

REQUEST OF INITIAL OFFICES ASKED TO PARTICIPATE IN BUDGET REDUCTION EXERCISE

The following request went on March 23 to selected offices as part of an exercise to help plan for a potential reduction in state funds.

As you know, a proposed budget cut to SIU and other state universities for FY16 is under discussion in the state legislature. We do not yet know whether a cut will occur or, if it does, how large it will be, but it is critically important that we begin exploring the possibilities for two reasons:

- We must be in a position to act, if necessary, if cuts occur.
- We must understand the ramification of cuts, not only to assess their viability, but to help us tell the story of the impacts of possible reductions in state funding.

Given our goal of minimizing the direct impact of possible FY16 state budget cuts on academic units, we are assessing the impact of reducing state support for units that are currently funded through a combination of state budget and other types of revenue, such as user fees, student fees, external grants, the sale of tickets and other items, and contributions. We have identified the Clinical Center as one of these units.

One-half of the FY15 original state budget for the Clinical Center is \$206,706. To illustrate the effect of a possible 50 percent reduction in your FY16 state funding, please prepare a brief (one to two page) summary that describes how the loss of this level of funding would be handled. Please describe the steps that will be taken to mitigate the reduced state funding. If the elimination of staff positions is included, please note the job title but do not provide the names of any incumbents. Any shifting of costs to local funding sources must be based on the expectation of a revenue stream that is sufficient to bear the added expenses.

Please send me your summary no later than noon Friday, March 27. We will prepare an overview of the responses for discussion at the Executive Planning and Budget Committee scheduled for Monday, March 30.

I appreciate your assistance in compiling information that will aid the decision-making process in the coming weeks.

3-23-15