

March 9, 2017

MEMORANDUM FOR: Academic Affairs

FROM: Winston Langley, Provost and Vice Chancellor for Academic Affairs

SUBJECT: FY17 Budget – Situation Report

As many of you may have learned or heard by now, in a concerted and continuing effort to balance the FY17 budget, the University mandated another round of spending reductions that required Academic Affairs (AA) to identify an additional \$3M in budget cuts. Working with the leadership of each unit within AA, the Office of Budget and Financial Planning and the Chancellor's Office, we met our goal by the deadline yesterday afternoon. However, because some of the spending reductions identified had not come to fruition, or are still being evaluated / potentially considered, the decision was made to absorb the resulting shortfall within the Provost's Office budget and satisfy the spending reduction mandate. While this decision has driven the Provost's account into significant deficit, we now have an opportunity to try to be more strategic and/or innovative over the coming days/weeks to recover that shortfall. I understand that some of you are in a similar situations – we will also be working to assist your efforts to minimize operational impacts.

While the execution of collecting these funds so quickly surely introduced some anxieties and fiscal and operational management challenges, please understand that there were/are externally driven factors that unfortunately pre-empted a more tempered and coordinated approach – an unfortunate by-product of the timeline imposed for this process. Going forward, I am optimistic that institutionally we'll do much better at coordinating and implementing actions like this more in a more strategic manner.

In the meantime, there are some actions that we need to continue to take as we work to close the gap(s). Until such time that we have addressed the aforementioned shortfall(s) and met our fiscal commitments for FY17, all of AA must consider and impose operational restrictions to help AA recover, but to also minimize further scrutiny of any fiscal management activities. Some of these restrictions include but are not limited to the following:

- Elimination of non-essential travel;
- Elimination of non-essential printing, copying services, and office supplies;
- Elimination of non-essential meeting expenses (e.g. meals, handouts, venue rental, etc.);
- Elimination of non-essential equipment and instrumentation purchases, rental and maintenance;
- Cancellation of conference sponsorship and/or attendance;
- Cancellation or reduction of terms for consultant support;
- Cancellation or reduction of terms for other contracted services;
- Reduction of summer section offerings by increasing section size for those that are offered;
- Elimination of professional development support;
- Tempered reductions of faculty, staff and student support;
- Reduction of O3 personnel commitments (except for those on grant funding); and
- Reduction of telephone (cell phone) and postage services.

Note that while all these restrictions do not necessarily apply to grant funded efforts, please consult with your dean, department chair and/or business manager to discuss implications and/or potential perceptions of taking these actions to determine what is appropriate and absolutely necessary.

There are many implications of the FY17 spending reductions already being experienced by the UMass community as a result of the November cuts, and as noted above we still have work to do to fully realize our total March reduction. There will undoubtedly be additional short- and long-term consequences that will result that we will have to deal with as a community. I ask for your continued cooperation, support and patience as we navigate these treacherous fiscal waters. Through our collective stewardship, vigilance and innovation, we will reach a safe harbor and Academic Affairs (and the University) will be better for it going forward.