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## Planning for the Future and Cutting the Budget

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As in the familiar lines that open Dickens' *A Tale of Two Cities*—"It was the best of times, it was the worst of times, it was the age of wisdom, it was the age of foolishness, . . . , it was the season of Light, it was the season of Darkness,"—we too are introduced to a world simultaneously described as foolish and hopeful. In contemplating the painful reductions (\$9 million) with which the university is faced, we can think how foolish it is to reduce the budgets of the institutions that provide hope for students and prosperity for the state, yet how necessary are some of the actions we must take. But universities have endured for centuries; ours, for more than a hundred years. We will still have a university when this crisis passes; we must be sure it is the one we want.

We are a residential campus that provides exceptional opportunities to help students grow intellectually and morally. Our focus on students has distinguished the campus and has brought generations of the same families back. We must be mindful, when considering the future of the institution, of the need to continue to provide a range of educational experiences inside and outside the classroom. Short-term solutions will be needed to address our current budget crisis, but it is only long-term solutions that will allow us to maintain our distinctiveness. In short, we may need to reduce the budget opportunistically, but we can regrow the institution strategically.

As I have noted previously, in the course of the coming months, we must all come together to

- think about how the institution should be organized to maintain its primary focus on students;
- shift the focus to assessment of student learning, as opposed to focusing only on classroom time;
- ensure that increased students do not translate automatically into increased costs; and
- continue to allow the Strategic Plan to drive our decision-making process.

In the short term, Academic Affairs will have to cut its base budget for 2004–05 by \$7.2 million, and it will have to cover costs this year (\$1.7 million) that were funded using one-time money. In short, we need to reduce the base budget by \$8.9 million. How will we do this? It will not be easy, and considerable sacrifice will be required of faculty, staff, and administration.

In the fall semester, we severely restricted all expenditures (e.g., travel and operating expenses). As a result of efforts on the part of the Office of the Vice President for

Academic Affairs (OVPA), we have *one-time savings* of \$3 million. In addition, to help the colleges hit their FTES targets, we will use the \$1.2 million we were going to spend for a state-supported summer session during the academic year. Finally, the OVPA will cut its budget by \$600,000. This means that instead of giving all the units in Academic Affairs a total reduction of \$8.9 million, we will reduce the budget by \$4.1 million ( $\$8.9 - 3.0 - 1.2 - .60 = 4.1$ ). That leaves a painfully large amount and great variability in the strategic reductions to the various units, from a low of 2.4 percent to a high of 36 percent in the OVPA.

These reductions to the colleges and university involve one-time funds, which means that we need to continue to find ways to reorganize to be more efficient. These cuts impact everyone. Some of them have the potential to affect those who teach and provide services. We will do everything we can to mitigate the impacts on people. As we move toward the end of this year, we may have people who take a “golden handshake” if one is offered, people who decide to FERP or take a one-year furlough from their FERP, or people who voluntarily reduce their time base. All these potential resources could be redirected to help meet student needs.

The determining factor in deciding cuts was the need to hit our FTES targets next year, so everything possible was done to protect our ability to do just that. These reductions will mean that we simply cannot do everything we have done before, and that some of the things we will continue to do must be delayed or slowed.

The reality is that there will be less service in critical areas (computing services, the library, advising, enrollment). I will ask the Academic Senate and departments to think very carefully about the work that is essential for the welfare of the university and our students, and which activities we can reasonably suspend, postpone, or simply eliminate.

Crises force choices, and they force us to rethink the ways in which we work, serve students, and help one another. We must make choices we would not willingly make—between computers, academic journals, travel, faculty and staff development, and hiring badly needed faculty and staff. None of us would welcome living through the French Revolution. That revolution did force people to think about the basic human rights due to citizens. Now we must think about the basic rights due to our students and to those of us who serve them.

Despite the challenges, we must still aim to build an institution of our own choosing. It cannot be something for everybody. But it can still be distinctive, a university in which we can all take pride.