

Dear Colleagues,

At its meeting this morning, the Board of Trustees officially adopted fee resolutions and a budget for the 2009-2010 academic year (the 2010 fiscal year). This budget anticipates an eight million dollar shortfall for the coming year.

The deficit for 2009-2010 will be addressed by making \$5 million of permanent cuts (about 1.8% of the core operating budget outside of scholarships), that will be allocated strategically across the divisions, and using \$3 million of one-time money from reserves. We have chosen to use some reserves on a temporary basis in order to allow more time for our financial needs to become clear, and more time to evaluate additional options to meet these financial needs.

As we look forward to the 2010-2011 academic year, we will need to convert the \$3 million to permanent cuts. We also anticipate the need for an additional \$2 million in cuts to deal with the consequences of our difficult economic environment. Thus, the total additional permanent cut for 2010-2011 is expected to be about \$5 million.

These remain challenging and uncertain times. I thank you for all that you are doing to help Miami serve its mission under these extraordinary circumstances. If you have questions about the budget, please contact David Creamer (creamerd@muohio.edu) or me (hodgedc@muohio.edu).

Sincerely,

David Hodge
President