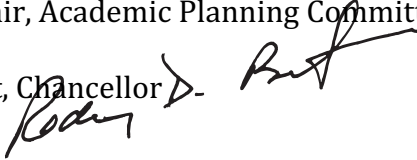




MEMORANDUM

TO: Dr. Can Vuran, Chair, Academic Planning Committee
FROM: Rodney D. Bennett, Chancellor 
DATE: October 19, 2023
SUBJECT: Budget Reduction Framework

Dear Dr. Vuran and Members of the Academic Planning Committee,

After the required consultation with the Executive Leadership Team, Deans and the Faculty Senate Executive Committee, I have determined that we must act as an institution to address a significant budget shortfall. This memorandum will serve as the required framework document.

Overview of Current Budget Situation and Rationale for Budget Reductions

The University of Nebraska System has projected a budget deficit for the current biennium and is executing a five-step plan to determine the right way forward. At this time, no specific budget reduction has been assigned to UNL for the current biennium. However, there are actions that we can take now to serve as good stewards of the resources entrusted to us by the people of this state.

- The **first** is to actively engage in the Reinvention Plan established by the NU System. We are doing that now and will continue to do our part to find solutions to the challenges facing our institution.
- The **second** is to address UNL's deficit that has been carried forward from previous years. This deficit totals \$12M and is a result of declining enrollments due to the Covid-19 pandemic, record-setting graduating classes, and a decreasing number of international students. A number of tactics have been used to manage this deficit in the past, including reliance on cash reserves. However, use of these tactics is no longer tenable.

I am initiating UNL's formal budget reduction process to eliminate the \$12M deficit that has been carried forward from previous years. The proposals that will be presented to the APC during this process do not include elimination of existing academic programs. Because of this, I am asking the APC to expedite its review and make its final recommendations to me by the end of the day on **Friday, December 1st**.