



THE SYSTEM CONNECTION

Greetings:

As I promised in my last *Connection* column, I am using the space today to share with you budget reduction plans that I regretfully must present during SIU's first round of appropriations testimony for FY17 — that being with the Senate Appropriations II Committee tomorrow in Springfield.

Let me say a couple of things right out of the gate. I apologize for this coming to you later in the day than normal — you're used to getting it earlier, I know — but what you will read in the links below was under review literally up until the release of the message now. And please remember that the lists below — as you take them in line by line — are **proposals** only, and relate to the **FY17** state budget.

Most regular readers at this point are aware that we will be able to make it through to the end of the current 2016 fiscal year on June 30, even though we have not received one thin dime of state support for general university operations since last summer. Indeed, if payments to the universities would have been made thus far this year — and done in a timely fashion (not a standard practice in Illinois, I grant you) — SIU would have had about 150 million more dollars passing through its coffers by this point.

Nonetheless, we're managing for this year. As you also know too well, one way that is getting accomplished is by not filling positions. One of the key exhibits I'll be presenting during the approps hearing is the number of positions sitting vacant right now across the SIU System. Look at it [here](#) ... because it's shocking to consider. But we're making a go of it ... to the extent that an independent third party has taken note of it.

Since my last column, SIU has had its credit rating affirmed by Moody's — even though three of our sister publics received downgrades during a round of reviews in February. From the Moody's credit opinion:

SIU's prudent budgeting, expense cuts and positive operating margins despite state operation appropriation cuts and delays is credit positive. The university carefully manages cash flow and engages in scenario planning, which indicates that it has room to reduce expenses to withstand the likely sizeable general fund appropriations cuts for FY 2016. This ability and willingness is an important factor ... coupled with sizeable assets and low debt burden given modest liquidity. Given the extended duration of the budget impasse, SIU continues to identify additional expense contingency plans to manage cash flow during this difficult time.

While I'm gratified to see this endorsement of the efforts of our outstanding finance and budget staffers, both at the Stone Center and on the campuses, all of the internal borrowing we've been doing from various reserve and special accounts still must be paid back eventually. If we end up seeing no budget at all in these remaining months of FY16, it will take us years to get those paybacks done ... inasmuch as there are severe consequences for overspending unrestricted funds that we're accessing to provide us cash flow through this period.

So back to FY17:

To refresh everyone's memory from my previous write-up, budget officers and other top administrative staff from across the SIU System gathered in Edwardsville a little over two weeks ago to build upon the earlier reductions made across our campuses heading into this year. The planning objective from that budget "war room" was to determine the reductions necessary to minimally cover the projected loss of state support for regular operations and other purposes (e.g., pension cost shift) next year under Governor Rauner's budget proposal. Those revised numbers are as follows: SIUC, \$22.856 million; School of Medicine, \$8.799 million; SIUE, \$14.074 million; and System, \$807,000.

You can see that combined list of potential reductions [here](#).

Further, I asked the campuses to draft additional short lists of “worst-case” reductions they would deem necessary to keep the campuses open and core operations intact through December 31 *in the almost-unbelievable event there is no state budget deal until after the November general election*.

You can see the list of those possible larger program cuts and eliminations [here](#).

During tomorrow’s hearing, I will explain to the state senators gathered together all that is at risk under the budget the governor introduced three weeks ago. Obviously, we still are working collectively with the other public institutions for a solution that will allow us to avoid implementing these reductions.

As may become clear from your review of these cut lists, some actions will not translate into immediate savings. Rather, they represent structural changes for which financial benefit will only be realized further down the road. Additionally, I acknowledge that some actions displayed could demand certain steps be taken prior to implementation (e.g., impact bargaining under union contracts, program teach-outs); nothing you see of these reductions should be read as intending to contravene any required steps for winding down program operations.

You might have followed news just yesterday that Northeastern Illinois University is joining Chicago State, Eastern, and Western in what can only be described as an existential crisis. If nothing changes on the political front anytime soon — and we don’t plan for reduction actions today to stem our own tide of red ink — SIU will find itself poised on its own fiscal cliff in not that many more months down the line.

I didn’t sign on to let that happen.

Tomorrow’s hearing will be live-streamed. If you go to the General Assembly’s website at <http://www.ilga.gov/senate/audvid.asp> the Appropriations II Committee will be listed as 212; the hearing is scheduled to begin at 9 a.m. Representatives of a few of the other universities, as well as state education agencies, also are slated to testify. Order of appearance will likely be determined later today or tomorrow.

As usual, if further developments warrant before the next *Connection* comes out, I’ll make sure to provide an update via email.

Randy Dunn

Faces of SIU



Bob Legate calls SIUE “the land of opportunity.” As is true of so many other dedicated employees, Bob has helped make it just that throughout his 32-year career on the campus.

His close connection to the university is both professional and personal. The Godfrey, Ill., native earned his bachelor’s and master’s degrees from SIUE, as did his wife, Jeri – a special education teacher in the Bethalto School District. Three of their daughters hold degrees from SIUE as well: Kayri graduated from the School of Nursing; Kaydi graduates from the School of Dental Medicine in May; and Kayci will graduate from the School of Pharmacy in 2017. Their fourth daughter, Kayli, is a senior at Jerseyville

Community High School and she plans to pursue a nutrition/dietetics degree at SIUE.

Bob brings invaluable institutional knowledge to his role as associate director of facilities management for University Housing – a job he has held for 18-plus years. Prior to this position, he was assistant director of facilities management for five years and assistant coordinator of maintenance for five years. His career with University Housing goes back to 1984, when he signed on as area coordinator of residence life at the Cougar Village apartment complex while he pursued his master’s degree. Bob also holds a Certified Educational Facilities Professional designation.

Until 1994, Cougar Village was the only residential option available to SIUE students. But over the past 22 years, as enrollment has grown, so has the campus’ housing stock. Bob oversaw the construction of Woodland Hall in 1994, Prairie Hall in 1997, Bluff Hall in 2001 and Evergreen Hall in 2007. He also oversaw the major renovation of the 496-unit Cougar Village in 2000.

Bob and the facilities maintenance staff make sure everything works in the university's residence halls and Cougar Village. That means they clear the snow and handle the landscaping; take care of trash removal and custodial needs, energy maintenance and conservation; manage the HVAC systems ... it's a very long list of responsibilities. They are focused on ensuring students have the best possible living-learning environment.

"I try to create a vibrant environment where students recognize that my staff and I are committed to quality service so that their needs are met," Bob said. "In addition, I see my role as both an educator and staff member; to that end, I look for opportunities to help students gain life knowledge as a result of living in University Housing at SIUE."

Thanks to Bob and his staff for contributing to our students' positive experience.
