

**BUDGET COMMITTEE
FINAL REPORT 2009-2010**

Committee Members: Allan Karnes (chair), Benjamin Rodriguez, Stephen Ebbs, Edward Alfrey, Douglas Lind, Sanjeev Kumar, Rebecca Weston, Mark Amos

1. The State of Illinois continues to struggle with a large deficit, but there seems to be little political will to solve it in a responsible manner.
2. Illinois's current budget deficit runs at about \$13.5 billion.
3. Governor Quinn's FY11 budget proposed an 87 million dollar reduction in state support for higher education. The governor also proposed large cuts for K-12 education.
4. The day after the budget proposal, the governor asked the legislature to approve a 1% increase in the state income tax to reduce the cuts to education.
5. HB 174, which passed the Illinois Senate last year, calls for a 2% income tax increase and a broadening of the sales tax base.
6. None of the revenue enhancements is likely to be called before the November election.
7. For SIUC, the proposed cuts (along with other shortfalls and priorities) total about \$15 million.
8. The Chancellor has reported that units are identifying how to make large cuts in their operating budgets. A furlough scheme is also being developed. Although the Senate has been told they will be involved in the choices to be made, no contact with the budget committee has been initiated by the Chancellor's office.
8. The Chair of the Budget Committee, in collaboration with the Executive Committee sponsored a resolution asking that the Chancellor's Planning and Budget Committee be reformulated as a constituency based policy making committee. That resolution passed the senate.
9. Although the University is facing dire budget challenges that require buy in across all constituencies, the Chancellor decided to not act on the resolution. In fact the regularly scheduled meeting of the CPBC for April was cancelled.
10. In the prior term of the Senate, VP Sanjeev Kumar drafted a set of recommendations to the Chancellor on how to approach cuts and layoffs, including the need for 12 month contracts and general revenue allocations to non academic units. These recommendations have not been discussed with the Senate or any committee of the Senate.
11. It is hoped that under the new Cheng administration, shared governance and faculty input into the tough choices facing the university will be more valued and respected.