



Dear Ship Family:

As fall semester begins, I'd like to share with you some current information about our 2012-13 academic year budget.

Over the past few years, Shippensburg University faced significant reductions in state appropriations. Despite modest tuition increases, our budget was cut about \$24 million over the past 10 years. To adjust, we made reductions after receiving invaluable input from you and other members of the campus community — input that let us continue providing needed programs, services and support.

This year the initial state budget proposal cut 20 percent from funding for the Pennsylvania State System of Higher Education and its 14 member universities. This followed an 18 percent cut for the 2011-12 academic year.

While the 2012-13 budget that was finally approved and signed provided level funding for PASSHE, it still left a significant funding gap. We were able to partially close that gap with a \$188 annual tuition increase that PASSHE's Board of Governors (BOG) approved. But, this is the fifth time in eight years that the increase has been at or below the rate of inflation.

This increase is well below what we need. However, the BOG — and university presidents — agreed that any increase should be reasonable. We also agreed that students should not make up the funding difference, especially during these difficult economic times that challenge our nation.

At Ship, we understand these challenges and work hard to meet them every day. This year, we will keep support positions vacant, reduce our energy usage, limit purchases as appropriate, and aggressively seek ways to find additional revenue sources. Once again, I'd like to thank you and everyone in our campus community for supporting our efforts and providing suggestions that we've been able to implement.

We will remain focused on our core mission of academics. This has been, and always will be, central to our decisions that address the challenge of increased costs and higher expectations coupled with ever-limited fiscal resources. Our standard for all changes is the student's best interests and the university's integrity.

The senior management team is currently reviewing suggestions that save money and affect the entire campus. When they complete that review, we will share the suggestions with you, and again ask for your ideas and input. To meet this challenge, your support and cooperation are crucial. Please e-mail me at wruud@ship.edu or use the anonymous President's Suggestion Box available on my website to offer your ideas.

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Among Ship's many strengths is the spirit of collaboration. That spirit has allowed us to meet past challenges, will allow us meet current challenges, and will help us meet those we will face in the future. Thank you again for your support of Ship, and we will keep you informed of any changes to this great university.

Bill