

## **All University Financial Update - 2/2/17**

### **FY18 Budget Deficit**

In previous communications, we have been looking at a budget deficit for FY18 in excess of \$3 million dollars. We now have better information that leads us to revise the budget deficit to \$4 million dollars for FY18. The revised deficit still makes certain assumptions on enrollment, state appropriation and negotiated contract settlements that will continue to solidify as we move on through spring into summer.

### **Budget Planning and Reductions**

The President's Cabinet has been working on developing 1%, 3% and 5% budget reduction scenarios. The revised budget deficit of \$4 million dollars equates to about 4.4% of our annual general fund budget. The final package of recommended reductions was approved by the President's Cabinet on Monday and sent to the all-university finance and facilities committee for their consideration and feedback on Wednesday, February 1<sup>st</sup>.

### **Meet and Confer with Bargaining Unit Leadership**

The budget reductions currently includes 2 layoffs (in the AFSCME unit) and elimination of about 18 vacant or fixed term positions (spread across all bargaining units). Following the terms of the bargaining unit contracts, the administration held a meet and confer with leadership from all of the bargaining units on Monday, January 30, to inform them of the situation and the prospect of personnel actions. Administration will continue conversations with all of the bargaining units at the respective upcoming meet and confers.

### **All-University Budget Forums**

Along with the all-university finance and facilities committee, we will be announcing all-university budget forums to share the budget information and reductions to the entire campus. Currently we are looking at the week of February 13<sup>th</sup> to hold these forums. We will be hosting two forums in Winona and one in Rochester.