

The Board of Trustees of the University of Alabama

Finance Committee

June 18, 2009



THE UNIVERSITY OF ALABAMA SYSTEM

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Our budgets have seen a significant decrease in State Funding since the peak in 2008

	2008	2009 After Proration	Approved 2010 Budget
UA	\$199,417,373	\$160,038,800	\$153,083,807
UAB	\$358,037,550	\$291,301,349	\$282,968,361
UAHuntsville	\$58,100,801	\$46,892,043	\$45,494,061
New Restricted Funds			\$2,100,000
UAS Total	\$615,555,724	\$498,232,192	\$483,646,229



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Percentage decrease in State Funding from FY 2008

	2009	2010
UA	-19.75%	-23.24%
UAB	-18.64%	-20.97%
UAHuntsville	-19.29%	-21.70% *
UAS Total	-19.06%	-21.42%

* - Does not include new restricted funds



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Summary of Stimulus Funding

	2010	2011	Total
UA	\$14,699,372	\$14,699,372	\$29,398,744
UAB	\$24,911,521	\$24,911,521	\$49,823,042
UAHuntsville	\$4,184,044	\$4,184,044	\$8,368,088
UAS Total	\$43,794,937	\$43,794,937	\$87,589,874



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Federal Response to Economic Environment

In response to the economic recession, the U.S. Government is issuing one-time stimulus payments for 2010 and 2011. These funds will not be available after 2011 and campuses are planning future budgets accordingly.

	Shortfall from 2008 Budget	Shortfall from 2008 Budget After Stimulus Payment	% Decrease After Stimulus
UA	(\$46,333,566)	(\$31,634,194)	-15.86%
UAB	(\$75,069,189)	(\$50,157,668)	-14.01%
UAHuntsville	(\$10,506,740) ¹	(\$6,322,696)	-10.88%
UAS Total	(\$131,909,495) ²	(\$88,114,558)	-14.31%

1. Includes \$2.1 million in restricted funds
2. Does not include any increases over the past two years in TRS, PEEHIP or other fixed costs



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Guidelines and Assumptions for 2010 Budgets

- Maintain quality and excellence in programs and services
- Focus on affordability for students with increasing scholarships and other financial assistance
- Accommodate current budget cuts while protecting reserves to respond to anticipated future state funding reductions
- Stimulus Funds are “one-time” and will go away after 2011
- Increases in Employer Health Care, Retirement Funding and other fixed costs are projected



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Proposed Tuition Increase

The University of Alabama System Semester Tuition & Mandatory Fees Based on Fifteen Semester Hours

	Undergraduate Resident Students Per Semester		
	FY 2008-2009	\$ Increase	Proposed FY 2009-2010
	UA	\$ 3,200	\$ 300
UAB	\$ 2,878	\$ 270	\$ 3,148
UAH	\$ 2,976	\$ 279	\$ 3,255



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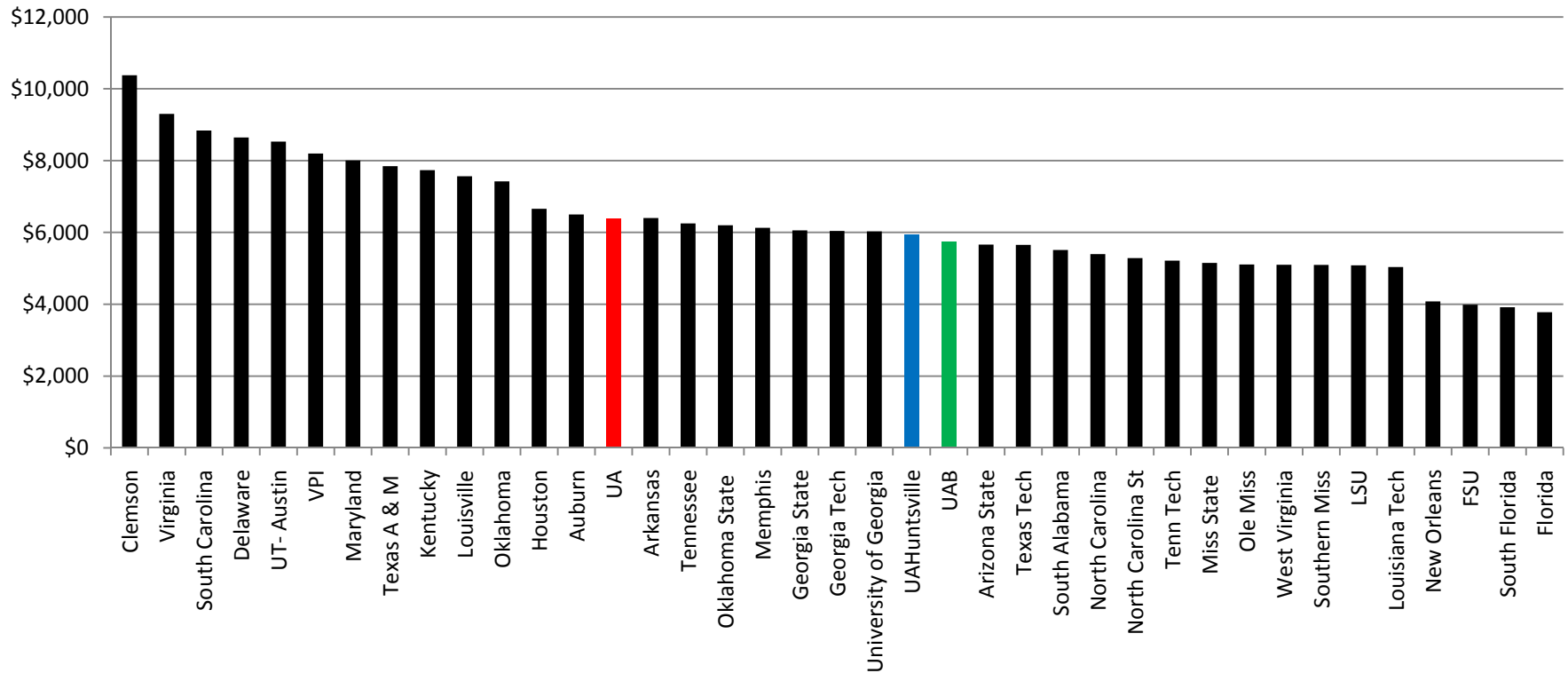
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SUG Tuition Comparison

In-State Undergraduate Tuition and Fees (2008-09)



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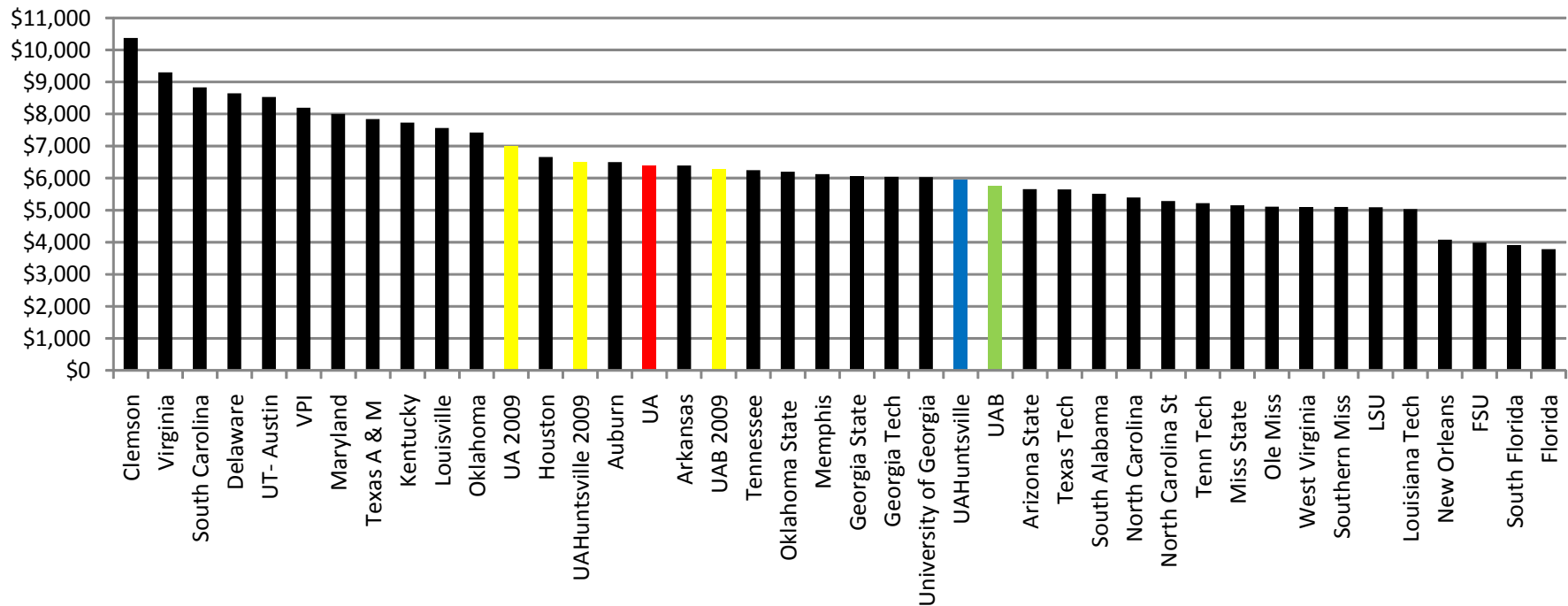
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SUG Tuition Comparison

In-State Undergraduate Tuition and Fees (2008-09)
w/UAS 2009-10



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Proposed Tuition Increase

The University of Alabama System Semester Tuition & Mandatory Fees Based on Fifteen Semester Hours

	Undergraduate Non-Resident Students Per Semester		
	FY 2008-2009	\$ Increase	Proposed FY 2009-2010
	UA	\$ 9,000	\$ 600
UAB	\$ 6,433	\$ 675	\$ 7,108
UAH	\$ 6,546	\$ 1,268	\$ 7,814



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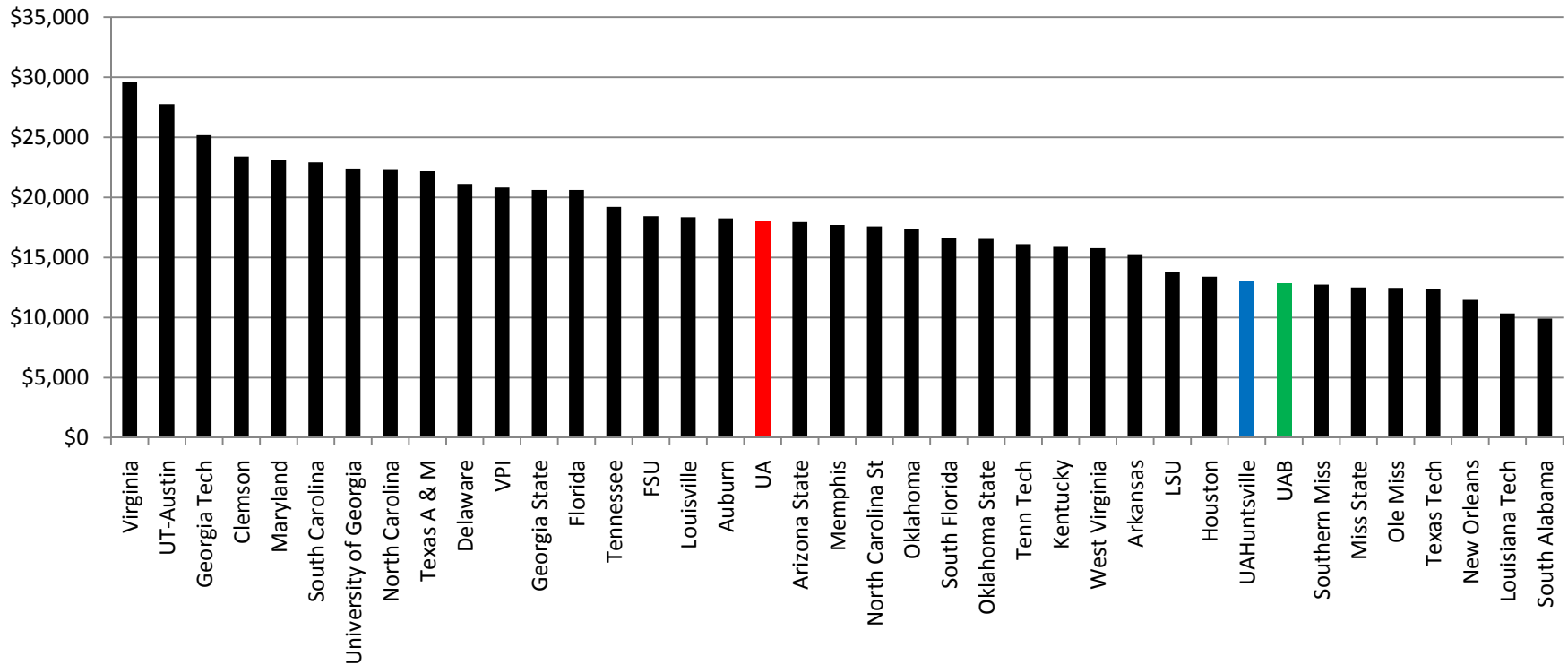
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SUG Tuition Comparison

Out-of-State Undergraduate Tuition and Fees (2008-09)



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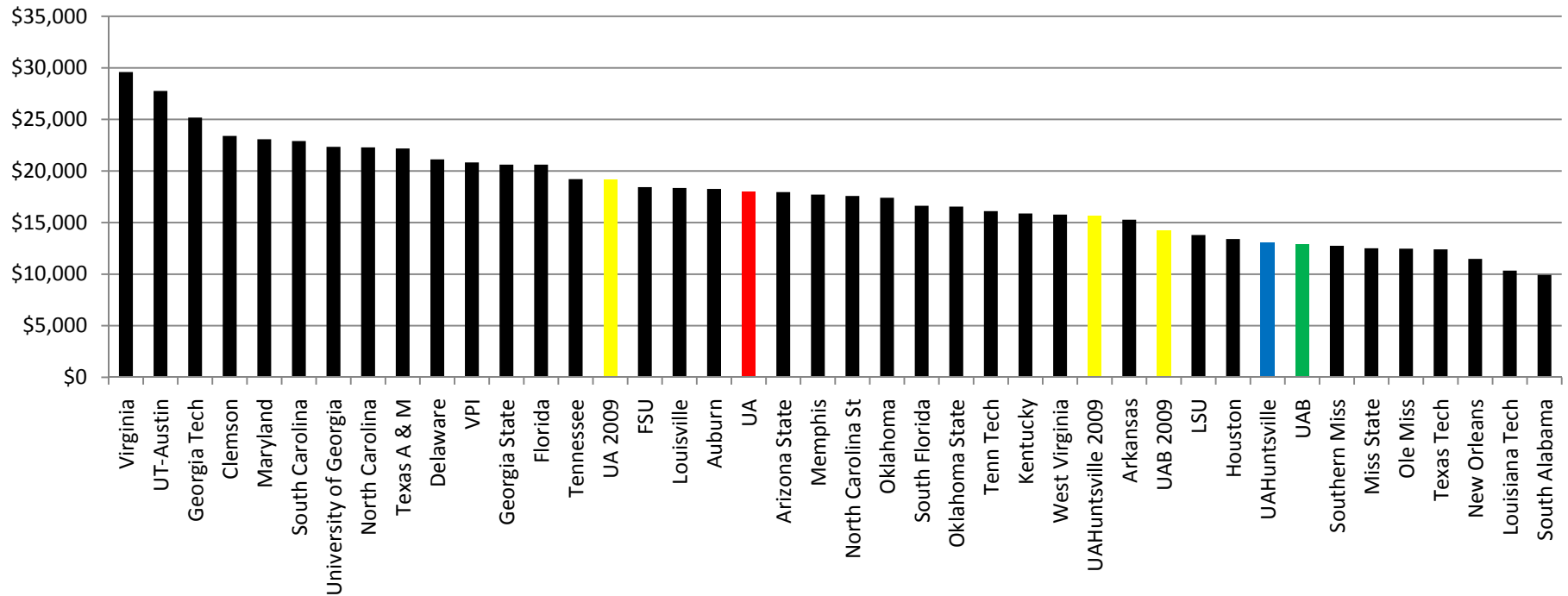
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SUG Tuition Comparison

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Incremental Tuition Generated

UA	\$18,350,000
UAB	\$9,034,000
UAHuntsville	\$4,859,000
UAS Total	\$32,243,000



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2010 Budget

- Campuses will continue to refine their projections for the 2010 budget based on the assumptions and guidelines shown earlier.
- Overall economic conditions are projected to remain consistent or slightly deteriorate over the coming months.



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2010 Budget

- These are challenging and difficult times but our overall position as a System remains strong and all actions and recommendations will be viewed in context of maintaining and enhancing System strengths.
- Final 2010 Budget Recommendations will come before the Board of Trustees in September including all three Campuses and the System Office.



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