2009-10 Revenue Budget: $887,117,600

- Student Fees: $50.5 (11%)
- Sponsored Research: $100.7 (22%)
- General Fund: $197.3 (23%)
- User Fees: $313.5 (35%)
- Tuition: $204.1 (22%)
- Private Funds: $21.0 (6%)

$ in millions
TOTAL BUDGET OVERVIEW

2009-10 OUTLAYS $887,117,600

- Student Financial Aid: $14.3 (3%)
- Educational & General: $382.0 (43%)
- Sponsored Research: $100.7 (11%)
- Auxiliary Enterprises: $173.9 (20%)
- Capital Improvements: $216.2 (24%)

* State Funded Student Financial Aid

$ in millions
GEORGE MASON UNIVERSITY
GENERAL FUND
BUDGET REDUCTION HISTORY

<table>
<thead>
<tr>
<th>DATE</th>
<th>GF REDUCTION</th>
<th>PERCENT</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY08</td>
<td>$6.8M</td>
<td>5%</td>
</tr>
<tr>
<td>FY09</td>
<td>9.7M</td>
<td>7%</td>
</tr>
<tr>
<td>FY10</td>
<td>11.2M</td>
<td>8%</td>
</tr>
<tr>
<td>FY10 September 2009</td>
<td>17.6M</td>
<td>15%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$45.3M</strong></td>
<td><strong>35%</strong></td>
</tr>
</tbody>
</table>
GENERAL FUND % OF SUPPORT TRENDS ANALYSIS

<table>
<thead>
<tr>
<th>Year</th>
<th>Orig</th>
<th>Rev</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY91</td>
<td>32%</td>
<td>37%</td>
</tr>
<tr>
<td>FY92</td>
<td>34%</td>
<td>32%</td>
</tr>
<tr>
<td>FY93</td>
<td>36%</td>
<td>32.90%</td>
</tr>
<tr>
<td>FY94</td>
<td>37%</td>
<td>34.37%</td>
</tr>
<tr>
<td>FY95</td>
<td>38%</td>
<td>42.94%</td>
</tr>
<tr>
<td>FY96</td>
<td>39%</td>
<td>42.33%</td>
</tr>
<tr>
<td>FY97</td>
<td>40%</td>
<td>41.80%</td>
</tr>
<tr>
<td>FY98</td>
<td>41%</td>
<td>40.40%</td>
</tr>
<tr>
<td>FY99</td>
<td>42%</td>
<td>37.00%</td>
</tr>
<tr>
<td>FY10</td>
<td>43%</td>
<td>32.90%</td>
</tr>
<tr>
<td>FY11</td>
<td>44%</td>
<td>28.90%</td>
</tr>
</tbody>
</table>

Note: The chart shows the percentage of E&G for each fiscal year from FY91 to FY10, with orig and rev values.
BUDGET REDUCTION MESSAGE MOVING FORWARD

- Remain Committed to Unit Empowerment
- Institutional Commitment to Classroom Learning Quality
- Unit Budget Reduction Strategies Primarily Delegated
- Some Targeted Budget Reduction Decisions Will Also Be Made Centrally
- Strategies Executed in Collaborative Manner
- Budget Reduction Strategies Will Combine Short Term and Long Term Tactics
- Total University Commitment to Alternative Net Income Generating Strategies
# BUDGET REDUCTION STRATEGIES
## FY 2010

<table>
<thead>
<tr>
<th>TARGET</th>
<th>15% $17.6M</th>
<th>NOTES</th>
</tr>
</thead>
<tbody>
<tr>
<td>New ARRA Funds</td>
<td>$8,600,000</td>
<td>One-time Funding in FY10</td>
</tr>
<tr>
<td>Additional Tuition Revenue – Enrollment Increase</td>
<td>$2,500,000</td>
<td>Enrollment Beyond Original Target</td>
</tr>
<tr>
<td>Additional Funds from Other Sources/New Revenue</td>
<td>$500,000</td>
<td></td>
</tr>
<tr>
<td>Reduce Utilities Budget</td>
<td>$700,000</td>
<td></td>
</tr>
<tr>
<td>Remaining Budget Reductions</td>
<td>$5,300,000</td>
<td>Budget reductions not made across-the-board.</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$17,600,000</strong></td>
<td></td>
</tr>
</tbody>
</table>
E&G BUDGET BY PROGRAM
FY 2010

- **All Others**: $36.3M (10.2%)
- **University Life**: $7.9M (2.2%)
- **Info Technology**: $29.3M (8.2%)
- **Facilities**: $32.9M (9.2%)
- **Student Aid**: $5.8M (1.6%)
- **Academic Support/Enrl Svcs**: $25.3M (7.1%)
- **Library**: $18.2M (5.1%)

**Total**: $357.4M

- **Academic Units**: $201.7M (56.4%)
STRATEGY TO ABSORB THE REDUCTION

- Reduce Instructional Units and Library
- Less Than Administrative Units
  - Instructional Units: 1.5%
  - Administrative Units: 1.7% & 2.0%
- No Mid-Year Tuition Increase
- Limit Allocation of Enrollment Growth (Beyond Target) Tuition Revenue
- Protect Institutional Reserve ($5.3M)
# COMMONWEALTH OF VIRGINIA

## OTHER STATEWIDE BUDGET REDUCTIONS

- One Unpaid Day (Furlough) ($1.0M)
- Eminent Scholar Funding ($80,000)
- Defer Interest Earnings (FY Delay)
- Reduce VRS Employer Contribution (???)
FURLOUGH:

- State has announced the one-day of unpaid leave (*furlough*) for all “State Employees”
- All salaried employees in the Executive Branch Agencies regardless of source of funds supporting the positions
- Institutions of higher education are to manage the furlough requirement in a manner that causes no disruption in classes
- Employees whose positions are funded by grants or other special fund sources are subject to the furlough
FURLOUGH:

- Outcome of the furlough will result in a loss of pay equivalent to 8 hours.
- Agencies are not allowed to implement additional furloughs to address budgetary problems.

As information becomes available, it will be shared with the Mason community.
“THE RICHMOND ASK”

**INVEST:**
- Base Budget Operating Resources
- Enrollment Growth Funding
- Competitive Compensation
- Student Financial Assistance

**RETURN:**
- Access, Quality, Affordability
- Degrees, Workforce Demand, Economic Development
CONTINUE DIALOGUE
MORE TOWN HALL MEETINGS
- Faculty, Staff & Students
- External Communities
SEEK INPUT; REFINE STRATEGIES
MAINTAIN FOCUS / CONCENTRATE ON CORE

BUDGET DECISION TRANSPARENCY
“FACTS DO NOT CEASE TO EXIST BECAUSE THEY ARE IGNORED.”
~ Aldous Huxley

“THE ART OF LEADERSHIP IS SAYING NO, NOT YES. IT IS VERY EASY TO SAY YES.”
~ Tony Blair

“UNDoubtedly you have mastered saying yes. Start practicing “no.” Your goals depend on it.”
~ Paul Canfield

“Most discussions of decision making assume that only... senior executives' decision making matters. That is a dangerous mistake.”
~ Peter Drucker

“Character is one factor that will guide all our actions and decisions. Our investment in uncompromising integrity... helps us take difficult stands in the worst difficult business situation.”
~ Azim Premsi