

The following note is from Michelle Waite, Assistant to the Chancellor, with some important information about the University of Nebraska-Lincoln budget:

Dear Huskers for Higher Education Members:

I hope this note finds you enjoying your summer and that you have an opportunity to relax!

As advocates on behalf of the University of Nebraska-Lincoln, I wanted to keep you in the loop on the recent communication that has been sent by the Chancellor to the campus community regarding the budget cut recommendations. I am hopeful that you find such information useful and that it provides you with the background you need to answer questions and provide your important opinions as alums or supporters.

Despite budget cuts, we were relatively successful with other legislative issues this past year. Next week I will follow-up with another e:mail that provides that information.

In the meantime, thank you for your service on behalf of our University!

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To: [UNLFACSTAFF@listserv.unl.edu](mailto:UNLFACSTAFF@listserv.unl.edu)  
Date: 06/17/2009 11:06 AM  
Subject: From Chancellor Perlman about \$3.7 M budget cuts

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Dear Colleagues,

I am writing today to fill you in on our plans now that the Board of Regents has approved the budget for the university for the coming year. In some ways we can feel fortunate because our overall budget circumstance is far better than most of our colleagues at peer institutions. At the same time, we must confront the need to make reductions in our current budget, reductions that are not as large as we had earlier predicted, but difficult nonetheless.

As you know, we will receive, on average, a 1.5 percent salary increase

for faculty and staff and an increase in some benefits, including an increase in life insurance coverage and an additional employer contribution by the university toward employee health insurance. The purpose of the salary increase is to keep UNL competitive and to continue to attract and keep talented faculty and staff. I recognize that many of you urged that we not have a salary increase if we could avoid a reduction. However, in the end, we must make progress on our salary scale. We have sought to find the right balance between salary increases, tuition increases, expenditure constraints, and budget reductions. All have been pursued. In the end, the university system is left with an \$8.5 million shortfall, of which UNL's share is \$3.7 million.

In fashioning our budget cuts, we have continued to emphasize our priorities and to preserve the core of the academic enterprise. We have also resisted across-the-board reductions. The consequence of focusing on programs and activities is that not every college or unit will be treated equally.

As you know, given the recent history of budget cuts, there is virtually no excess in our budget. Thus, it is unavoidable that the programs identified for reduction are important programs doing good work. Unfortunately these reductions involve some layoffs. Under the proposed budget reduction recommendations to be reviewed by the Academic Planning Committee, we are eliminating 56.1 full time equivalent (FTE) positions. Of those, 53.02 are staff positions -- many vacant -- and 3.08 are unfilled faculty positions. However, staff position reductions will result in 28 university employees losing some or all of their positions at the university. We were able to avoid terminating any current tenure or tenure-track faculty, although we are eliminating 2.1 FTE unfilled tenure-track faculty positions, and another .98 FTE in an unfilled, non-tenure track faculty position. Some of these reductions involve reorganizations that are already in progress or in one or two instances have been completed.

Laying off employees in this economy is particularly difficult. While the reductions I announce today are subject to review by the Academic Planning Committee -- a review unlikely to be completed until Fall -- I thought it important that affected employees be given the longest possible time to find alternative employment. We have notified these employees this morning, but they will not receive an official notice of termination (thus beginning the notice requirements) until Aug. 24. Over the summer we will work hard to find these dedicated staff alternative positions within the university. We will be providing affected personnel with special services from Human Resources to help them with this transition.

I have posted on my Web page, <http://www.unl.edu/ucomm/chanc11r/2009budget/>, a spreadsheet that outlines the budget cuts, as well as a narrative description that sets forth the rationale and anticipated impacts of the cuts. With this announcement, the Academic Program Committee will begin its own review of these proposals to determine if there will be hearings or other processes to examine the proposals. I welcome this examination and plan to work with the APC to assure that UNL is poised to continue the great progress that we have achieved in the recent past.

This has been an uncertain period. I wish I could say that with these reductions we have completed our task but I am afraid that is not true. It seems reasonably certain that we will face additional cuts next year, although hopefully they will be modest. Nonetheless, looking forward, there are serious long-term challenges ahead for all of public higher education. I intend to suggest in my State of the University address in September some steps that we might take to best prepare ourselves for these challenges.

I know that we will come through this budget process a stronger, if leaner, university. I appreciate the support and the constructive comments that many of you have contributed during this process. I have learned a lot from them and I have found it immensely gratifying to see the loyalty and dedication of our faculty, staff and students. Many thanks.

Harvey