

Nov. 14, 2017

Good afternoon,

As many of you know, our revenues this year are less than expected. We were also asked to return to the state more than a quarter of a million dollars of new money promised. The vice presidents and I have worked to reduce the deficit by finding additional sources of revenue (e.g., summer school enrollments, summer camps) and reducing operating expenses where possible. At the end of the process we were still short of our goal. I shared our budget situation with Chancellor Caret this past week and, after discussing a number of actions, we were given permission to cover this year's shortfall through use of our reserve funds. This is a one-time action. The good news is that we will be able to avoid salary-reduction (furlough) actions and will be able to continue with our improvements on campus. It is important, however, that we continue with actions we have put in place to reduce other costs this year.

The Faculty and Staff Senates and SGA have been briefed on the plan. Some of the actions include keeping new hires to an absolute minimum, reducing travel expenses, and finding new sources of revenue whenever possible. I am pleased to see that winter intersession enrollments are ahead of last year, which is a good sign and should give us additional revenue. In the immediate short-term, I ask that you take cost-saving actions whenever possible. For example, I am printing less and always using both sides of a paper when copying. I am also reducing my future out-of-state travel to one trip that I am already committed to attend.

In the long-term, including preparing next year's budget, we need to increase our enrollments. Our budget difficulty has not been on the expense side but rather in revenues not keeping pace with expenses. As we move into the spring semester, I will keep everyone informed about the future budget outlook.

Lastly, some may be asking how can we be building a new residence hall or a new academic building when we have a budget problem. The answer is that capital funding for new buildings come from other sources. In the case of the residence hall, we use auxiliary funds. And a new residence hall, which won't be occupied for at least two more years, is needed to help us with student recruiting. In the case of the new academic building, it addresses a need on campus. In recent years, FSU has gotten one new academic building about every decade, and the Education and Health Sciences building, which is funded differently from our operating budget, will be available in 2022. Again, a new academic building will help us in recruiting as well as enhance our instructional capabilities.

I hope this information has been helpful. I thank each of you for what you do at FSU.

My Best,

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