



What Do CEOs Want to Know About . . . Budget Issues?

Quarterly Survey of League Alliance CEOs.

These survey results are composed of the responses submitted by your fellow CEOs as part of the Alliance quarterly CEO survey service. The response rate for this survey was 14 percent (n=90) (response rates are noted in *italics*). You can access results of past Alliance CEO Surveys by clicking on the Publications tab in the League's iStream (www.league.org/istream).

1 How does your overall FY 2008-2009 budget compare to last year's (FY 2007-2008) budget?

73.0% Increase 14.6% Decrease
7.9% Even 4.5% Not Available

Increase **Decrease**
1% to 10% 57% 1% to 10% 6%
11% to 20% 12% 11% to 20% 1%

2 Please note the percentage of your FY 2008-2009 institutional budget from the following sources:

Budget Source →	Federal	State/Province	Local	Tuition	Other
% Budget ↓	Response rate				
1% to 10%	56%	7%	17%	11%	50%
11% to 20%	7%	13%	16%	24%	8%
21% to 30%	4%	13%	12%	18%	7%
31% to 40%	2%	16%	7%	17%	1%
41% to 50%		17%	7%	13%	
51% to 60%		18%	6%	2%	
61% to 70%		2%	3%		
71% to 80%		2%	1%		
81% to 90%		6%			
91% to 100%		2%			

3 How does your current (FY 2008-2009) state/province funding compare to last year's (FY 2007-2008) state/province funding?

50.6% Increase 20.2% Decrease
11.2% Even 18% Not Available

Increase **Decrease**
1% to 10% 50% 1% to 10% 19%
11% to 20% 3% 11% to 20% 2%

4 How does your current (FY 2008-2009) local funding compare to last year's local funding?

39.3% Increase 9.0% Decrease
25.8% Even 25.9% Not Available

Increase **Decrease**
1% to 10% 37% 1% to 4% 10%
11% to 20% 1%
21% to 30% 0%
31% to 40% 1%

5 How does your projected institutional budget for next year (FY 2009-2010) compare to this year's (FY 2008-2009) budget?

56.2% Increase 12.4% Decrease
16.9% Even 14.5% Not Available

Increase **Decrease**
1% to 5% 47% 2% to 8% 9%
6% to 12% 11% 17% 1%
30% 1%

6 Which, if any, of the following revenue reductions has your institution experienced during FY 2008-2009?

9.0% Enrollment decline 11.2% Decreased donations
39.3% Unfunded enrollment increases 29.2% Decreased operational funding
30.3% Decreased capital funding 57.3% Decreased interest income
11.2% Decreased grant funding 12.4% Decreased student services funding
5.6% Other

7	What steps has your institution taken to reduce expenses in FY 2008-2009?			
	6.7%	Enrollment limits	6.7%	Employee layoffs
	13.5%	Reduced course offerings	38.2%	Employee reduction by attrition
	7.9%	Reduced hours of operation	18.0%	Flat budget reduction across all areas
	34.8%	Reduced employee travel	34.8%	Differential budget reductions
	14.6%	Hiring freeze	19.1%	Other

8	What steps has your institution taken to increase revenue in FY 2008-2009?			
	46.1%	Increased contract education	6.7%	Increased or new tax levy
	59.6%	Increased donation solicitation (in-kind or financial)	61.8%	Increased tuition
	40.4%	Increased fees	46.1%	Initiated or increased entrepreneurial activities
	51.7%	Increased grant applications	9.0%	Other
	66.3%	Increased marketing efforts		

9	What institutional areas or cost centers do you believe will face the greatest funding challenges in the near future?			
	53.9%	Capital projects and spending	30.3%	Operational costs
	41.6%	Employee benefits	47.2%	Salaries
	56.2%	Energy/utilities	67.4%	State funding
	64.0%	Health insurance	15.7%	Student support services
	27.0%	Maintenance	4.5%	Other
	42.7%	Technology		

10 In the space below, please include any additional information or comments about budget issues at your college:

OTHER:

- The next two fiscal years (FY '10 and FY '11) will be very difficult in the state of Minnesota. State revenues are expected to be down . . . and support for higher ed will move in the same direction. Possibility of big changes ahead for MN higher education!
- Increase in overall budget primarily due to state salary funds and federal grants.
- Govt provides funding for new initiatives but little increases for existing activity. The natural outcome is that over time the portfolio for programming and activity increases while the ability to keep it going decreases. Like building more roads without adding to the maintenance budget. The new stuff is welcomed, looks great, and attracts public attention and votes, but increases the challenge to keep it all going.
- We are fortunate to have enrollment growth and we have also been on a path to increase our efficiency through partnerships with other institutions (e.g., sharing public public safety).
- Our college is part of a centralized state system, so we have little local control over personnel costs, tuition revenues, and state funding. In the present biennium, for example, we were forced to limit tuition costs while state funding did not keep pace with inflation.
- Ontario economy closely linked to U.S. economic slow down will lead to tighter provincial revenues and have a downward pressure on grants.
- California has not yet reached a budget. It's all a crap-shoot!
- In Pennsylvania the funding model is broken. Local sponsors cannot contribute their fair share and the projections are this will only get worse. How long the colleges can compensate for this with capital project backlogs, increasing tuition and rising basic costs is a growing problem.
- Our local tax increased 34% due to the passage of a 45 million dollar bond for facilities renewal.
- We are STILL in a major growth area of NC, and demands for classes and services continue to increase.
- The increase in the overall budget was primarily due to increases in federal grants. The E&G unrestricted increased only 2.5%.
- We are a phase II GASB 43 & 45 implementation and we have a \$40 plus million dollar unfunded liability. We are currently in the process of determining how to fund the annual expense of approximately \$2.3 million.
- Our provincial government gives us 3 year grant projections and controls tuition increases.
- Institutional budget decreased in 09/10 due to completion of major construction/renovation projects in 08/09
- Question 2 should have more spaces available for more accurate reporting state provine is 24.89%, federal is 6.34% for example.
- 2008 floods in Iowa have created a major stress on emergency funding. Our college was not directly impacted but is a concern of future funding levels may be affected.