

February 28, 2003

To: AA/Ss and ASCs

From: Scott G. McNall
Provost

Cc: Manuel A. Esteban
Dennis Graham
Paul Moore
Arno Rethans
James Postma

Re: **Budget Crisis**

I would like to solicit your help in trying to find some new ways to achieve additional savings. For example, each year we spend close to \$5 million on energy (gas and electricity), and it is anticipated that these costs will increase next year. Vice President Graham's staff has estimated that we spend about \$250,000 a year on small appliances, e.g., space heaters, fans, refrigerators. Could you help to develop a set of guidelines that would reduce our use of such appliances?

Last year (2001-2002) across all of the units (colleges, support units) in Academic Affairs, we spent the following amounts:

- | | |
|--------------------------------------|-------------|
| • Equipment | \$1 million |
| • OE | \$5,300,000 |
| • Postage | \$ 300,000 |
| • Printing | \$ 670,000 |
| • Telephone | \$ 624,000 |
| • Travel (in-state and out-of-state) | \$ 900,000 |

You are often in a position to best understand how we might potentially reduce some of these expenditures. I would like you to share your ideas with Diane Wright about what we might do to bring costs down. It will also be helpful if we all focus on those

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expenditures that occur within our own areas, rather than developing a list of things that other people can cut. We will be looking forward for savings across all areas, e.g., administration, staff, and faculty, as we seek to balance our budget for the coming years.

We are also developing a website in Academic Affairs that will provide you with updated information about the budget, and will allow you to ask questions and have them answered.