

Presidential Directive for FY 10 Budget Preparation
October 2, 2008

The university is implementing the linkage of strategic planning, academic planning and budgeting. This revised process will help make our budget process a campus wide effort with each division and unit starting with its priorities in the context of the University's strategic and academic plans.

The economic times are very turbulent. The State of Minnesota is not immune from these uncertainties and currently projects a deficit in the next biennium if conditions do not improve or if changes are not made in State spending. In this context the office of the chancellor has proposed a multifaceted budget request of the legislature <http://www.mnscu.edu/board/materials/2008/oct8/fft-committee.pdf> that places higher education as a key component of the state's future economic growth. The request seeks funds for continued operations and key initiatives as well as taking care to have limited tuition increases.

The request and variations on how it might be handled by the legislature have been analyzed to develop financial scenarios for SCSU for the coming biennium.

<http://www.stcloudstate.edu/adminaffairs/budget/documents/Budgetscenarionotes.pdf>

The scenarios clearly indicate the University will need to take great care with resources allocation in the coming years.

Divisions and units are now preparing supply and equipment budgets for FY 2010. The scenarios make it clear that these budgets should be based on making the most prudent allocation of the level of resources we currently have. No increases should be planned for inflation. In areas of growth, resources will need to be reallocated or strategies devised to reduce expense. The carry forward funds we were able to approve from FY08 to FY09 illustrate the careful management of expenses in units and departments and a certain resilience that can help us get through this difficult time.

Deans are working with the departments and Provost's office on filling faculty positions for 2010 and beginning to plan as we move to 2011. This process will also be based on an expectation of flat resources. We will carefully consider each position proposed to be filled, be they faculty or staff, and be certain of the need and optimize benefit to our students. I have also directed that searches be identified as contingent on funding as we move into the legislative session. As the financial picture becomes better defined during the spring term we may need to revisit some of these searches.

I believe that through careful allocation of resources, modest enrollment growth and moderate tuition increases the university can successfully negotiate these difficult economic times.