



Dear UMSL Faculty and Staff:

It is truly an honor for us to serve all of you. Over the past few months, we have had the opportunity to meet with many of you to discuss your vision and aspirations for our institution. As a result of these conversations, it has become clear that there is a universally strong commitment across all of our campuses and at the system level to pursue a path to excellence that is defined by high-quality, affordable education for our students, innovative research and creative works that distinguish our faculty, engagement with the citizens of Missouri to improve their lives and regional economic growth that is driven by careful planning and collaboration.

This renewed commitment to excellence will not be without its challenges. As everyone is well aware, we are facing a period of significant budget constraints that will require us to take bold actions to become a stronger academic institution in both the short- and long-term. To provide some context, the University of Missouri System's share of the state's current FY17 budget withholds is \$37 million with the potential for \$57 million in permanent cuts in the Governor's proposed FY18 budget and the possibility of future reductions. Complicating these financial challenges, we continue to address declines in enrollment, a continuing trend facing universities around the country.

This is the time for us to implement a long-term plan to address the impact of the reductions in FY18 and beyond. Addressing these challenges will require an overall budget cut between 8% and 12% throughout the University of Missouri System. It is important to emphasize that we cannot rely on reserve funds to solve structural problems created by permanent budget reductions. We also affirm that the financial challenges that we face will not be addressed with across-the-board cuts. Therefore, final budget cuts for units will vary depending on the programs of excellence that need to be supported. As part of this process, we also will need to make new investments to grow the programs of excellence that are not sufficiently funded.

While these are never easy decisions to make, we firmly believe that it is essential that we all participate by taking a critical look at each of our organizations to meet the goals of this budget process. This includes administration, operations, intercollegiate athletics programs, academic units, extension and outreach, among others. There are some units that have started the process earlier in the year to prepare for the budget cuts. They are to be commended for developing thoughtful approaches to cut expenses and/or grow revenue. Building on the progress made to date and to ensure that all units pursue an organized plan, the UM System president has asked campus chancellors, provosts and chief financial officers as well as system leadership to develop and execute both short-term and long-term plans for budget reductions based on a set of guiding principles. The guiding principles will serve as our compass as we seek to protect activities and programs that best meet the mission of our University and provide maximum benefit to

our communities, our state and the nation.

Our guiding principles will be to:

- Challenge the status quo and long-held traditions that are impediments to change
- Make strategic decisions based on performance measures of excellence
- Protect programs of excellence for faculty research and creative works, student outcomes, community engagement and financial aid
- Be transparent, collaborative and accountable in making important decisions that affect the institution with input from faculty, students and staff

Beyond these immediate actions, it is also important we look long-term to identify new revenue sources to support our University and continue to make a compelling case for state investment. As dedicated stakeholders of our institution, your feedback is critically important to this process and we welcome your candid input on the programs of excellence to support and suggestions on how the system and its campuses can save on expenses and grow revenues. Please share your best ideas to strengthen MU at yourinput@umsystem.edu. We will provide ongoing details as the budget process evolves on the [UM System budget planning webpage](#).

We believe that this collaborative process will create a stronger and more vital institution. We look forward to addressing our budget challenges together as we make difficult, but necessary, decisions and continue the University's path to excellence.

Thank you very much for your support and commitment for our institution.

Mun Choi, UM System President

Tom George, UMSL Chancellor

Chris Spilling, UMSL Interim Provost

Rick Baniak, UMSL Vice Chancellor for Administration, CFO

Ryan Rapp, UM System Interim Vice President for Finance, CFO

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Campus process:

- Campus leadership will develop plans to address the budget cuts. Budget cuts will not be across the board and may include:
 - Operating support
 - Separation of staff and faculty (this may include layoffs of staff and NTT faculty but does not include separation of T/TT faculty)
 - Consolidation of units to reduce administrative costs
 - Closing of centers and institutes
 - Closing of degree programs with low enrollment
 - Centralization or shared services for administrative operations including IT,

- HR, Finance, Research
- Programs to grow revenue to offset cuts

As part of these plans, all campuses need to:

- Identify programs to be protected with supporting performance measures that indicate excellence in:
 - Research and creative work
 - Extramural grants
 - Journal articles
 - Academic books
 - National awards
 - Juried performances and exhibits
 - Doctoral degree conferrals and prominent placement of graduates
 - National rankings of programs
 - Other research and creative work contributions
 - Education
 - Enrollment of undergraduate and graduate students
 - Degree conferrals
 - Student credit hours
 - Teaching effectiveness
 - Retention rate
 - Graduation rate
 - Placement rate
 - National awards for students
 - Other educational contributions
 - Community, national and global engagement
 - Student, faculty and staff diversity
- Identify programs that no longer meet the goals of excellence and those that we can no longer afford to support and provide justifications based on the performance measures provided above
- Identify new programs or investments that can grow revenue as well as improve the performance measures provided above

The campus chancellor, provost and CFO will develop budget plans in close collaboration with the deans and department heads and in consultation with faculty, staff and students. We are committed to ensuring shared governance to include consultation and input from elected faculty, staff and student representatives from the campuses as well as the IFC, ISAC and ASUM. The chancellor and the president will make final decisions for each campus after careful review. This process will follow the timeline below.

Timeline:

- April 3, 2017
 - Announcement of the guiding principles for short- and long-term budget planning process.
 - Campus leadership will schedule meeting with deans, department heads and other stakeholders to discuss the process for identifying programs of excellence to protect and programs to eliminate to meet the budget cuts.
- May 10, 2017
 - Campus plans are shared with the campus community for input. Plans will

consist of:

- Short-term plans of cuts towards the target that have already been identified and will be included in the campus budget
- Long-term plans of the process, timeline and dollar targets that will be followed to identify and realize further cuts to fill the budget gap through the remainder of fiscal year 2018
- May 19, 2017
 - Campus plans are submitted to the president
- May 26, 2017
 - President will review and discuss the plans with the campus leaders to ensure that programs of excellence are protected
- June 2, 2017
 - Final plans will be shared with all members of the University community

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