

Budget Development Process
February 18, 2011

Dear colleagues,

In the interest of responding quickly and prudently to the state budget recommendations Governor Snyder released yesterday, members of the Executive Council met with me this morning to discuss next steps in the university's FY 2012 budget planning process.

We are operating under the assumption that OU could see a 22.6 percent cut in state funding, which would amount to nearly \$11.5 million in lost revenue. Given that we have already made this university one of the leanest operations in the state's public education community, this dramatic reduction will present tremendous challenges in budget planning. It's possible that we will be looking at the need for significant reorganization or restructuring.

I can assure you that as we move forward with the planning process, we will keep Oakland's highest priorities front and center in our considerations. These priorities, as reaffirmed during our meeting this morning, are to:

- support the university's strategic vision
- protect and enhance its academic mission
- provide excellent services
- minimize the net tuition costs students pay

The deans and vice presidents will be seeking any ideas you have for streamlining, cost-cutting and restructuring. I urge you to respond to them by the end of the day, Monday, March 7. Simply put, your contributions will be a crucial component as we move forward in this process.

To learn more about the state budget proposal and how it will impact OU, I urge you to review a set of [informative documents](#) available on The POINT. As I have mentioned previously, this is not good news for public universities in Michigan. Please know that we need your thoughtful consideration and creative thinking in order to keep Oakland vital, exemplary and growing.

Thank you in advance for your contributions.

Sincerely,

Gary

