

May 21, 2008

Dear Colleague:

I know this has been a difficult semester as we waited for information from our state and system regarding the budget for the University of South Florida St. Petersburg. The stress of not knowing our future has in some ways been more difficult than the outcome.

As a result of the economic downturn across the country and in Florida, the budgets of the State University System including USF have been reduced over previous year allocations. As you know, the USF System directed its institutions to develop budget reduction plans at 15% of the 2007-08 base allocation.

Today, President Genshaft has announced budget reduction plans at the system level; the total USF base budget reduction from July 1, 2007 to July 1, 2008 is \$35.6 million or a cut of 10.6% in recurring funds. In accordance with her strategic priorities, President Genshaft has preserved positions for all tenured and tenure-earning faculty across the system.

I write to share with you the budget reduction plans for our institution. I sincerely appreciate individuals and constituent groups whose ideas and guidance through this process helped to create a plan that preserves the guiding principles developed by our Budget Council. Those principles, which I support, include a commitment to quality student learning, research, protection of the long-term financial integrity of our institution, and, importantly, the value of our colleagues.

In August of 2007, our first budget reduction of 4% in the amount of \$1.2 million was implemented. Today, we present a 6.6% budget reduction in the amount of \$1.9 million, which becomes operational on July 1, 2008. This plan was reviewed in concept by the USF St. Petersburg Campus Board on May 2 and reviewed by the USF Board of Trustees today.

Since we anticipated this budget rescission, special care was taken by the Regional Vice Chancellors, Deans, Directors and Human

Resources to recommend cuts according to strategic priorities, to hold vacant positions, and to be proactive in placement of current employees in new roles both on campus and elsewhere within the USF system.

Although positions will be eliminated, employee layoffs at USF St. Petersburg will be limited to fewer than five individuals. USF St. Petersburg Human Resources is poised to assist displaced employees with the transition and will also provide assistance in partnership with WorkNet Pinellas.

Cost savings of approximately one million dollars will be realized from utilities, travel, supplies, equipment and reduction of contractual services.

I will continue to inform you as we know more about the Florida economy, the state budget, and the impact on higher education. At USF St. Petersburg, our priority is to provide quality education and research to those we serve. I thank you for your contributions and commitment to our institution.

Sincerely,

Karen A. White