

To colleagues in Academic Affairs on the Oxford campus,

I want to update you on our strategies to address current economic difficulties while continuing to pursue the strategic objectives of Academic Affairs. Despite the budget challenges, it is important to note first that nothing has changed regarding our strategic objectives. We continue to focus on providing undergraduates with one of the best educations in the country, we are committed to selective excellence in our graduate offerings, and we will support a faculty of outstanding teacher/scholars. Therefore, our challenge is not merely to balance our budget, as important as that is, but to continue to move forward despite the economic headwinds of the day.

The university's overall strategy has been to protect the educational program and the faculty who daily engage with students. Before the current fiscal year began, the university had enacted \$3 million in temporary cuts. Given the importance assigned to Academic Affairs, our division was asked to make only \$1.5 million of these reductions, despite the fact that we account for roughly 60% of the overall budget. Early in the fiscal year, the university, sensing the deteriorating economy, increased the temporary reductions by \$2 million. Academic Affairs, despite its share of the budget, was only asked for \$500,000. As the academic year had already begun, the entire half million dollars in additional cutbacks was absorbed by my immediate office and related support offices; the academic divisions were not asked to make additional reductions.

Looking forward to the fiscal year beginning on July 1<sup>st</sup>, there are many uncertainties. We do not know the precise size of the entering class, exactly how many students will return to the university, the returns on our endowment, or the level of state assistance. Still, we have had to plan for what will certainly be a challenging year. In the fall, the university began developing a process for \$22 million in permanent reductions. Again reflecting the core importance of Academic Affairs, our division was asked to make reductions of \$6.65 million, a relatively small share given the size of our budget.

In allocating the reductions within Academic Affairs, we again tried to the maximum extent possible to protect the student experience and faculty positions. The College and Schools account for roughly 78 percent of the budget of Academic Affairs with the rest being allocated to the Libraries, the Graduate School and OARS, and the support offices. However, in the current budget model, the College and Schools are being asked to make up only approximately 55 percent of the reductions, again to the protect student educational opportunities and faculty positions (graduate student fee waivers and stipends are placed in the divisional budgets).

The budget reductions have required difficult decisions because Miami has always been fiscally prudent and has a modest base of total revenue. Recently, I announced that twenty-two positions in Academic Affairs that were currently filled would be eliminated. In addition, we eliminated twenty-one vacant staff positions. More than two dozen faculty searches have been cancelled. In addition, many offices have been challenged to be much more creative in addressing budgetary challenges and doing more with less. We have also sought to change structures when possible to become more efficient. In this regard, the Women's Center will be transferred to Student Affairs where it has

synergies with other offices. In the years to come, we will have to examine everything we do to make sure that we are as efficient as possible.

However, these budgetary changes alone will not allow us to address the economic challenge while meeting our strategic goals. Therefore, we have continued to move forward on a wide variety of important initiatives to make Miami a stronger institution. Thus, among other reforms, we have adopted the faculty workload norms document to use faculty time more effectively and purposefully, conducted the graduate program review to ensure selective excellence, implemented the Top 25 program to redesign our most popular classes, created the Global Miami Plan to prepare our students for the 21<sup>st</sup> century, and developed a new timeblock to make sure that we have the most pedagogically useful schedule while making efficient use of our physical plant. The reforms have been exceptionally valuable to the institution but have, by necessity, involved new ways of doing things that have been controversial at times. The truth of the matter is that we will have to continue to think boldly in the future in order to meet our academic ambitions.

Many colleagues have asked me what they can do in the short-term to help the institution. The answer is clear: help the Admissions Office succeed in bringing in the right sized class and work diligently with existing students who may be thinking of leaving Miami so that they stay and graduate on time. There is nothing more important that we can do for the immediate future than to be successful in admissions and retention.

I look forward to working with all of you on these issues and making Miami even stronger in the future.

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