The economic forecast released Dec. 3 by Minnesota Management and Budget indicates the FY2010-11 state deficit will be $1.203 billion greater than originally predicted. Until the legislature deliberates the state’s budget during its upcoming session, we are unlikely to have a clear idea what this additional shortfall will mean for our own budget. In the meantime, the Minnesota State Colleges and Universities Office of the Chancellor budget planners have said the system could face an additional unallotment of up to $25 million. Winona State’s share could be as much as $1.4 million.

Up to this point, we have identified approximately 75 percent of the stipulated reduction to our base appropriation for this biennium. We have until the end of the biennium (June 30, 2011) to identify the remaining 25 percent. We anticipate we will be able to close the remaining gap in our budget through modest enrollment growth and through various early retirement incentives for faculty and staff, funded by one-time federal stimulus funding. So far 20 employees have elected to take an early separation incentive. We won’t know the final tally for decisions made under the Board of Trustees Early Separation Incentive package (BESI) until after Jan. 8, 2010, but we have seen considerable interest in the program.

Our situation should gradually become clearer as spring semester begins. We will strive to keep the campus community as informed as possible and will resume regular open forums, seek advice from the All-University Finance and Facilities Committee, and provide regular updates through presidential all-university messages as new information becomes available. We also plan to update the materials posted in our budget toolkit and reopen the electronic suggestion box.

Throughout this economic downturn, we have consistently applied the budget principles developed by the All-University Finance and Facilities Advisory Committee (available at: http://www.winona.edu/president/budgetplanning.asp). We continue to approach every major expenditure as an investment in our future. We are consistently testing the value of each decision using the same set of questions: (1) Will this help us remain attractive to potential students? (2) Will this contribute to the success of our current students? (3) Will this help protect and enhance the quality and integrity of our academic core? (4) Will this result in the generation of additional revenue that we can use to invest in our future? (5) If this is something that we really need to do, is this the best way to do it?

As the spring semester unfolds, I personally plan to remain true to our course: to continue to invest in our future, do better with less, keep focused on core issues and the things that make us distinctive, take good care of our people, and trust in the goodwill and creativity of our community of learners. As we approach the holiday season, I wish you health and happiness and the warmth of family and friends.

Judith A. Ramaley
President