching resource management with the goals of delivering a larger portion of student credit hours with full-time, regular faculty, while maintaining quality instruction and fulfilling research and outreach missions. Initial targets for review were elimination or consolidation of persistently small-enrollment courses or sections of courses, increased class size to reduce the number of sections offered each year, closing of majors with small enrollments, closing degree programs with small numbers of degrees granted, increasing the number of classes taught per year per faculty member to a standard level and other solutions discovered during the discussions. Having a larger portion of student credit hours taught by full-time faculty is a measure of quality in some national rankings. Having a larger portion of student credit hours taught by full-time faculty will allow UNR to meet its upcoming budgetary shortfall and release some faculty vacancies for recruitment. Having a larger portion of student credit hours taught by full-time faculty will allow university enrollment to grow and still get closer to college budget autonomy when the budgetary downturn subsides.
8. Each Center, Institute and Academy was individually reviewed to determine whether it was core to the university and whether the use of state funds could be reduced or eliminated by way of non-state revenue sources replacing current state revenue sources, center program reduction or center program closure. Thirty-nine centers were reviewed

in consultation with a faculty committee. Few programs actually were closed, but large shares of state funds were removed as a result of finding alternative sources or program downsizing. The Math and Writing (Tutorial) Centers are being closed after spring term, 2009, but a student-faculty-administration committee is studying effective methods of supplemental instruction to help students succeed at reduced cost.

9. The University has established a “soft-freeze” for personnel hiring. All position vacancies in the central campus budget must gain approval of a central Expenditure Committee prior to filling (Executive Vice President and Provost, Vice President of Administration and Finance, Budget Director, Vice Provost). Few positions have been released for search during this academic year.

A list of departments, centers and programs that have or will experience budget reductions is shown below. This list is extensive, in keeping with the magnitude of the potential reductions, but it is not yet complete. We need to make additional reductions just to meet a 14.12% reduction target. To date, we have focused reductions mainly in administrative and support programs and have left academic programs and other core functions largely intact. Reductions beyond 14.12% will require at least retrenchment, and possibly elimination, of many academic programs.

- Applied Research Initiative\* Mining Engineering (transfer of expenses to funds provided by mining claim surcharges)
- Equestrian Program\*
- Marketing and Communications
- Excellence in Teaching\*
- Campus Recreation
- Child and Family Research Center
- Center for Ethics and Health Policy
- Marching Band
- Writing Center\*
- Math Center\*
- Human Resources - Training and Development\*
- Career Development\*
- Greek Life\*
- Student Success – Parents Program\*
- Escort Services
- Financial Aid
- Oral History
- Northern Nevada Writing Project
- Learning Resource Center
- Basque Studies

- Women's Studies
- Center for Holocaust, Genocide and Peace Studies
- Latino Research Center
- Continuing Education/Extended Studies
- Research and Educational Planning Center
- Gerontology/Geriatrics Program
- Academy for the Environment
- Institute for the Study of Gambling and Commercial Gaming
- Cancer Research Program
- Engineering Research and Development Center\*
- Nevada Bureau of Mines and Geology
- Nevada Small Business Development Center
- Nevada Seismological Laboratory
- Center for Learning and Literacy
- Raggio Research Center for STEM Education
- Center for the Application of Substance Abuse Technologies
- Custodial Services
- Human Resources
- Planning, Budget and Analysis
- Development and Alumni Affairs
- Grounds Maintenance
- Controller's Office
- Purchasing
- Campus Information Systems
- Environmental Health and Safety
- Library
- Teaching Learning Technologies
- Accounts Payable

\*Programs/services targeted for elimination

In order to reach the 14.12% targeted goal, the university will also eliminate an additional 36 state-funded academic and administrative faculty positions. These positions cut deeply into many key instructional departments including English, Mathematics, Journalism, Civil Engineering, History, Speech Communications, Foreign Languages and Public Health. It is at this point, after an approximately 12% reduction, when budget reductions will begin to noticeably diminish the instructional course offerings for students. Eliminating these 36 faculty lines will result in savings of approximately \$3.8 million and the loss of approximately 300 class sections.

## **Fiscal 2006 Funding Plan**

To reach the FY 2006 funding will require an additional \$14.5 million in budget reductions bringing the total expenditure cuts to \$45.7 million, or 20.7% of the Fiscal 2009 general fund appropriation. The plan to achieve a reduction 50% larger than what was initially anticipated will fall heavily on the core mission of the university and will result in substantial losses of class sections, de facto enrollment caps, program eliminations, and a tangible change in the breadth and quality of the university.

1. Statewide Programs reductions of 50%: We will extract an additional \$2.0 million from the Statewide Programs appropriation. This means that vital services such as the Small Business Development Center, Nevada Bureau of Mines and Geology, Seismology Laboratory, and the Cooperative Extension Service will experience additional reductions beyond what has already occurred. Also, it is likely we will eliminate all state funding for the Fleischmann Planetarium; an action which could ultimately result in the closure of the facility.
2. Intercollegiate Athletics: The NCAA establishes minimums in terms of the number of sports an institution must offer in order to remain in Division I. At the present time we are over NCAA limit and would consider a number of options including restructuring some coaches' contracts, reduction of scholarships in selected sports, along with the potential elimination of two intercollegiate sports. As part of this process we are aware of the need to remain compliant with the gender equity requirements of Title IX. These reductions could net approximately \$300,000 - \$700,000.
3. Faculty Positions/Program Elimination: It will be necessary to eliminate 100 additional faculty and 20 classified positions to reach the expenditure target established by the Joint Subcommittee. A reduction of this magnitude – approximately \$12 million - is equivalent to eliminating the Colleges of Education and Business. This cut will result in the elimination of some 400-500 class sections annually and could directly impact virtually every undergraduate student. Elimination of entire academic programs is unavoidable under this scenario. The NSHE Code requires that program closure be the result of an academic planning process which involves faculty or administrative proposals, thorough review by the Faculty Senate, open discussing and decision-making, substantial notification periods and closure. Total class closures resulting from budget reductions will be approximately 800 sections, roughly 25% of our annual courses. This level of reduction seriously damages the university, its students and the state.