

University of Idaho learns budget fate

UI will have to make up for \$12 million reduction in funding; widespread job cuts not expected

Staff report

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The University of Idaho will feel a budget pinch of nearly \$12 million during the next fiscal year, which begins July 1.

The university also must reduce personnel costs by 5 percent, but widespread job cuts aren't expected due to an ongoing hiring freeze.

The UI's appropriation is only about \$2 million less for 2010 than it received in 2009, but it includes an additional \$10 million that can only be used for the creation of a research dairy facility near Twin Falls.

"That \$10 million doesn't help me at all with what I had last year to run the university," said UI Vice President for Finance and Administration Lloyd Mues. "So I have, in reality, \$12 million less for fiscal year (2010) to do the same things for fiscal year (2009)."

The Idaho State Board of Education unanimously approved the cuts during a special meeting Thursday.

The cuts come on top of Gov. C.L. "Butch" Otter's fiscal year 2009 budget holdback of \$3.8 million and will be offset by nearly \$4.8 million in federal stimulus money.

All state colleges and universities will trim personnel costs by 5 percent.

Lawmakers had originally considered making across-the-board salary reductions for all classified and non-classified employees, but university leaders protested, arguing employee salaries are too nuanced to be subject to the same reductions as other state agencies.

Certain university positions are funded by federal grant money, for example, and an across-the-board cut for those appointments would have created complications.

"We appreciate the confidence in letting us figure out where we take the personnel cost reductions," Mues said. "We've said many times nothing's off the board right now, but

this does give us some freedom of movement because of all the stuff we've been doing to-date."

The UI halted all but "strategic" hiring in September, something Mues said has generated a "significant amount" of savings.

He estimated Thursday that the freeze in hiring may have already generated roughly 90 percent of the mandated personnel cuts for fiscal year 2010. He said those savings will give the UI even more flexibility in where to make cuts.

"The point is we have freedom, we have more freedom to determine where to take our reductions," Mues said.

University leaders will meet over the next few weeks and outline a budget to submit to the board of education.

Officials have been modeling various scenarios in preparation for reduced state funding, and Mues said their estimates came within several hundred thousand dollars of the appropriation.

"Very honestly, to actually have a number is exciting," he said.