

NJIT



New Jersey's Science &
Technology University

THE EDGE IN KNOWLEDGE

Proposed State Budget

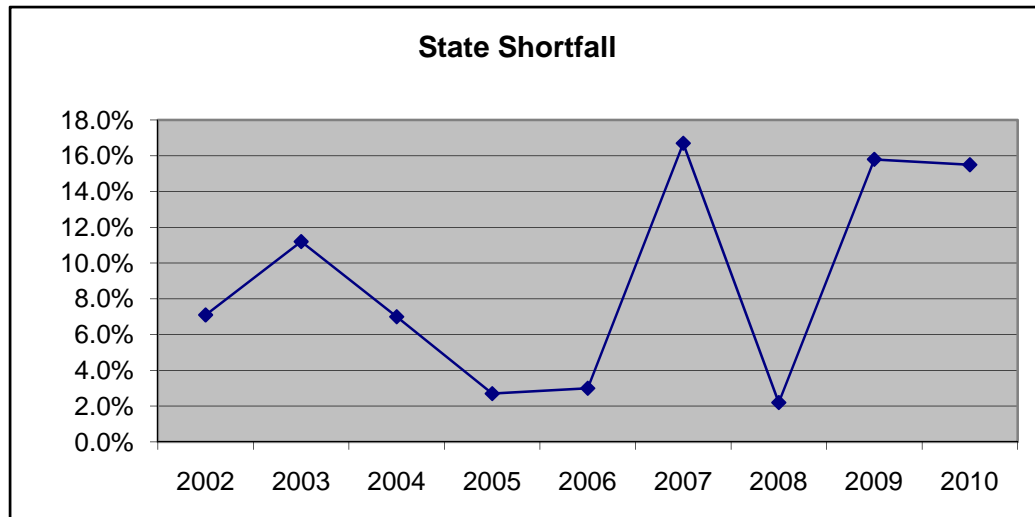
- FY09/FY10
 - \$33 billion budget established July 1, 2008
 - FY10 expenditure growth projected at \$3 billion
 - FY10 projected revenue \$29 billion
 - ∴ \$7 billion dollar deficit
- Actions to address the deficit
 - Expenditure reductions: \$2.5 billion
 - Elimination/reduction of expenditure growth: \$1.1 billion
 - Includes furloughs/salary freeze/layoffs
 - Federal Stimulus funds: \$2.2 billion
 - Revenue enhancements: \$1.1 billion
 - Reductions to generate FY09 “surplus”: \$0.1 billion

Proposed State Budget Impact on NJIT

- FY09 impact
 - \$850,000 revenue reduction in salary program funds
 - Appropriation covered about half of funds computed based on state program
 - Mid-year reduction results in receiving 25% of computed salary program
 - Tentatively covered by budgeted reserve and FY09 vacancies
- FY10 potential impact
 - \$3 million base appropriation reduction
 - State would provide \$42.1 million compared to about \$183 million total unrestricted budget (w/o fringe benefits) or 23% of unrestricted budget
 - \$0 appropriated for salary increases
 - “Salary Freezes for Public Employees Including Colleges” (\$262 million of the \$7 billion shortfall)

Proposed State Budget Impact on NJIT

- FY10 potential impact



- Of the \$183 million unrestricted budget, \$130 million is in personnel or 71%
- What we do will be guided by what the State does as it builds the FY10 budget