Restructuring Report
Board of Trustees Meeting

INVESTING IN THE FUTURE OF FAMU
Overview

- Workshop designed to permit full discussion of various components of the restructuring plan
- Plan outlined in accordance to the direction provided by the Trustees in September
- Restructuring looks at 2011-2014
Overview

- Conversations have included:
  - SACS Comprehensive University Review
  - “2020 Vision with Courage” Strategic Plan
  - BOG Work Plan
  - Academic Programs and Structure Reviews
The Board of Governors’ Strategic Priorities are:

- Access to and Production of Degrees
- Meeting Statewide Professional and Workforce Needs
- Building World Class Academic Programs and Research Capacity
- Meeting Community Needs and Fulfilling Unique Institutional Responsibilities
LBR

- Enhance Visibility and Productivity as a Doctoral/Research University - $275,000
- Increase University Activities to Address Health Care Disparities Among Underserved Populations - $3,500,000
- Increase the persistence/retention rates of undergraduate students, leading to increased graduation rates-$1,300,000
Initiate On-line Academic Programs
- $1,550,000

Increase International Opportunities for Faculty and Students
- $562,920

These are the LBR Priorities for 2011-12
## Revenue Sources

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<tbody>
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<td><strong>EDUCATIONAL AND GENERAL APPROPRIATIONS:</strong></td>
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<td>General Revenue</td>
<td>95,218,434</td>
<td>5,864,472</td>
<td>89,353,962</td>
<td>80,418,566</td>
<td>80,418,566</td>
<td>80,418,566</td>
<td>80,418,566</td>
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<td>Educational Enhancement (Lottery)</td>
<td>11,720,688</td>
<td>-</td>
<td>11,720,688</td>
<td>11,369,067</td>
<td>11,027,995</td>
<td>11,027,995</td>
<td>11,027,995</td>
<td>11,027,995</td>
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<td>Student Fee Trust Fund - In-State</td>
<td>41,656,488</td>
<td>-</td>
<td>41,656,488</td>
<td>47,904,961</td>
<td>55,090,706</td>
<td>63,354,311</td>
<td>72,857,458</td>
<td>83,786,077</td>
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<td>Student Fee Trust Fund - Out-of-State (net of waivers)</td>
<td>11,318,509</td>
<td>-</td>
<td>11,318,509</td>
<td>11,318,509</td>
<td>11,318,509</td>
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<tr>
<td>Student Fee Trust Fund - Carryforward</td>
<td>6,005,140</td>
<td>-</td>
<td>6,005,140</td>
<td>6,005,140</td>
<td>6,005,140</td>
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<td>Student Fee Trust Fund - Other Fees</td>
<td>627,051</td>
<td>-</td>
<td>627,051</td>
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<td>627,051</td>
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<td>Federal Stimulus Funds</td>
<td>8,460,902</td>
<td>-</td>
<td>8,460,902</td>
<td>8,460,902</td>
<td>8,460,902</td>
<td>8,460,902</td>
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<td><strong>TOTAL</strong></td>
<td><strong>175,007,212</strong></td>
<td><strong>5,864,472</strong></td>
<td><strong>169,142,740</strong></td>
<td><strong>157,643,294</strong></td>
<td><strong>164,487,987</strong></td>
<td><strong>172,751,572</strong></td>
<td><strong>182,254,719</strong></td>
<td><strong>193,183,338</strong></td>
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<td><strong>OTHER STUDENT RELATED FEES:</strong></td>
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<td>Technology Fee</td>
<td>1,916,580</td>
<td>1,016,580</td>
<td>2,069,006</td>
<td>2,235,499</td>
<td>2,414,339</td>
<td>2,607,486</td>
<td>2,816,085</td>
<td>3,035,000</td>
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<td><strong>TOTAL</strong></td>
<td><strong>8,945,085</strong></td>
<td><strong>8,945,085</strong></td>
<td><strong>9,544,143</strong></td>
<td><strong>9,981,357</strong></td>
<td><strong>10,453,507</strong></td>
<td><strong>10,963,450</strong></td>
<td><strong>11,514,188</strong></td>
<td><strong>12,091,000</strong></td>
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<td><strong>AUXILIARY REVENUES (excluding athletics):</strong></td>
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<td>Housing Revenues</td>
<td>10,917,772</td>
<td>10,917,772</td>
<td>11,354,483</td>
<td>11,808,663</td>
<td>12,281,009</td>
<td>12,772,249</td>
<td>13,283,139</td>
<td>13,800,000</td>
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<td>Other Auxiliaries</td>
<td>12,679,393</td>
<td>12,679,393</td>
<td>13,186,569</td>
<td>13,714,031</td>
<td>14,262,593</td>
<td>14,833,096</td>
<td>15,425,420</td>
<td>16,000,000</td>
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<td><strong>TOTAL</strong></td>
<td><strong>23,597,165</strong></td>
<td><strong>23,597,165</strong></td>
<td><strong>24,541,052</strong></td>
<td><strong>25,522,594</strong></td>
<td><strong>26,543,602</strong></td>
<td><strong>27,605,346</strong></td>
<td><strong>28,709,600</strong></td>
<td><strong>29,800,000</strong></td>
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<td><strong>CONTRACTS AND GRANTS:</strong></td>
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<tr>
<td>Federal</td>
<td>48,169,253</td>
<td>48,169,253</td>
<td>51,541,100</td>
<td>55,146,977</td>
<td>59,009,406</td>
<td>63,140,064</td>
<td>67,569,868</td>
<td>72,000,000</td>
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<td>State</td>
<td>2,219,776</td>
<td>2,219,776</td>
<td>2,375,160</td>
<td>2,541,422</td>
<td>2,719,321</td>
<td>2,909,674</td>
<td>3,113,351</td>
<td>3,313,351</td>
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<td>Local and Non-governmental</td>
<td>2,827,537</td>
<td>2,827,537</td>
<td>3,025,465</td>
<td>3,237,247</td>
<td>3,463,854</td>
<td>3,706,324</td>
<td>3,965,767</td>
<td>4,225,767</td>
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<td>Research Overhead Earned</td>
<td>5,537,917</td>
<td>5,537,917</td>
<td>5,925,571</td>
<td>6,340,361</td>
<td>6,784,186</td>
<td>7,259,079</td>
<td>7,767,215</td>
<td>8,300,000</td>
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<td><strong>TOTAL</strong></td>
<td><strong>58,754,482</strong></td>
<td><strong>58,754,482</strong></td>
<td><strong>62,867,296</strong></td>
<td><strong>67,268,007</strong></td>
<td><strong>71,976,767</strong></td>
<td><strong>77,015,141</strong></td>
<td><strong>82,406,201</strong></td>
<td><strong>85,000,000</strong></td>
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<td><strong>ESTIMATED FUNDRAISING (FOUNDATION):</strong></td>
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<td>480,000</td>
<td>2,480,000</td>
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<td><strong>ATHLETICS:</strong></td>
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<td><strong>DISTANCE LEARNING:</strong></td>
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<td><strong>TOTAL PROJECTED REVENUES</strong></td>
<td><strong>266,303,945</strong></td>
<td><strong>5,864,472</strong></td>
<td><strong>200,919,473</strong></td>
<td><strong>257,075,785</strong></td>
<td><strong>269,740,004</strong></td>
<td><strong>284,205,448</strong></td>
<td><strong>300,318,655</strong></td>
<td><strong>318,293,286</strong></td>
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</table>

Please note:
1. General Revenue reduced by 10% FY 2011-12 and hold constant thereafter
2. Lottery decreased by 3% in FY 2011-12 and hold constant thereafter
3. Student Fee - In-state increased 15% every year
4. Student Fee - Out-of-State, carryforward, and other fees held constant
5. Technology and Financial Aid Fee increased by 8% every year
6. Activity and Service Fee increased by 5% FY 2011-12 and held constant thereafter
7. Auxiliary revenues increased by 4% every year
Tuition vs Appropriation

Does not include Lottery & Stimulus

- Student Fees Per FTE
- General Revenue Per FTE

Yearly breakdown from 2000-01 to 2010-11:
- 2000-01: 69% and 31%
- 2001-02: 66% and 34%
- 2002-03: 67% and 33%
- 2003-04: 68% and 32%
- 2004-05: 67% and 33%
- 2005-06: 64% and 36%
- 2006-07: 67% and 33%
- 2007-08: 69% and 31%
- 2008-09: 66% and 34%
- 2009-10: 61% and 39%
- 2010-11: 61% and 39%
Enrollment Growth essential
Enrollment rate of 1% modest; but practical
Market Rate permitted for select programs
• Recent BOG policy change
• Must be approved by BOT & BOG
• High Need, High Demand Programs
Enrollment Growth to 2020

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<tr>
<th>Year</th>
<th>Law</th>
<th>Grad</th>
<th>Undergrad</th>
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<tr>
<td>2008</td>
<td>1,402</td>
<td>605</td>
<td>9,889</td>
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<tr>
<td>2009</td>
<td>1,433</td>
<td>607</td>
<td>10,246</td>
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<tr>
<td>2010</td>
<td>1,324</td>
<td>671</td>
<td>11,289</td>
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<tr>
<td>2011</td>
<td>1,350</td>
<td>698</td>
<td>11,515</td>
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<tr>
<td>2012</td>
<td>1,377</td>
<td>726</td>
<td>11,745</td>
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<tr>
<td>2013</td>
<td>1,433</td>
<td>1,405</td>
<td>11,980</td>
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<tr>
<td>2014</td>
<td>1,462</td>
<td>1,491</td>
<td>12,220</td>
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<tr>
<td>2015</td>
<td>1,521</td>
<td>1,551</td>
<td>12,464</td>
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<tr>
<td>2016</td>
<td>1,582</td>
<td>1,614</td>
<td>12,713</td>
</tr>
<tr>
<td>2017</td>
<td>1,755</td>
<td>1,755</td>
<td>12,968</td>
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<tr>
<td>2018</td>
<td>1,755</td>
<td>1,755</td>
<td>13,227</td>
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<tr>
<td>2019</td>
<td>1,755</td>
<td>1,755</td>
<td>13,491</td>
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<tr>
<td>2020</td>
<td>1,755</td>
<td>1,755</td>
<td>13,761</td>
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# Annual FTE vs Funded FTE

Derived Annual FTE compared to Funded FTE*

Based on Final Summer 2009, Final Fall 2009, and Final Spring 2010

<table>
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<tr>
<th>Univ</th>
<th>Level</th>
<th>Final Summer SCH</th>
<th>Final Fall SCH</th>
<th>Final Spring SCH</th>
<th>Final Annual SCH</th>
<th>2009-10 Final Annual FTE</th>
<th>Funded 2009-10</th>
<th>Difference</th>
<th>Percentage Difference</th>
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<tr>
<td>FAMU</td>
<td>Lower</td>
<td>17,644.0</td>
<td>71,800.0</td>
<td>60,580.0</td>
<td>150,024.0</td>
<td>3,750.6</td>
<td>3,601.0</td>
<td>149.6</td>
<td>4.2%</td>
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<td>Upper</td>
<td>12,139.0</td>
<td>42,775.0</td>
<td>46,830.0</td>
<td>101,744.0</td>
<td>2,543.6</td>
<td>2,868.0</td>
<td>(324.4)</td>
<td>-11.3%</td>
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<td>Grad I</td>
<td>2,988.0</td>
<td>7,486.0</td>
<td>7,383.0</td>
<td>17,857.0</td>
<td>558.0</td>
<td>1,210.0</td>
<td>(652.0)</td>
<td>2.7%</td>
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<td>Grad II</td>
<td>3,528.0</td>
<td>10,325.0</td>
<td>10,300.0</td>
<td>24,153.0</td>
<td>754.8</td>
<td>68.0</td>
<td>686.8</td>
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<td>Nonres.</td>
<td>2,165.0</td>
<td>13,328.0</td>
<td>12,054.0</td>
<td>27,547.0</td>
<td>728.5</td>
<td>1,119.0</td>
<td>(390.5)</td>
<td>-34.9%</td>
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<td>Total</td>
<td>38,464.0</td>
<td>145,714.0</td>
<td>137,147.0</td>
<td>321,325.0</td>
<td>8,335.5</td>
<td>8,866.0</td>
<td>(530.5)</td>
<td>-6.0%</td>
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## Tuition at FAMU vs SUS

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<tr>
<th>Program</th>
<th>FAMU</th>
<th>UF</th>
<th>FIU</th>
<th>FSU</th>
<th>USF</th>
<th>UCF</th>
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<tr>
<td>PharmD (In-State)</td>
<td>$ 7,587</td>
<td>$ 17,715</td>
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<tr>
<td>PharmD (Out-State)</td>
<td>$ 22,380</td>
<td>$ 40,659</td>
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<tr>
<td>Law (In-State)</td>
<td>$ 8,498</td>
<td>$ 13,109</td>
<td>$ 11,710</td>
<td>$ 13,105</td>
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<tr>
<td>Law (Out-State)</td>
<td>$ 23,906</td>
<td>$ 28,601</td>
<td>$ 22,738</td>
<td>$ 28,755</td>
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<tr>
<td>Physical Therapy (In-State)</td>
<td>$ 7,587</td>
<td>$ 20,156</td>
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<td>$ 19,028</td>
<td>$ 19,562</td>
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<tr>
<td>Physical Therapy (Out-State)</td>
<td>$ 22,380</td>
<td>$ 29,396</td>
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<td>$ 26,144</td>
<td>$ 51,270</td>
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General Revenue Budget Reduction from FY 2007-2010

- \((5,251,221)\) in 2007-08
- \((10,689,291)\) in 2008-09
- \((3,153,531)\) in 2009-10
- \((16,246,516)\) in 2010-11
- \((35,340,559)\) TOTAL
Budget Reductions

>$30m

- Salaries and benefits ~$14.5m
  Attrition, vacancies, (207 fts)
- OPS ~$3.7m
  Temporary employees
- Expenses ~$12.4m
Budget Restructuring 2011-12

- Review the Academic Productivity
- Review Academic Administrative Services
- Review of University Administrative Support
2010 Expenditures by Categories

- Salaries
- OPS
- Expense
- OCO
- Black Male Prog
- Risk Management
- Police Salary Incentive
- Out of State Waivers
- Student Finan Aid
- Library Resources
- Debt Service
University FTEs

- Exec: 6.00
- A&P: 229.69
- USPS: 495.50
- FAC: 742.69
Salaries comprise 78% of the budget
Division of Academic Affairs the largest division
Must reduce the workforce to meet restructuring goals
Expenditures

- Reduce administrative costs
- Eliminate low productivity programs
- Reduce duplication in course offerings
- Reduce duplication in administrative processes
- Reduce energy costs
- Implement private sector expertise where appropriate
Administrative Service Assistance Program (ASAP)

- VP for Administration
  - Trainer
    - Coordinators (5 ftes)
      - Floaters
    - Coordinators (11 ftes)
  - Office Manager
  - Director of ASAP
    - Assistant Director of Academics
      - Coordinators (5 ftes)
    - Assistant Director of Administration
      - Coordinators (5 ftes)
    - Assistant Director of Auxiliaries
      - Coordinators (1 ftes)

Note: technology dependent

- Time & Leave Entry
- Position Descriptions
- Payroll Certification
- Reconciliation of Payroll
- Payroll Rep, for Unit
- Monitor Unit Budget
- Submission & Quality Control of vendor payments
- Travel & expense reporting
- KK Ledger Reconciliation
- Point of contact for all operational problems
Restructuring of Divisions

- Academic Administration — $6,000,000
- Administrative & Financial — $2,000,000
- Student Affairs — $833,000
- EIT — $735,000
- OPS — $2,000,000
- Vacancies — $2,000,000
- Other Division — $250,000
Outcomes

- Business Efficiencies
- University Administrative Support
  - Enhancing Financial Aid
  - Enhancing Payroll
  - Enhancing Technology
RE-INVESTMENTS

- Dependent upon actual state appropriations
- Must generate more revenue
  - Invest in enrollment growth and retention
  - Invest in increased research efforts
  - Invest in fund-raising operations
FUTURE YEARS

- Outsource Select Services
- Eliminate one session of summer school
- Academic Reorganization
  - Reducing the number of school & colleges
  - Realigning some programs
- Enrollment Growth
ACADEMIC PRODUCTIVITY

- High Need, High Productivity
- High Need, Low Productivity
- Low Need, High Productivity
- Low Need, Low Productivity
ACADEMIC REORGANIZATION

- Organizational Analysis Task Force reviewed data
- Task Force will recommend the restructuring of schools & colleges
- University community will communicate to constituents
- University will adhere to shared governance
Timeline

- **December 2010**
  - Presentation to Board of Trustees

- **January 2011**
  - Final Task Force Report given to Provost
  - Discuss Report with University community
  - Refine Academic Productivity Lists
TIMELINE

- February 2011
  - Analyze results of University discussions
- March 2011
  - Review the Strategic Plan in light of current realities
  - Finalize reorganization
- April 2011
  - Review with Board of Trustees
Conclusions

- This is an iterative process
- Process requires on-going communication with University family
- Analysis is multi-leveled to ensure faculty rights are observed