

January 26, 2024

FY25 Budget Planning

Dear colleagues,

Happy New Year! I hope this letter finds everyone in good health and rejuvenated after winter break and prepared for an enjoyable spring semester. As we start a new calendar year, it is once again time to begin planning for the next fiscal budget, FY25. While we saw slight increases in enrollment and on-campus housing numbers this past year, as compared to the prior year, overall enrollment and occupancy remains down from historic levels. Thus, it is important that we remain fiscally conservative until we better understand the realities of our new environment. Projections suggest a steady long-term demographic downturn, and we anticipate that enrollment pressures could be more pronounced in the coming years further impacting both undergraduate and graduate enrollment. With state appropriations growing at a slower rate than the cost of doing business, and our desire to control the escalation of student fees, we must work to prioritize both the short-term and long-term fiscal health of the university.

That being said, we are once again asking that you plan to level fund your FY25 budget, with the understanding that your division leadership has been tasked with collectively reducing overall operating expenses by \$125,000 (with their share proportional to their divisional budget size). Over the course of the next year, the university will be reviewing overall operations, taking into account recommendations put forth by the five Financial Sustainability Task Force (FSTF) groups, along with input from the Board of Trustees, to determine how elements of the proposals (small and large, and short-term and longer-term) might be implemented to positively impact university expenses and current operations. As you will recall, the charge of the FSTF groups was to provide actionable recommendations to realize cost savings, increase revenue and achieve greater efficiency. You can find these reports on the university website [here](#).

Qualified and approved proposals for the Academic Innovation Fund will continue to be accepted in FY25 to support faculty and departmental innovation within academic programs and curriculum. Funding is also being set aside for qualified and approved proposals for the University Innovation Fund. While new proposals will be accepted, funding for these two funds has been reduced by \$125,000 collectively as part of ongoing efforts to reduce operating expenses. Funding will remain available for allocation through the Extraordinary Budget Request process. Similar to last year, with the implementation of the two innovation funds, the focus of the Extraordinary Budget Requests will be on one-time expenditures. Please look for more information regarding these processes in the coming weeks.

At this time, ***we are asking all departments to submit level-funded budgets.*** As you prepare your budget, you will need to review your current budget allocation and align available resources to the most critical activities and services within your department. If your department is considering new initiatives, you will need to evaluate them relative to existing operations and be prepared to reallocate current resources to those new efforts.

Again, Extraordinary Budget Requests will be limited to one-time expenses and should be focused on items that are necessary in order to maintain your current academic programs and

support services. This means priority will be given to the replacement of equipment rather than additional equipment. The only exception to the one-time expenditures would be for ongoing contractual operating costs that are scheduled to increase per a signed contract. Any expansion of programs or services will either need to be funded by re-allocating existing department funds or meet the criteria and be approved through one of the Innovation Funds.

Lastly, no new positions or requests for additional personnel funding should be submitted as part of this process. If you have an existing vacant position, you should submit that request for replacement hiring through the standard process via Human Resources. Open existing faculty positions should be requested through the Provost's Office. Please watch for updated details regarding that process.

Budget entry into Banner, Extraordinary Budget Requests, and Work Study Requests must all be submitted by February 24. Reminder, no new personnel/positions will be considered at this time.

As you begin to work on the development of your budget, please know that the financial services team is available to provide assistance as needed. Carin Bullis should be your initial point of contact should you have questions or need technical assistance. Budget training workshops will continue to be available. The dates and times of workshops, necessary forms, and detailed data entry guidelines can be found on the Financial Services [website](#).

In closing, let me assure you that we are strongly committed to supporting our mission and strategic plan. With your assistance in developing a fiscally responsible budget, we will continue to move our university forward and deliver on our promise of providing a high quality and affordable education to our students.

Sincerely,

A handwritten signature in black ink that reads "Richard S. Lapidus". The signature is written in a cursive, flowing style.

Richard S. Lapidus
President