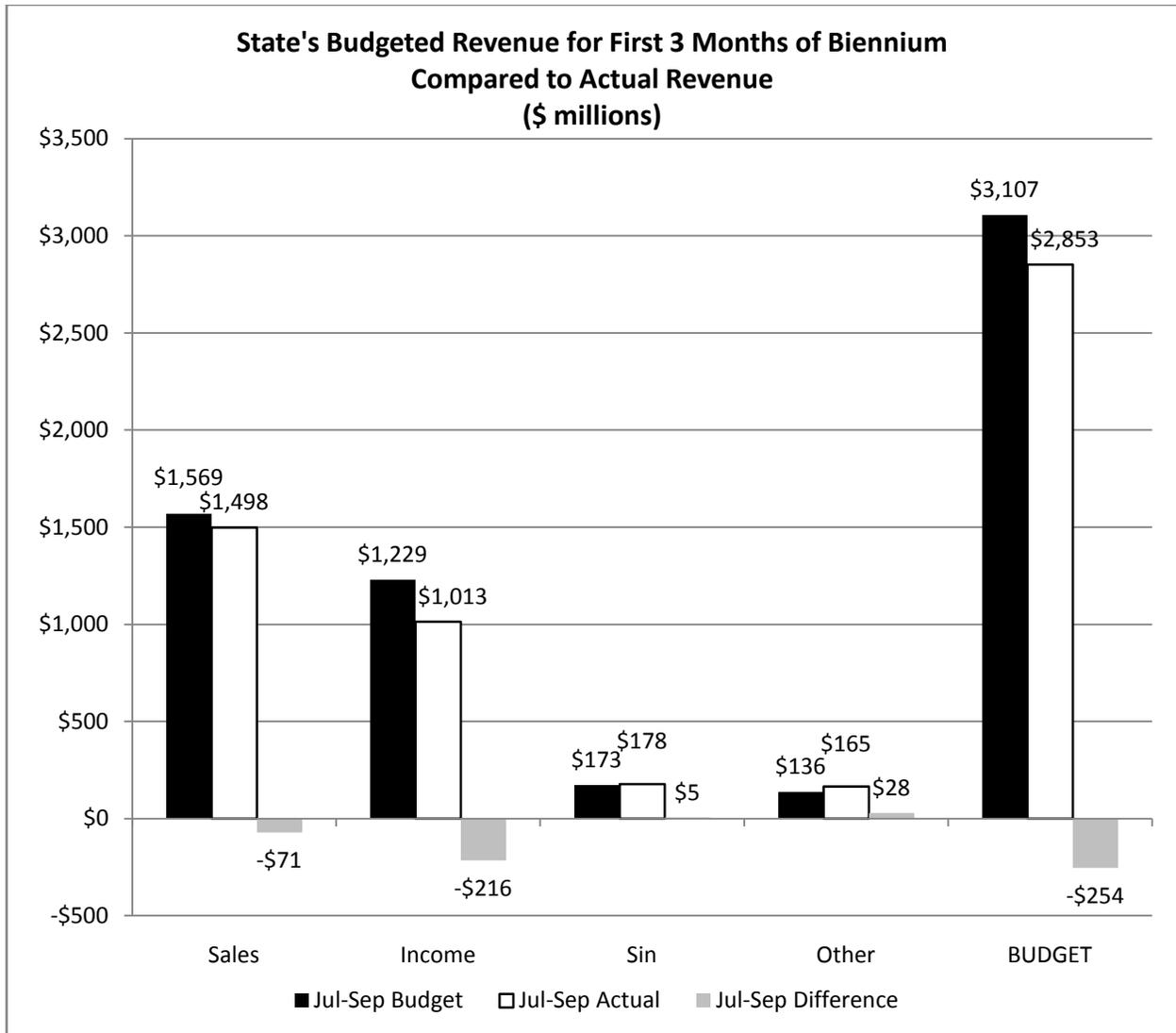


**Scheduled State Operating Appropriation Changes
for IUPUI in 2009-11 Biennium
(in \$ millions)**



Budget Response

1. University foregoes salary increase for first time in at least 50 years.
2. IUPUI required to sequester \$8.6 million of scheduled state operating appropriation cut
3. Purpose is to lower IUPUI's base budget by \$10.5 million by Spring 2011.



Salient Points

1. State revenues for first quarter of biennium are \$254 million, or 8%, below budget.
2. 85% of this deficit is the \$216 million shortfall (18% below budget) in relatively stable income tax revenue.
3. 8% of IUPUI's 2009-10 scheduled state operating appropriation is \$16 million.
4. IU is in a relatively strong financial position.
5. Immediate focus on continued cost-containment
 - Use 10-month PAE positions, where appropriate
 - Offer Short Work Break to staff
 - Review organizational structure to insure all full-time staff are assigned 40 hours work
 - Refill/Create mission-critical positions only
6. IU will face significant budget challenges in the next few years and will need to take further steps to protect our academic mission in the face of tightened resources.