



## Office of the Provost and Senior Vice President

Update on Issues  
July 3, 2007

---

Colleagues:

We are expecting a serious budget shortfall at the state level. It will impact our University and our professional lives. I hope you will take a few minutes to read the information below and offer your suggestions now rather than feel frustrated later on.

**Base Budget Cut:** Governor Crist and Legislative leadership have asked that due to a serious shortfall in tax revenue collections, all agencies plan for a 10% base budget cut in the coming year. Yes, 10%! Considering that (a) this reduction is permanent, (b) it has to be taken in E&G, and (c) most of the E&G is tied up in salaries, there is no way to take the cuts and not feel it. We will do everything possible to look for efficiencies, but in the end, we will have to make some serious and tough choices.

Earlier in the week, I held two sessions – one with the Council of Deans and the other one with the leaders of the governance groups (the Faculty Senate, the A&P Council, the Staff Council, and the Student Government) to discuss possible strategies and options that we may take. The more honest we can be in defining “mission-critical,” the easier it will be to stay strategic and fulfill our mission.

I have no doubt that we will come out stronger than ever after the crisis, but please remember that real leadership is tested in tough times. In my estimation, you are a leader if (a) you are continuously looking for ways to improve and (b) are inspiring others around you to do the same. Today, I call upon you as a leader to do your best to stay strategic and passionate about our mission and goal. Possible strategies emerging from the two sessions are attached here and are also posted on the Provost’s Home Page (<http://www.acad.usf.edu/>); however, if you have any suggestions or advice about how best to take these cuts, please send me an email this week. I will make sure that your suggestions are given full consideration as we eventually decide how best to handle the reductions of this magnitude.

If you like to read more about why these cuts are necessary, please go to the Provost’s Home Page, where you will be able to read various memos and briefings giving you the context.

**Tuition Differential and What Does it Mean:** Last week, Governor Crist signed a bill authorizing UF, FSU and USF to charge higher tuition than other state universities. Why? Because it costs more to deliver value-added education that only research intensive universities can offer. USF has promised that the raised tuition will go toward hiring more faculty and more academic advisors. This action is significant for two reasons: first, it officially establishes USF as one of the three top tier research universities in the state (already recognized at the national

level); and two, it will allow us to enhance undergraduate education while continuing our march toward the goal of AAU-eligibility. It is one of the most significant paradigmatic shifts that we have seen in Tallahassee about funding of state universities.

**How Can we Charge More Tuition and Still be in a Budget Shortfall?** First of all, the tuition cannot be raised until Fall 2008. Even then, because of various provisions, it will generate only a minimal funding in 2008-09. Second, the funds cannot be used for any purpose other than to hire more faculty and more academic advisors.

Thank you for your proactive leadership. We will do everything possible to protect and enhance our mission.

Have a happy 4<sup>th</sup> of July!

*Renu Khator*

Provost and Senior Vice President

University of South Florida

813-974-8347

<http://www.acad.usf.edu>