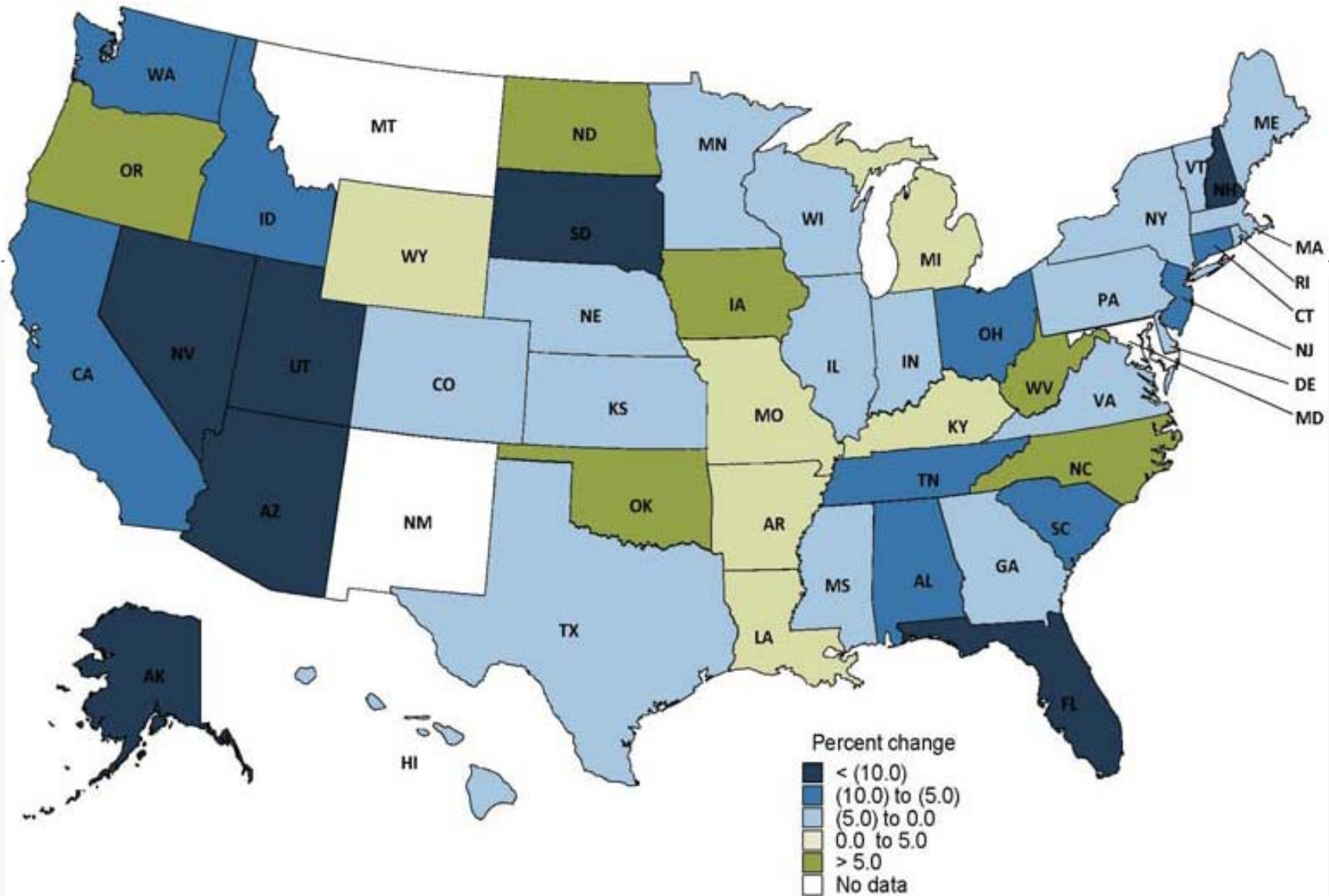


Meeting with UAHuntsville
Faculty Senate
March 26, 2009

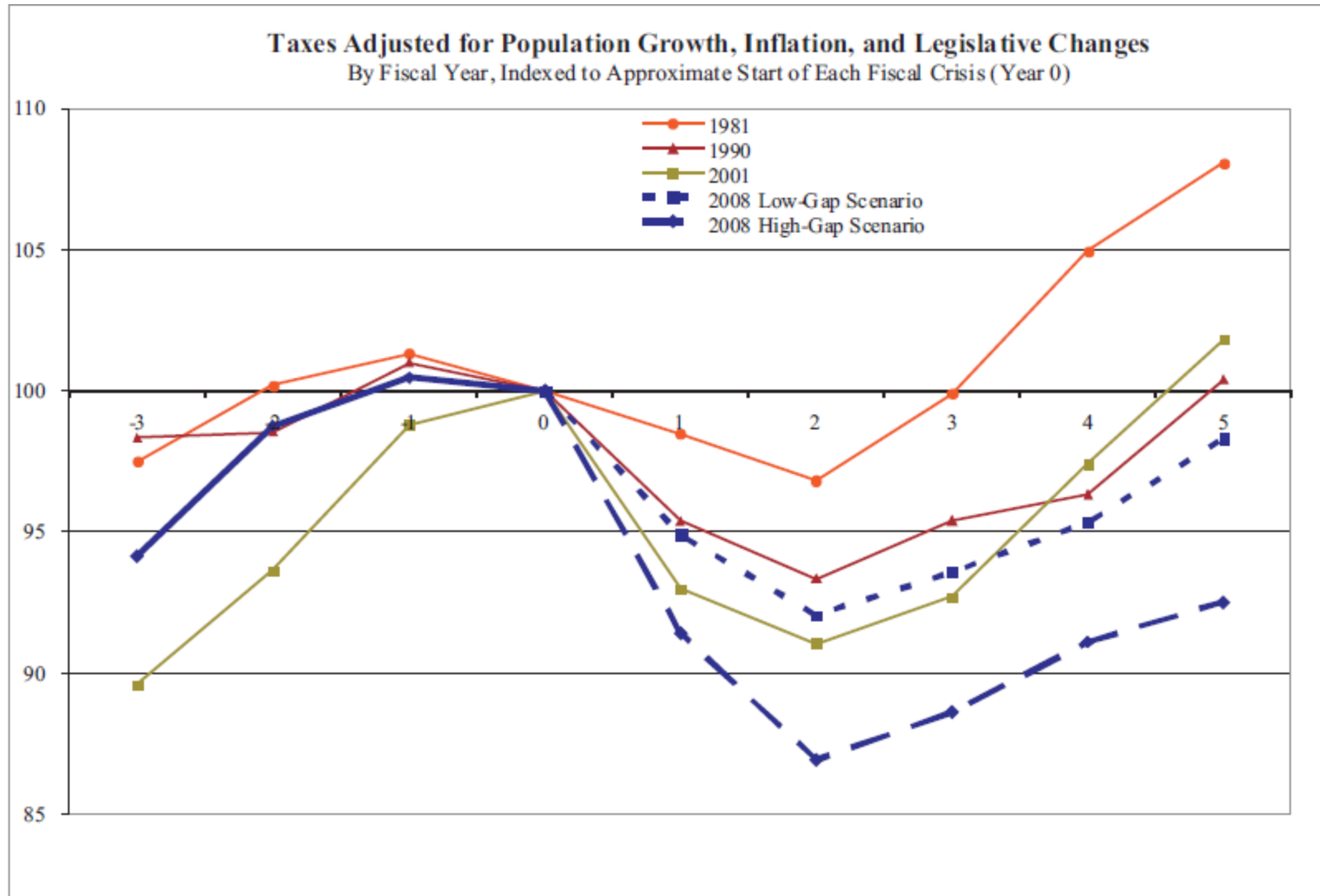
Malcolm Portera, Chancellor
C. Ray Hayes, Vice Chancellor

State Taxes Declined in at Least 35 States in 2008



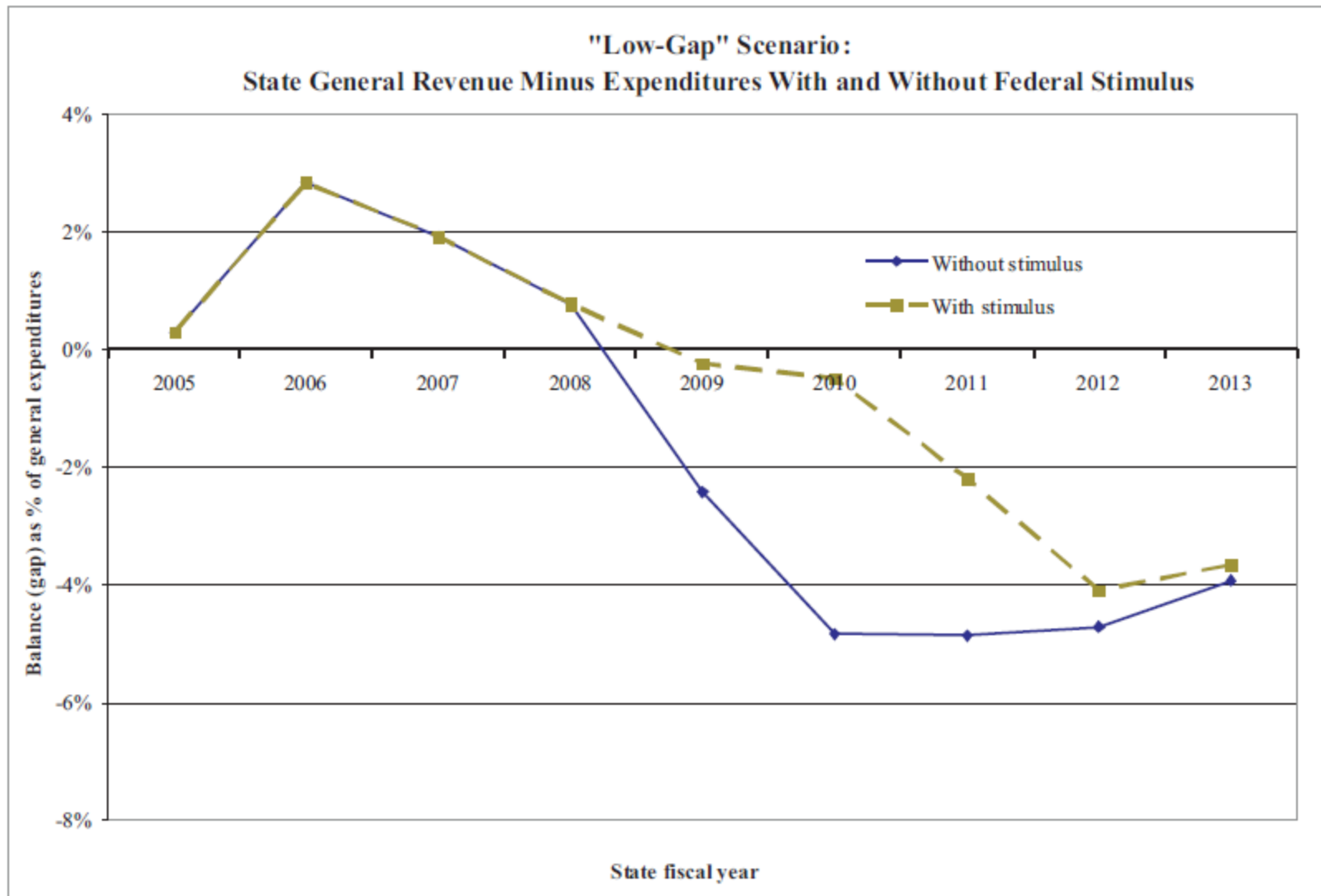
¹ Lucy Dadayan and Donald J. Boyd. *The Nelson A. Rockefeller Institute of Government: State Taxes Revenue Declined Sharply in Fourth Quarter*, March 2009, p. 3, Figure 2.

State Tax Revenue Takes Several Years to Recover After a Recession



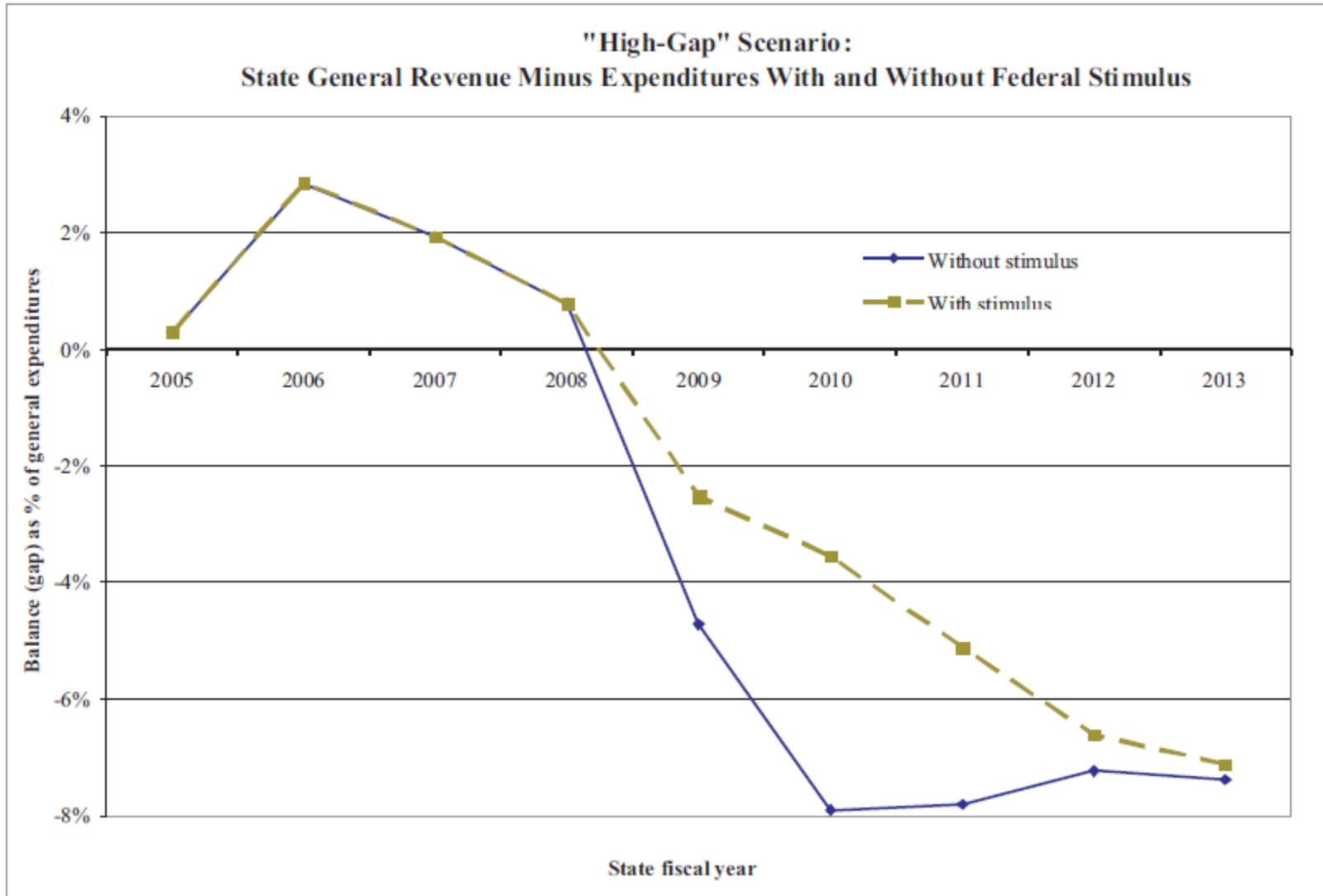
² Donald J. Boyd. *The Nelson A. Rockefeller Institute of Government: What Will Happen to State Budgets When the Money Runs Out?* February 2009, Page 3, Figure 1.

After Stimulus Wanes, Gaps Could Approximate 4 Percent of Spending, or \$70 Billion, Even Under the Low-Gap Scenario



³Donald J. Boyd. *The Nelson A. Rockefeller Institute of Government: What Will Happen to State Budgets When the Money Runs Out?* February 2009, p. 5, Figure 2.

After Stimulus Wanes, Gaps Could Approach 7 Percent of Spending, or \$120 Billion, Under the “High-Gap” Scenario



⁴Donald J. Boyd. *The Nelson A. Rockefeller Institute of Government: What Will Happen to State Budgets When the Money Runs Out?* February 2009, p. 5, Figure 3.

Tax Receipts Budgeted by Month by EBO Revenue Estimates, 2008 First Special Session

Tax Receipts Budgeted by Month by EBO Revenue Estimates, 2008 First Special Session							
Month	EBO /LFO Budgeted as of 10/1/2008* Based upon FY 2009 Budget**	Actual ETF Monthly Receipts as of Current Date	Monthly Variance Actual versus Budgeted	Percent Monthly Variance Actual versus Budgeted	Cumulative Actual ETF Growth YTD Over Prior Year	Percent Actual ETF Growth YTD Over Prior Year	Percent Adjusted ETF Growth YTD Over Prior Year
OCT	\$398,589,623.05	\$289,065,061.28	(\$109,524,561.77)	-27.48%	(43,770,008.39)	-13.15%	-7.47%
NOV	\$535,123,972.83	\$534,198,763.42	(\$925,209.41)	-0.17%	(19,390,098.48)	-2.30%	0.24%
DEC	\$569,510,631.32	\$427,666,713.67	(\$141,843,917.65)	-24.91%	(180,998,211.46)	-12.64%	-9.05%
JAN	\$480,154,774.64	\$460,800,061.60	(\$19,354,713.04)	-4.03%	(170,512,505.45)	-9.06%	-7.05%
FEB	\$509,744,427.10	\$487,218,210.84	(\$22,526,216.26)	-4.42%	(173,119,381.89)	-7.30%	-5.48%
MAR	\$433,659,552.61	\$0.00					
APR	\$485,302,444.98	\$0.00					
MAY	\$798,319,611.21	\$0.00					
JUN	\$586,534,643.88	\$0.00					
JUL	\$367,160,037.10	\$0.00					
AUG	\$618,753,971.48	\$0.00					
SEP	\$608,110,361.80	\$0.00					
9/30/09	\$6,390,964,052.00	\$2,198,948,810.81	(\$294,174,618.14)	n/a	n/a	n/a	n/a
TRANSFERS & REVERSIONS							
10/1/08	\$ 596,075	n/a	n/a	n/a	n/a	n/a	n/a

*Five Year Weighted Average Tax Receipts by Month to Equal Budgeted Tax Receipts

The University of Alabama System
History of State Appropriations
(\$ in millions)

	2003	2004	2005	2006	2007	Actual 2008	Budget 2009	Change FY 08 to FY 09	% Change	2009 9% Proration	Current 2009	Total Change FY08 to FY09
UA	124.4	123.1	126.9	145.9	171.3	199.4	176.2	(23.2)	-11.6%	(15.8)	160.3	(39.0)
UAB	197.2	195.9	214.1	225.1	269.7	311.9	279.1	(32.8)	-10.5%	(25.1)	254.0	(57.9)
UAB Hospital	29.0	29.2	30.1	35.3	41.1	46.2	41.0	(5.2)	-11.3%	(3.7)	37.3	(8.9)
UAH	37.1	37.4	38.5	43.3	50.7	58.1	51.5	(6.6)	-11.4%	(4.6)	46.9	(11.2)
TOTAL	387.7	385.6	409.6	449.6	532.8	615.6	547.8	(67.8)	-11.0%	(49.2)	498.5	(117.0)