

Subject: Budget Withholdings

Date: Wednesday, January 18, 2017 at 1:45:48 PM Central Standard Time

From: MU CHANCELLOR



January 18, 2017

Dear faculty and staff colleagues:

As you likely know, Gov. Greitens recently announced cuts to this year's budget, resulting in withholdings to higher education institutions in the state.

For Mizzou, this amount will total approximately \$20 million, which includes our share of general withholdings plus withholdings for the School of Medicine Class Expansion and Springfield Clinical Campus Project and University of Missouri Extension. Simply put, because of these cuts, we will have about \$20 million less to spend this year than we budgeted for last summer.

I am writing to let you know that the senior leaders of the campus are working on this challenge and discussing ways to best fill this gap before the end of the fiscal year. As soon as we have a plan, we will share it broadly and transparently.

We also soon will need to begin planning for the FY18 budget. We do not expect to know the governor's recommended budget for higher education until the second week of February. In the meantime, we will be running different financial scenarios—and because 58 percent of our core budget is based on tuition (excluding athletics and auxiliary units)—we will be watching carefully leading indicators for the size of the fall's first-year class.

While finances are a challenge, we are hardly alone. Budget cuts are happening to public higher education institutions across the country. But with challenge comes opportunity, and we are committed to coming together to define that which is essential to our mission. Great institutions like Mizzou adjust to change and move forward in the pursuit of excellence.

Finally, I know that times of uncertainty can be a cause for anxiety. Please be assured that we in leadership will do our best to keep you informed and up to date.

Respectfully—

A handwritten signature in dark ink, appearing to read 'Hank Foley'.

Hank Foley, PhD
Interim Chancellor