

January 31, 2018

Chancellor Ronnie D. Green
201 Canfield Administration Bldg.
City Campus 0419

Dear Chancellor Green:

The Academic Planning Committee (APC) has reviewed and considered the set of budget reduction proposals you presented to us on November 15, 2017. The APC requested more information about the impact of the reductions, which was provided to us for our November 29, 2017 meeting. On December 6, 2017, you withdrew several of the proposals, leaving a total of \$3,414,207 in proposed reductions. On December 14, 2017, we announced a public hearing on the proposals via Nebraska Today, and then held the hearing on January 17, 2018. Although several members of the university community and the public were in attendance, no one chose to give testimony on the proposals.

The APC supports the adoption of all of the proposed budget reductions and considers them to be sensible measures in the face of financial constraints. However, the APC notes that all of the reductions impact the mission of the University, and should not be considered painless. Below, we review the reductions that we are recommending, and the impacts that they will have on the University.

CHANCELLOR'S OFFICE \$99,416

- Pooled salary funds \$48,000
- Office Associate \$51,416

Impact: loss of these funds will prevent hiring in strategic priority areas for the University.

OFFICE OF THE EXECUTIVE VICE CHANCELLOR \$2,106,788

- Reallocate state-appropriated-funded staff to Technology Fee \$523,540

Impact: The Tech Fee had been budgeted to build a cash reserve for emergency situations. That cash reserve is now sufficient to mitigate risks and can be budgeted in other ways. However, there is an opportunity cost for the cut to the state-aided budget from Offices of the University Registrar and Institutional Effectiveness and Analytics as those funds could have been reinvested into other campus priorities to meet the University's enrollment, outreach and research expenditure goals.

- Reallocate state-appropriated-funded staff and operations to Online Course Fee \$1,245,485

Impact: There is an opportunity cost for the cut to the state-aided budget in Office of Online and Distance Education as those funds could have been reinvested into other campus priorities to meet the University's enrollment, outreach and research expenditure goals.

- Summer school budget reduction \$337,763

Impact: The impact may mean reduced course offerings, fewer courses being developed for 3-, 5- and, 8-week delivery, an impact to the education experience of students during the summer as course capacity is increased, and/or less support to faculty who are teaching a summer course (e.g. student assistants or TAs). However, each college will determine how it handles the reduction so the exact impact is difficult to determine at this point. Additionally, the opportunity cost is reduced flexibility for other college funds if colleges chose to redirect other funding sources to support summer offerings. These college funds could have been reinvested into other local priorities to meet college goals.

INSTITUTE OF AGRICULTURE AND NATURAL RESOURCES \$1,208,003

- Reduce IANR greater Nebraska utility budget \$150,000
- Vacate Northeast Community College Lifelong Learning Center \$127,328
- Reduce IANR self-insurance budget \$125,000
- Eliminate facility renovation permanent budget \$40,925
- Reduce Rural Future Institute budget \$500,000
- Eliminate Virology Center Program of Excellence budgets \$264,750

Impact: Loss of these funds will reduce IANR's ability to invest strategically in other priority areas in the future.

While we regret having to recommend any of these reductions, we do appreciate the many positive interactions that the Committee had with you and the entire administrative team throughout the budget reduction process.

Best wishes,



Kenneth Bloom
Chair, Academic Planning Committee
Professor, Department of Physics and Astronomy