Ms. Hardee greeted everyone and said this meeting had only one agenda item, budget reductions. She distributed a PowerPoint presentation to the Council and proceeded to review it.

She informed the Council that for 2008-2009, there is a $6.5 million dollar reduction (approximately 5.9%) for Florida A&M University from E&G. This may be the only reduction for 08-09, but it may not be because State of Florida revenues are still continuing to fall. And, there may be another reduction in fiscal year 2009-2010. This year the only funds that we gained are special category funds for health insurance and risk management. There is nothing to offset the $6.5 million reduction which becomes effective July 1, 2008.

Ms. Hardee informed the Council that the Leadership Team took a collaborative approach to addressing the 2008-09 reductions which are presented here for the Council’s review. Each Vice President developed their own strategy for reducing their respective budgets. Each one met with their Deans, Directors and other staff throughout their Division to develop their plans. Additionally, a survey was developed and administered to the entire campus community to solicit ideas for cost reductions and efficiency savings. The survey was used to capture faculty and staff’s opinions about inefficiencies and to get their recommendations for improvement, increased revenue generation and/or cost reductions. We received more than 300 responses. The responses were analyzed and presented to each Vice President for their respective areas of responsibility. Each VP incorporated any viable suggestions into their planning as well. The Leadership Team gave special priority to two strategic initiatives that were used to develop the proposed budget which is being submitted to the UBPC:

1. Increasing access and enrollment
2. Improving administrative processes

Additionally, funding for utilities, college work study, the library and freshmen general studies classes were not reduced. Ms. Hardee gave a summary of the proposed budget. EIT sustained the largest reductions. However, Mr. Herrington, Title III Director, agreed to contribute an additional $2.4 million from carry forward and some other initiatives as one time funding only. He also reminded the Council that FAMU TV and CESTA Base are not in the Title III budget as of October 1, 2008. Ms. Hardee thanked
Mr. Herrington for assisting with the funding and asked that all affected employees be properly notified that they will not remain on the payroll after that time.

Dr. Holder attended a meeting of the Advisory Council of the Faculty Senate for the SUS. At this meeting, Chancellor Rosenberg informed them that there may be an additional 3% reduction. Ms. Hardee told the Council that the 6% tuition increase would will generate $1.2 million at capacity; 1/3 is need based financial aid, the other 2/3 for this time reducing classroom size, but it is not salary. While the Lottery appropriation was increased, the Council was reminded that if lottery collections do not meet projections, we will not receive the appropriation. All indications are that the lottery revenue is declining. If additional revenue is realized, the increases will be brought back to the Council for deliberation.

Mr. Herrington expressed his concern that expenses were the only thing being cut and not people. He questioned if people could perform their jobs without the proper equipment. Dr. Jackson asked if there were any possibilities for EIT to do contract type research or contract services. Robert Seniors informed the Council that he has started quite a few initiatives to generate revenue. One such venture is a consortium that was just started with Morehouse College. FAMU provides technology services to it and will potentially expand it to provide them to other HBCUs. While this revenue has not yet been realized, Mr. Seniors informed the Council that it would be very difficult to make it on this proposed budget without the additional funding from Title III and carry forward. He stated that EIT will survive, but if experiencing a cut of this magnitude again will be a tragedy and EIT and the University could completely melt down as it is very intertwined into every body on campus. It impacts everyone on campus in some shape, form or fashion and the operating costs are going to continue to increase over the years. He did not want anybody to think that EIT can take this $2.4 million dollar hit on the chin and that it is no big deal if it had not been for Title III at this point it would be in really bad shape. EIT, because contrary to popular belief, is a lean organization and when compared to any other institution per capital, it is very lean in the way it operates. Mr. Seniors stated that “we think we are a pretty efficient shop but don’t have back up for some of these areas and we are on a very high risk factor right now EIT. Projects do not stop, they continue 24/7. “

The Council voted unanimously to forward the budget to the President for recommendation to the Board.

Ms. Hardee said the Council will have another meeting probably before the end of the fiscal year after the Board meeting maybe toward the end of June. Ms. Fuse-Hall stated that they are also working on the Strategic Plan. Ms. Hardee indicated that the next meeting will be June 26, 2008 at 2:00 P.M. to go over the final budget for the University. Ms. Hardee thanked everyone and the meeting was adjourned at 3:00 PM.