Annual Budget Report

- State Budget Review
- Faculty & Administration FTE Review
- State Budget & FTE Reductions
- VCM/VTH Budget Realignment
- Faculty Positions
- Campus Contributions
- Expenditures & Commitments
- Enrollment & Tuition
- Reference Material
  - Department Budget, Expenditure & FTE Profiles
  - College & Campus Budget Planning Process
  - College Strategic Goals
  - College Vision

FALL 2005

Dean’s Office

college of veterinary medicine

September 22, 2005
# Departmental State Budget & State FTE – 5 Year Review

Based on Campus Profile data – FY06 data not available yet.

(Budgets reflect the beginning of the fiscal year and amounts are x 1000.)

<table>
<thead>
<tr>
<th>Department</th>
<th>FY01 State Budget</th>
<th>FY01 State FTE</th>
<th>FY02 State Budget</th>
<th>FY02 State FTE</th>
<th>FY03 State Budget</th>
<th>FY03 State FTE</th>
<th>FY04 State Budget</th>
<th>FY04 State FTE</th>
<th>FY05 State Budget</th>
<th>FY05 State FTE</th>
<th>5-Year Actual Change</th>
<th>5-Year Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>College Administration</td>
<td>2,807</td>
<td>54.39</td>
<td>2,679</td>
<td>49.16</td>
<td>3,010</td>
<td>45.26</td>
<td>2,585</td>
<td>37.51</td>
<td>2,550</td>
<td>33.79</td>
<td>(257)</td>
<td>(20.60)</td>
</tr>
<tr>
<td>Center for Zoonoses Res</td>
<td>37</td>
<td>0.25</td>
<td>39</td>
<td>0.25</td>
<td>36</td>
<td>0.10</td>
<td>39</td>
<td>0.60</td>
<td>40</td>
<td>0.60</td>
<td>3</td>
<td>0.35</td>
</tr>
<tr>
<td>Pathobiology</td>
<td>2,901</td>
<td>47.54</td>
<td>2,964</td>
<td>49.58</td>
<td>2,783</td>
<td>43.09</td>
<td>2,761</td>
<td>41.70</td>
<td>2,644</td>
<td>39.55</td>
<td>(257)</td>
<td>(7.99)</td>
</tr>
<tr>
<td>Veterinary Biosciences</td>
<td>2,637</td>
<td>39.16</td>
<td>2,730</td>
<td>41.13</td>
<td>2,339</td>
<td>33.53</td>
<td>2,275</td>
<td>32.39</td>
<td>2,187</td>
<td>29.61</td>
<td>(450)</td>
<td>(9.55)</td>
</tr>
<tr>
<td>Veterinary Clinical Medicine</td>
<td>5,104</td>
<td>90.13</td>
<td>5,496</td>
<td>92.21</td>
<td>5,800</td>
<td>89.09</td>
<td>5,497</td>
<td>75.71</td>
<td>5,075</td>
<td>65.98</td>
<td>(29)</td>
<td>(24.15)</td>
</tr>
<tr>
<td>Veterinary Diagnostic Lab</td>
<td>1,427</td>
<td>31.91</td>
<td>1,570</td>
<td>33.32</td>
<td>1,492</td>
<td>27.30</td>
<td>1,377</td>
<td>24.37</td>
<td>1,344</td>
<td>25.34</td>
<td>(83)</td>
<td>(6.57)</td>
</tr>
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</table>

If Special Adj. Applied: 5-Year Change

<table>
<thead>
<tr>
<th>Department</th>
<th>FY01 State Budget</th>
<th>FY01 State FTE</th>
<th>FY02 State Budget</th>
<th>FY02 State FTE</th>
<th>FY03 State Budget</th>
<th>FY03 State FTE</th>
<th>FY04 State Budget</th>
<th>FY04 State FTE</th>
<th>FY05 State Budget</th>
<th>FY05 State FTE</th>
<th>5-Year Actual Change</th>
<th>5-Year Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>ADM &amp; VB</td>
<td></td>
<td></td>
<td></td>
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<td></td>
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<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>VCM</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<td></td>
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</tr>
</tbody>
</table>

Academic hires and exits can cause substantial fluctuations in departmental budgets. Annual budget reductions and salary increase allocations were applied equally to all departments each year.

**Special Adjustments:**

- **ADM & VB:** Center for Microscopic Imaging (CMI) moved from Veterinary Biosciences to College level. ($172K state dollars and 4.53 FTE)
- **VCM:** Received $300K in campus support for Veterinary Teaching Hospital.
### College Budget – Current Year

<table>
<thead>
<tr>
<th>Department</th>
<th>Budget 2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>College Administration</td>
<td>2,493,740</td>
</tr>
<tr>
<td>Center for Zoonoses Res</td>
<td>48,112</td>
</tr>
<tr>
<td>Pathobiology</td>
<td>2,601,520</td>
</tr>
<tr>
<td>Veterinary Biosciences</td>
<td>2,081,795</td>
</tr>
<tr>
<td>Veterinary Clinical Medicine</td>
<td>5,160,578</td>
</tr>
<tr>
<td>- Academic Department</td>
<td>($4,250,146)</td>
</tr>
<tr>
<td>- Veterinary Teaching Hospital</td>
<td>($910,432)</td>
</tr>
<tr>
<td>Veterinary Diagnostic Lab</td>
<td>1,311,405</td>
</tr>
<tr>
<td>All College Funding</td>
<td>3,167,311</td>
</tr>
<tr>
<td>- Dean's Commits; Maintenance; Scholarships</td>
<td>($435,561)</td>
</tr>
<tr>
<td>- Academic Salary Bank for ins/outs of academic hiring commitments</td>
<td>($2,731,750)</td>
</tr>
<tr>
<td><strong>Subtotal of CVM State Budget</strong></td>
<td><strong>16,864,461</strong></td>
</tr>
<tr>
<td>Vet Programs in ACES</td>
<td>557,176</td>
</tr>
<tr>
<td><strong>Total CVM &amp; Vet Prgs in ACES State Budget</strong></td>
<td><strong>17,421,637</strong></td>
</tr>
</tbody>
</table>
Tenure-system & clinical faculty – 5 Year Review

Based on Campus Profile & internal data – FY06 not available yet

<table>
<thead>
<tr>
<th>Department</th>
<th>AY05 (October ’04 snapshot)</th>
<th>AY01 (October ’00 snapshot)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Tenure-system Faculty FTE</td>
<td>Clinical Faculty FTE FTE</td>
</tr>
<tr>
<td></td>
<td>College Administration</td>
<td>2.50</td>
</tr>
<tr>
<td></td>
<td>Center for Zoonoses Research</td>
<td>0.10</td>
</tr>
<tr>
<td></td>
<td>Pathobiology</td>
<td>19.93</td>
</tr>
<tr>
<td></td>
<td>Veterinary Biosciences</td>
<td>19.06</td>
</tr>
<tr>
<td></td>
<td>Veterinary Clinical Medicine</td>
<td>25.31</td>
</tr>
<tr>
<td></td>
<td>Veterinary Diagnostic Laboratory</td>
<td>3.27</td>
</tr>
<tr>
<td>Total CVM</td>
<td>67.67</td>
<td>18.95</td>
</tr>
<tr>
<td>Veterinary Prgms in ACES</td>
<td>3.63</td>
<td>1.01</td>
</tr>
<tr>
<td>Total CVM and Vet Prgms in ACES</td>
<td>71.30</td>
<td>19.96</td>
</tr>
</tbody>
</table>
College Administration – 5 Year Review

Based on Campus Profile data: FY01 – FY05

- College Administration FTE on all funds reduced 27% during the last five years.
- College Administration FTE appointed on state funds reduced 38% during the last five years.
- The College Administration state budget reduced by 15% during the last five years, excluding CMI.
- Expense budgets were established for administrative units to encourage management responsibility for expenditures.
State Budget Reduction – as of July 2005

Reductions applied to FY06 base budget

- ($50,900) 0.3% tax for campus TOPS program and faculty excellence recruiting applied to all units and administration.
- ($611,300) 3.6% budget reduction applied to all departments, units, and college administration.
- ($6,000) additional .25% budget reduction applied to college administration for reallocation to the VTH Director’s office budget.
- $5,700 gain in budgeted ICR based on 52% of the net change in ICR earnings across the college.
- For FY07, campus has indicated that colleges should anticipate percentage reductions similar to those above.
### State FTE Reductions - as of July 2005

*Personnel not funded in FY06 budget*

<table>
<thead>
<tr>
<th>College</th>
<th>Admin.</th>
<th>VB</th>
<th>VCM</th>
<th>VDL</th>
<th>PATH</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tenure Faculty</td>
<td>0.0</td>
<td>0.25</td>
<td>0.0</td>
<td>0.0</td>
<td>1.0</td>
<td>1.25</td>
</tr>
<tr>
<td>Clinical Faculty</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
</tr>
<tr>
<td>Academic Professional</td>
<td>0.75</td>
<td>0.0</td>
<td>0.0</td>
<td>1.0</td>
<td>0.0</td>
<td>1.75</td>
</tr>
<tr>
<td>Civil Service Staff</td>
<td>0.0</td>
<td>2.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>2.0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>.75</td>
<td>2.25</td>
<td>0.0</td>
<td>1.0</td>
<td>1.0</td>
<td>5.0</td>
</tr>
</tbody>
</table>

- College Administration – .75 FTE academic professional
- Pathobiology – 1 FTE Parasitology faculty; Additional staff laid off from ICR funding
- Veterinary Biosciences – 2 FTE office staff & .25 FTE faculty
- Veterinary Diagnostic Laboratory – 1 FTE Veterinary Research Specialist
- Veterinary Clinical Medicine / Veterinary Teaching Hospital – no layoffs, delayed fills

FTE cuts do NOT reflect anyone moved to non-state funds who has continued employment in the College or any positions eliminated from non-state funding sources.
VCM & VTH Budget Realignment – as of July 2005

- Beginning state budget for VCM academic department modeled after other college academic units.
- New VTH state budget for operating budget and 20% of all vet techs. VTH Director’s salary and administrative support will be added as hired.
- College will continue to pursue a university approved benefit exemption for salaries on the VTH income accounts.
- Funding for salaries from VCM or VTH was assigned based upon duties and responsibilities either to the academic unit or hospital.
- Organizational structure includes service centers (staff and budget) supporting both VCM & VTH.
  - Finance & Human Resources Service Center – M. Johnson
  - Facilities & Inventory Service Center – J. Keyes
  - Information Systems Service Center – A. Siegel
Faculty Positions – Hired last year (FY05)

- Pathobiology Department Head
- Diagnostic pathology
- Equine Therio/extension
- Oncology
- FARMS faculty (3)*
- Theriogenology (2)

*Increased FARM positions with Vice Chancellor for Research funding for Agricultural Animal Care and Use Program.
Faculty Positions Committed to Fill

- **Pathobiology**
  - FY06 - Infectious Disease - spring 2006
  - FY06 - Infectious Disease - spring 2006
  - FY06 - Clinical Pathology (filled as of 9/1/05)
  - FY07 - Infectious Disease

- **Veterinary Biosciences**
  - FY06 - Pharmacology
  - FY07 - Department Head
  - FY07 - IGB Initiative Hire
  - FY07 - Reproductive Biology (faculty excellence)
  - FY07 - Analytical Toxicology

- **Veterinary Clinical Medicine/Veterinary Teaching Hospital**
  - FY06 - Department Head
  - FY06 - Hospital Director
  - FY06 - Anesthesiology
  - FY06 - Emergency critical care (2)
  - FY06 - Equine surgery
  - FY06 - Oncology
  - FY06 - Ophthalmology
  - FY06 - Orthopedic surgery
  - FY06 - Radiology/Imaging
  - FY06 - Small animal medicine (2) (1 position is filled as of 9/1/05)
  - FY06 - Wildlife medicine
  - FY07 - Clinician Scientists (2)
  - FY07 - FARMS

- **Veterinary Diagnostic Laboratory**
  - FY06 - Comparative/Transgenic pathology - Spring 2006
  - FY07 - VDL Director
  - FY08 - Production Medicine Pathology

Faculty Positions Committed to Fill
Campus Contributions – 5 Year Review

$2,825,000  FY02 – FY06

- $473,500  Animal Care & Use Program
- $775,500  New faculty startup for research programs
- $172,000  TOPS & faculty excellence
- $  72,000  Dual career & retention for faculty
- $300,000  Teaching hospital
- $300,000  Cash to assist with budget cuts
- $120,000  Network upgrade hardware and infrastructure
- $500,000  Campus paid college share of match for NIH remodel
- $112,000  Professional application processing reimbursement
Expenditures - Last year

◆ Dean’s Commitments $840,000
  ◆ Recruiting faculty and department heads
  ◆ Professional curriculum allocations to departments
  ◆ Research remodeling for grant matches and/or retention
  ◆ Facility master planning for Veterinary Medicine complex
  ◆ Remodeling for increased class size & AV upgrades & administrative unit relocations
  ◆ Support for campus initiatives in Earth/Society & Nutritional Science
  ◆ One-time equity salary increases - 53 Vet Technicians & 8 Vet Research Specialists
  ◆ Recruiting scholarships for outstanding professional students
  ◆ Professional student summer research program
  ◆ Automate admissions function with new database
  ◆ Cash to departments for staff
  ◆ CVM faculty & staff awards
  ◆ External Advisory Review
  ◆ Allocation to plant fund for major facility improvements

◆ College Budgeted ICR $386,600
  ◆ Allocated for new faculty startup
  ◆ Research office operating funds
  ◆ Research related building maintenance

college of veterinary medicine
Special Allocations & Dean’s Commitments

- **Special Allocations**
  - $50,000 Path/VB each $25K to address increased class size
  - $73,100 Instructional materials and/or instructors for professional program
  - $ 6,000 Academic and Student Affairs staff support

- **Dean’s Commitments**
  - Recurring funds applied to ASB for faculty hiring commitments ($200,000)
  - Accreditation site visit
  - Moving and recruiting – Dept Heads & VTH Director
  - Awards & scholarships
  - Standard events & several new advancement events
  - Planning for BSL3 & upgrades for biomedical requirements
  - Participation in key campus programs
  - Summer research programs for professional students
  - Professional development for faculty and staff
Enrollment & Tuition

- 112 in entering class; 405 total professional students total for AY06.
- Tuition income has been impacted by an increased number of statutory waivers given out by the General Assembly & Child of a Veteran.
- Waivers are unpredictable. Last year $410,000 of tuition income was lost due to waivers.
- Recommend $1,000 tuition increase for in-state professional students for AY07. In-state tuition will be $15,240 per academic year. College ranks 6th among peer group and Big 10 schools.
- No increase recommended for out-of-state professional students in AY07. Out-of-state tuition will be $35,264 per academic year. College ranks 3rd among peer group and Big 10 schools.
Department Profiles

- Department profiles have been created from campus profile data available each November from the campus unit of the Division of Management Information.
- The profiles include historical data:
  - Department and administration state beginning budgets
  - Expenditures by funding source (state, ICR, grants & contracts, gifts & endowments, and self-supporting)
  - ICR generated
  - FTE by state and non-state funds
  - Graduate student enrollment and degrees awarded
  - Residents and interns
  - View department profiles at:
    https://www-s.cvm.uiuc.edu/intranet/strategicplanning.html
Annual State Budget Allocations to College

- Each spring, an annual college report is written. A meeting is held with the Provost, Dean, Assistant Dean, and the Campus Budget Oversight Committee regarding the budget and plans.
- The General Revenue Fund (from the state legislature) plus the Income Fund (tuition) comprise the ‘state’ budget.
  - Annually the college state budget changes occur based on the following conditions:
    - The State of Illinois legislates an increase or decrease to the university.
    - If the legislature provides 0% increase or a reduction, campus may apply a reduction to fund the salary increase program.
    - A university merit-based salary program is allocated to colleges based on permanent budgeted, filled positions.
    - Faculty retention, equity, promotions and dual-career funds are allocated to colleges.
    - Special requests or program funds may be allocated to colleges during budget.
    - Changes to tuition income occur based upon enrollment projections, projected waivers, campus surcharge increases and the amount of annual tuition increase.
Annual ICR Allocations to College & Departments

- **Recurring Budgeted Indirect Cost Return (ICR).**
  - In 1998, the campus established a base of recurring budgeted ICR in all colleges. FY06 Budgeted ICR is $311K.
  - Colleges incrementally receive 52% of the *change* (either increase or decrease) in college ICR earnings each year.
    - This methodology is used to avoid major fluctuations in the base.
    - This budgeted ICR receives the same budget cuts as those applied to state funds.
    - Used for Research office, research maintenance and faculty startup.
  - University administration receives 8% of the *change*.
  - The Vice Chancellor for Research receives 10% of the *change* in budgeted ICR for research and startup (started in FY05).

- **Actual Indirect Cost Earned as Grant Funds are Expended**
  - 25% of all ICR earned by the department during the year (not the change in earnings) is returned directly to departments.
  - 5% of all ICR earned across the college (not the change in earning) is distributed to the college during the year as ICR is earned. These funds are managed by the Associate Dean for Research & Advanced Studies estimated to be @$75K in FY06.
Sample Impact to Department Budgets Based on Changes

Dept. #1 - Academic personnel changes throughout FY'05
Professor retires at $100,000  (100,000)
Assistant Professor hired at $80,000   80,000
Dual Career Hire as Assistant Professor at $75,000   50,000
Academic Professional hired at $35,000   35,000

Total 65,000

Dept. #2 - Academic personnel changes throughout FY'05
Professor retires at $100,000  (100,000)

<table>
<thead>
<tr>
<th></th>
<th>Dept. #1</th>
<th>Dept. #2</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beginning FY'05 Budget</td>
<td>2,000,000</td>
<td>2,000,000</td>
</tr>
<tr>
<td>Total Academic personnel change throughout FY'05</td>
<td>65,000</td>
<td>(100,000)</td>
</tr>
<tr>
<td>Ending FY'05 Budget</td>
<td>2,065,000</td>
<td>1,900,000</td>
</tr>
<tr>
<td>10% Budget Reduction to FY'05 ending budget during FY'06 budget process</td>
<td>(206,500)</td>
<td>(190,000)</td>
</tr>
<tr>
<td>Beginning FY'06 Budget</td>
<td>1,858,500</td>
<td>1,710,000</td>
</tr>
<tr>
<td>Dollar change in FY'05 &amp; FY'06 Beginning Budgets</td>
<td>(141,500)</td>
<td>(290,000)</td>
</tr>
<tr>
<td>Percent change in FY'05 &amp; FY'06 Beginning Budgets</td>
<td>-7.1%</td>
<td>-14.5%</td>
</tr>
</tbody>
</table>
**Strategic Goals**

- Cultivate an innovative and broad-based, lifelong educational experience in the art and science of veterinary medicine and comparative biomedical science.
- Maintain high-quality, focused research programs and expand collaborative programmatic interactions.
- Address the needs of a changing profession and a diverse society in innovative ways.
- Include a global dimension in all activities by developing international programs and collaborations.
- Improve and strengthen operational efficiency, facilities, and financial health.
- Promote and foster an environment of collegiality and professionalism.
College Vision

The College of Veterinary Medicine aspires to be a leader in veterinary and comparative biomedical education, scholarship, and public engagement in the University of Illinois system, in the state, in the nation, and around the world.

Read about the college vision in the document:

*Shaping the Future: A Collective Vision for the College of Veterinary Medicine, February 2005*

https://www-s.cvm.uiuc.edu/intranet/documents/DRAFT8_StrategicPlan_000.pdf