

NJIT

New Jersey's Science &  
Technology University

*THE EDGE IN KNOWLEDGE*

# Proposed State Budget

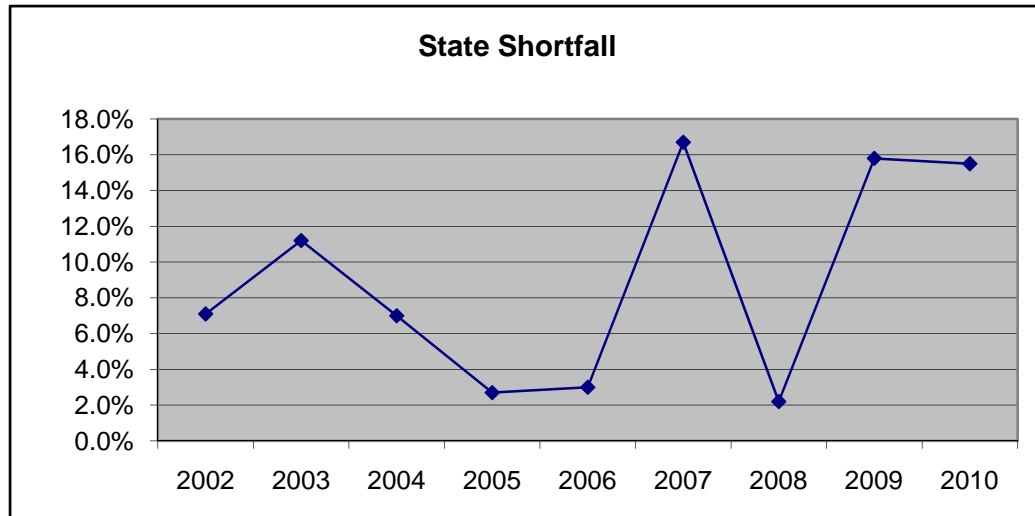
- FY09/FY10
  - \$33 billion budget established July 1, 2008
  - FY10 expenditure growth projected at \$3 billion
  - FY10 projected revenue \$29 billion
  - ∴ \$7 billion dollar deficit
- Actions to address the deficit
  - Expenditure reductions: \$2.5 billion
  - Elimination/reduction of expenditure 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 likely be guided by what the State does as it builds the FY10 budget

# NJIT Campus Gateway Plan

- NJIT-St. Michael's MOU Jan, 2009
- Plan approved by City Council Jan 2009
- NJIT designated Redeveloper by City Council Jan 2009
- NJIT-Jones Lang LaSalle MOU April, 2009 including Phasing Plan
- NJIT-City of Newark Redevelopment Agreement drafted May, 2009
- Greek Village Task Force-3 Greek orgs signed on, 2 others considering; financial models developed