

Message to the USF Community

From: Khator, Renu
Sent: Thursday, July 12, 2007 6:12 PM
To: Academic Affairs-College Faculty; Academic Affairs-Unit Faculty; Academic Affairs-College Staff; Academic Affairs-Unit Staff
Cc: Carlucci, Carl; Meningall, Dr. Jennifer; Chang, Robert; Robison, Jeffrey; Klasko, Stephen; Visot, Cynthia; Gullette, Ken
Subject: Budget Reduction - Next Step

Colleagues:

As you know, the Governor's office has mandated us to take a 4% base E&G budget reduction (approximately \$10 million for the USF-Tampa Campus) and also submit a plan for another 6% reduction (totaling \$24million). The Board of Trustees, the President, the Cabinet, various governance groups, and most of the individual faculty/feedback directs us to take these cuts strategically. After careful consideration, the Cabinet has approved the following plan for the 4% mandated budget reduction:

Category from where funds will be generated	\$	%
New revenue increasing strategies	\$1m	10%
University-wide savings	\$1m	10%
Spending restrictions	\$2m	20%
Program consolidation/reduction/elimination	\$6m	60%
Total	\$10m	100%

Revenue increasing strategies: Ten percent of the reductions are expected to be absorbed by new revenue sources. The University Finance Council is looking at various strategies that would eliminate subsidies and bring additional revenue to the University.

University-wide savings: Ten percent of the reductions are expected to come from university-wide savings. You submitted many ideas (utility savings, extended vacation etc.) that are being examined currently.

Spending restrictions: Twenty percent of the reductions are expected to reducing E&G expenditures. All budget units are asked to reduce spending in the following areas:

Personnel Hiring Freeze: Effective immediately. Please see attached guidelines from HR at the end of this document.

E&G travel: Only mission critical travel (presenting papers etc.) should continue. Administration and staff should take reduction before the faculty.

Units must review every expenditure category carefully and reduce their unit's dependency on state dollars.

Others as determined appropriate by units

July 12, 2007

Programs: Sixty percent of the reductions are expected to come from programs. All vice presidents are asked to use their own method of determining savings from program elimination/reduction/or consolidation. For academic programs and services, a university-wide faculty committee (Faculty Senate and others) will begin the process of assessing academic programs (centers, institutes, departments, programs, services) based on their centrality, quality and demand. The committee will take three months and make its recommendation to me.

The Immediate Action: Since most of the strategies outlined above will take until January 1 to materialize, the University needs to escrow the needed funds (recurring) in a central pool. To create this escrow fund, *I am asking all vice presidents and deans to reduce their FY 07-08 budget by 3% for credit generating units and 5% for non-credit generating units.* They may show reductions taken from spending restrictions as part of their percentage cut. Once individual plans meet the targets and are approved, the hiring freeze will be lifted.

At the end of the program assessment process (January 1), programs could be reduced, enhanced, consolidated or eliminated.

Even at a 4% budget reduction, we are at serious risk of reducing our capacity to offer access with quality to our students and we will continue to convey this message to the Board of Governors, Board of Trustees and the public. Thank you for all you do for the University of South Florida in particular and the State of Florida in general. I applaud your engagement in the process and appreciate your creative ideas.

Renu Khator

Provost and Senior Vice President

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