

March 20, 2009

To: Finance & Business Services Staff

From: David Creamer, Vice President for Finance & Business Services

As we welcome spring and the end of another academic year, I want to share some additional thoughts about the budget reductions and some of the changes that have accompanied these decisions.

One of the more difficult changes for me to have to address, and for many of you, is the forthcoming retirement of Adolph Haislar. Adolph has been an amazingly dedicated employee at Miami for over thirty years. He will be greatly missed, but more importantly, he will be impossible to replace. However, we will somehow have to adjust to his retirement and some organizational changes are beginning to occur as a result.

As you may or may not know, when Adolph announced his decision to retire, I decided not to fill his senior associate vice president position. However, the assistant vice president for facilities position that has been vacant since Jim Haley retired will now be filled. I have named Bob Keller as the Interim Assistant Vice President for Facilities effective April 1. Bob will oversee the same operations formerly led by Jim Haley. Bob has an extensive knowledge of the university, and I look forward to working with him in this role.

As a result of other retirements and budget cuts, a few other organizational changes will need to occur within the Physical Facilities operations. Discussions are taking place about these changes, and some announcements will be forthcoming before the end of the semester.

The other operations that currently report to the senior associate vice president will begin reporting to either me or Beverly Thomas over the next few weeks. The Environmental Health and Safety Office (Dennis Fleetwood), University Police (John McCandless), and the Office of Recreational Sports (Barry Schutte) will report directly to me. The Director of Business Services (Paul Allen) will report to Beverly Thomas.

In addition to the changes resulting from Adolph's retirement, the reporting responsibility for the Payroll Office has also been moved to Human Resources and will report to Carol Hauser. This is an example of a change that is intended to improve the alignment between closely related operations with the goal of identifying new operating efficiencies and improving university services. This is important because we must find ways to preserve essential services even as we have fewer staff to perform many of our responsibilities.

While much of the discussion about the recent cuts was focused on position eliminations, the reality is that about \$1.3 million of the \$5.1 million cut to the Finance and Business Services budget was for non-personnel costs. Some of these savings include relying on electronic information to replace direct deposit and other human resource forms, reducing the number of checks we print, lowering purchasing costs by working with the other universities in Ohio to aggregate our purchases in order to reduce prices, taking better advantage of wellness services

offered at no cost through Humana, lowering energy costs by turning back temperatures in the winter and increasing temperatures in the summer, and many other cost-saving ideas that resulted from the budget discussions and your suggestions. These changes likely preserved as many as 25 jobs. We must continue to build on these ideas, encourage even more creativity, and become accustomed to adjusting to more frequent change than we have experienced in the past.

The reduction to next year's budget required many difficult decisions that are leading to lots of change within Finance and Business Services and across the University. In a more perfect world, following so many difficult choices, we wouldn't have to be concerned about further cuts or more change. While all of the problems we know about the University's finances have been addressed through the recent cuts, the current economic environment continues to produce problems much faster than the country has historically experienced, and we will need to continue to monitor the Ohio economy, the state budget process, and next fall's enrollment before we can be certain that all issues have been addressed.

While I can't predict what additional issues the current economic crisis might bring, I do know that increased productivity will be a recurring expectation of the Governor, the Ohio General Assembly, the Chancellor of the Board of Regents, parents, and the public. I continue to believe that the staff in Finance and Business Services is extraordinary and capable of addressing this challenge more effectively than any of our sister universities. Your dedication is exemplary and will enable us to identify more ideas for reducing costs and offering services to students, the university, and the community at not just our past level of performance, but even more effectively.

I know that each of you has many questions and concerns about the actions that have taken place and what may be ahead for all of us. To better answer your individual questions, I will hold two forums next month for the Finance and Business Services staff; they will take place on Thursday, April 2, at 8:00 a.m. in Hall Auditorium, and Tuesday, April 7, at 4:00 p.m. in Hall Auditorium.

Finally, I often receive questions about what each of us can do to help the University avoid further cuts and layoffs. While there are lots of things we don't control, we do control how well we perform our roles every day and the level of service we provide. When we excel at what we do, we make it more likely that others can provide the best educational experience possible for our students. If the university can maintain its long history of excellence, enrollment will remain strong and future financial issues will be kept to a minimum.

I want to thank each of you for your dedication, your efforts, and your support during this difficult period.