

1d. Summary of Budget Reductions

In preparing its budget for FY 03, Ohio University faced a budget reduction from the state of \$5.95 million; increased costs due to inflation for items such as energy, supplies, and equipment; and increased costs related to a growing enrollment. To insure a balanced budget for FY 03, the University has instituted cost saving methods aimed at reducing energy consumption including modified work hours during break periods and encouraged other cost savings methods to reduce University expenditures. In addition, two buildings are being closed to reduce energy use and custodial maintenance costs. These combined measures are expected to save over \$1 million during the FY 03 year.

In addition, Ohio University instituted budget reductions to all Athens campus units totaling \$5.6 million. First, all units were assessed a 1% across the board reduction resulting in a savings for the year of \$1.67 million. Second, an additional reduction averaging 2% per unit has been applied differentially to the units. This reduction ranges from 1.6% to 3.2% and totals \$3.9 million across all units. This reduction is structured to protect the University's instructional capacity and essential services to the students.

One result of the second set of differential reductions is to eliminate between 45 and 50 positions including administrative, classified, and faculty positions. In addition, another 10 or more positions are being put on soft money from grants or rotary accounts. Finally, as vacancies occur, positions are being reclassified to lower levels to save money, with the resulting position savings being applied to the budget reductions.

The second set of differential reductions also includes eliminating a grant program, reducing some services to employees, eliminating a program minor, terminating a fellowship, and eliminating some new initiatives. In addition, some units are eliminating annual reports, award dinners, and reducing funds for various other public occasions. Many units are also implementing reductions in supplies, equipment, travel, and faculty recruitment support.