



The University of Vermont

Jane E. Knodell
Provost and Senior Vice President

TO: Deans, Vice Presidents and other Senior Leaders
FROM: Jane Knodell, Senior Vice President and Provost
DATE: October 31, 2011
Re: FY 2013 Budget Preparation and Timetable

We are now ready to focus the planning and work needed to build and complete the FY 2013 budget. As discussed with the Board of Trustees, these major assumptions guide our planning for the coming year: an expectation of a tuition increase of no more than 3.5%; managing student financial aid as close to current year levels as possible; together with a proposal for level state funding. Within this picture of modest revenue growth, there will be no basis for new resources except those that we are able to reallocate internally. However, in contrast to the past several years there is no significant projected budget shortfall at this time and therefore there is no expectation of finding major expense reductions in order to create a balanced budget in FY 2013. At the same time, it will be important to have done contingency planning in the event that one or more of our revenue projections is lower than expected.

Planning and work on the Strategic Initiatives Project is well underway. Many of those initiatives will be framed in the second half of this year and are likely to have greater impact in FY 2014 and beyond. None the less, planning for FY 2013 must occur with all of the SIP activity as a backdrop and guide.

There is time in your calendar between the Thanksgiving and holiday breaks to meet with me and Richard Cate so we can hear about the issues facing your unit and to work together to frame the key elements of the FY 2013 budget, within the longer term context of the SIP work. In preparation for those meetings, we would like you to prepare a succinct summary of the following:

1. For academic units, what is the status of your reappropriation, both sources from the close out of FY 2011 and projected uses in the coming years?
2. What do you see as the biggest challenges for your unit for FY 2013?
3. How do you propose to address those challenges within the context of the resources available to you?
4. As the basis for contingency planning if projected revenue is not available, what actions could you undertake to reduce your general fund budget by 1%?

Attached is a simple Excel template file with three separate tabs to organize and summarize the issues that you see and responses to them. You will see a calculation of the 1% base budget level (less any excluded items that would likely not be amenable to reduction) as a target for contingency planning.

Please organize your responses directed to me, care of Denise Marrero, Denise.Marrero@uvm.edu with copies to Kerry Castano, Kerry.Castano@uvm.edu and Ted Winfield Ted.Winfield@uvm.edu by close of business, Tuesday November 22nd.

Thank you for your continued attention and efforts as we proceed in framing the strategic initiatives that we must undertake. I'll look forward to your information and to our discussion after Thanksgiving.

Attachment: FY 2013 Budget Planning template file with three worksheets