

This is the third in a series of communications regarding the budget. One of our major goals is always to do whatever we can to preserve our most important resource, our employees, so that we can continue to provide the best possible service to our students. Therefore, I am continuing to direct that the various divisions take a series of actions to position the University to weather the continued economic downturn.

Proposed Spending Guidelines for Remainder of FY 10-11

In response to the request in the December 20 memo from Presidents Bowles and Ross, the University is implementing the following actions in order to comply with the 2.5% reversion request. In anticipation of additional reversions, the following actions are effective immediately and will continue through the end of the current fiscal year.

Hiring: As detailed in my last update, only critical positions will be filled. The criteria and processes outlined in that correspondence should be followed when considering hiring for vacant positions. Non-state funds are not subject to these spending guidelines; however, budget managers are asked to carefully assess the revenues for the current fiscal year to assure a balanced budget. If you have questions about the funding source of your position, please contact the University budget office.

Offers of Employment: Effective January 21, all requests to make a job offer must be submitted to the respective division head who will, in turn, obtain the Chancellor's approval. If approved by the Chancellor, all offers must be made in writing. In the event there are any offers outstanding but not yet accepted, these offers must be immediately put on hold, and submitted to the division head for approval. If you have any questions regarding the process, please contact Human Resources.

Supply Purchases: Departments should limit the inventory of supplies and materials to no more than one month's supply. New subscriptions, memberships and contracted services not essential to current operations may not be processed. Each purchase request should be closely scrutinized as to whether it is essential or whether it can be delayed until the new fiscal year. Transactions involving the P-Card will be honored as long as transactions are limited to essential purchases. All purchase requests, including P-Card transactions, in excess of \$1,000.00 must be approved by the Interim Provost, appropriate Vice Chancellor or Chief Information Officer.

Equipment Purchases: Effective immediately, equipment budgets and purchases are frozen. Requests for specific purchases to replace required equipment should be accompanied by written justification to the Interim Provost or appropriate Vice Chancellor who will submit to the Chancellor for final approval. Budget revisions involving equipment lines will not be approved unless authorized by the Chancellor.

Travel: Effective immediately, requests for travel authorization must be approved by the Interim Provost, appropriate Vice Chancellor or Chief Information Officer. Travel is restricted to mission-critical needs. Faculty travel for presenting accepted papers at professional meetings is allowed with approval. Out-of-state travel will be limited to a minimum and out-of-country travel will only be authorized when required to support an academic program. We will continue to encourage the use of teleconferences and video conferences as the preferred methods for meetings with General Administration and other state agencies.

Again, it is important to remind everyone that what we are trying to do is to retain as many of our great people as possible. The actions that we are taking are difficult, but necessary. I will keep you apprised of the fluid budget situation through regular messages to the campus. I appreciate your continued patience and understanding as we confront very difficult decisions.

Please share this information with persons in your division who do not have access to email.

John