

March 10, 2010

Dear University of Idaho Faculty and Staff:

As the media has reported widely, the state Joint Finance-Appropriations Committee (JFAC) yesterday recommended a 7.6 percent base budget reduction in state appropriations to higher education for Fiscal Year 2011. This includes the 6 percent holdback that universities absorbed last fall, the governor's recommended 1.6 percent reduction, and an additional expected reduction in short-term federal stimulus funding. In announcing their recommendation, JFAC members indicated a desire to provide greater stability for state agencies next year by developing a budget that would not require additional mid-year holdbacks and indicated the hope that this might be the final, recalibrated baseline for state colleges and universities, one that we can work from as economic conditions improve and state funding stabilizes.

While we continue to work with legislators as they consider and deliberate these recommendations, it's clear the University of Idaho will begin the next fiscal year with a budget further reduced from that in which we are currently operating. We will be working closely with the University's Board of Regents, students, faculty and staff as we plan accordingly for next year and will communicate those efforts broadly. The extent of our reduction, and the shape of our budget, will certainly be influenced by our success in revenue enhancement efforts through increased enrollment, extramural funding for research and scholarship, private giving, student fees and retention.

In discussing this budget with staff and faculty this morning, I noted how leadership is most important and most apparent when circumstances are difficult. Your leadership, goodwill and personal sacrifices during these challenging times have been extraordinary. Despite unprecedented economic conditions, we are making progress by almost every measure. We are growing our enrollment, our research enterprise, and our engagement with and service to our state's communities; we are improving our assessment and retention efforts; and we are initiating strategic innovations and signature areas of scholarship and research. Our students continue to be outstanding, and you, our faculty and staff, continue to distinguish yourselves throughout our state and nation.

I remain optimistic about where we can be in the next few years if we stay focused on what we can and will do and retain the goodwill that I've come to realize is such a hallmark of our Vandal community. I recognize the challenges and know it hasn't been easy. But I'm excited about the can-do attitude that I experience in this community every day. Our state and our students need our excellence – and our leadership – now more than ever. Thank you for everything you are doing to build a strong future for our students and for the University of Idaho.

Sincerely,



Duane Nellis, President