Committee: Finance, Facilities and Technology  Date of Meeting: Nov. 19, 2008

Agenda Item: FY 2010-2011 Biennial Operating Budget Request Discussion

☐ Proposed Policy Change  ☑ Approvals Required by Policy  ☐ Other Approvals  ☐ Monitoring

☐ Information

Cite policy requirement, or explain why item is on the Board agenda: This discussion continues the dialogue that began with the first reading of the biennial budget request at the September Board of Trustees meeting. A public hearing was held on October 8, 2008 to allow constituent groups to express their views on the biennial budget request. The FY2010-2012 Biennial Operating Budget Request is located on page 27 of the Finance, Facilities and Technology Committee packet.

Scheduled Presenter(s): Laura King, Vice Chancellor - Chief Financial Officer
Judy Borgen, Associate Vice Chancellor Budget
Karen Kedrowski, System Budget Director

Outline of Key Points/Policy Issues: The Board is being asked to consider a budget request recommended by the Chancellor that is focused on infrastructure needs, access and affordability, and strategic plan advancements. The request would be financed by two sources of new revenue: increased state appropriation and additional tuition revenue plus reallocation of current resources.

Background Information: The requested increase in state appropriation totals $126.7 million, with a 4 percent ($222 per year) average tuition increase at the universities and a 3 percent ($122 per year) average increase at the colleges generating an additional $68.0 million for total new revenues of $194.7 million. In addition, the Chancellor is recommending that the System reallocate $20.0 million of existing resources to generate the necessary resources to support a total package of $214.7 million.