

IMPACT ON THE UNIVERSITY OF ARIZONA
FROM A \$141.5 MILLION MID-YEAR BUDGET REDUCTION TO THE
ARIZONA UNIVERSITIES SYSTEM

At the behest of the Arizona Board of Regents, The University of Arizona began plans for a mid-year cut in FY 2009 in state general funds of \$40 million, representing UA's share of an anticipated \$100 million cut to Arizona's public university system. A cut of that magnitude was anticipated to have a significant impact on the UA's operations. The cut of \$141.5 million to the system that has now been approved by the legislature and signed by the governor will slash UA's funding by approximately \$57 million and dramatically compound the challenges facing the University. This increase in the cut equates to the loss of an additional 200 positions and the elimination of many outreach functions of the University. The long-term impact on the operations of the University will truly be devastating, seriously affecting class-size, access and time-to-degree for students at the UA. It will result in the following specific consequences for the University:

A total reduction of approximately 600 positions through attrition, unfilled vacancies and layoffs. These reductions are being achieved through:

- A reduction in the number of academic colleges from 16 to 13
- The closing of University College
- The consolidation and merging of potentially more than 50 academic and administrative units
- An additional five percent reduction to the operating budgets of all units (taken on top of a five percent cut at the beginning of the year, for which the University has already imposed significant limits and freezes in operational activities).

The loss in general fund-supported personnel of nearly ten percent means students will see:

- Fewer courses offered, making it harder for them to graduate on -time
- Larger class sizes
- Longer wait-times to see support professionals such as academic advisors and financial aid counselors.

The loss in operating funds also means

- Noticeable reductions to business services, with a potential of audit risk.
- Delayed maintenance and renovations to facilities, with a potential for increased facility-related losses and insurance claims.
- The suspension of three-quarters of University funding for UA Presents.
- The current Flandrau Science Center facility, Planetarium and UA Mineral Museum will be closed to school groups and the public beginning later this spring.
- The Arizona State Museum will be open to the public on a dramatically reduced schedule, and many outreach and educational activities, including public events, will be cancelled

- The UA Museum of Art will reduce hour of operation and will eliminate its engagement in university-level education as well as educational outreach
- There will be an elimination of a significant portion of the UA's outreach and extension operations across the state

In addition, the University will implement furloughs of one week, beginning in July.

The immediate economic loss to the State is at least \$2.6 million in lost income tax revenue. Further, every \$1 of State funds at the University generates an economic impact of \$6.70. UA's \$57 million generates over \$380 million in economic impact to Southern Arizona and across the State. Clearly, more than just The University of Arizona suffers from a \$57 million reduction this year.