



July 22, 2011

Dear Ship family:

As we begin the 2011-12 academic year, I want to take this opportunity to share updated information with you on our current budget situation. While the situation is better than we anticipated, it still poses serious challenges to all members of the campus community.

Earlier this year, the proposed state budget included a 54 percent funding cut for the Pennsylvania State System of Higher Education (PASSHE) and, subsequently, Shippensburg University. Throughout the budgetary process, information was shared with legislators, the Office of the Governor, our alumni and friends and the entire Ship community and others on what such a drastic cut would mean to PASSHE and, ultimately, its students and the citizens of the Commonwealth we serve. The final budget that was approved and signed cut 18 percent from PASSHE's appropriation.

On June 30, 2011, PASSHE's Board of Governors approved a \$436 tuition increase (7.5%) for 2011-12. This increase brings in-state annual tuition to \$6,240, a rate that remains among the lowest rate of all four-year colleges and universities in Pennsylvania, and well below the national average for public institutions.

Even with that increase, Shippensburg must cut more than \$4.6 million from our 2011-12 budget. This painful reduction is in addition to more than \$20 million we have already cut since the 2003-04 academic year. These reductions include cuts in equipment funding, overtime, the elimination of vacant positions, and leaving additional positions vacant. All the cuts to date were made throughout the university and have been done in cooperation with all members of the campus community. We will continue that philosophy as we make this year's cuts, but these reductions come with serious consequences.

We have been able to save costs in personnel through attrition or not filling vacancies, especially in the physical plant where staff associates are continuing to do their excellent work despite the nearly 20% in vacancies. It does mean, however, that some needed maintenance work will be postponed and difficult decisions will be made about work priorities.

At left, is a link to a more detailed draft of where we are making cuts or, in some cases, have been able to increase revenue through some innovative entrepreneurial efforts in several areas. This draft is not final and I welcome, as always, suggestions for other savings. Also at left is a link to the budget presentation made to the BOG last month.

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As difficult as this budget process has been and the subsequent cuts we are making, Shippensburg remains an outstanding university that provides a quality education to its students. These budget cuts will not change that as we continue on our road to success. I appreciate the hard work and extra effort by all of you in the Ship family.

The environment is one in which we are likely to find ourselves for the next few year. As we move forward, we must work hard to continue to transform Shippensburg so that we have better long-term planning for both appropriations and tuition, equal footing with our other colleagues in Pennsylvania for procurement and construction regulations, and more innovative and creative entrepreneurial ways to generate resources for ourselves.

We will need to work hard these next few years in continuing to excel at the job we do best — student success!!! We also must continue the open dialogue and conversation as to how we can continue to control our own destiny and truly make Shippensburg University the “Flagship” institution of PASSHE in Pennsylvania.

I continue to ask for your help this year. Please send me a note, e-mail me directly at wnruud@ship.edu, send me a text at 717-360-8239, or use the anonymous President’s Suggestion Box available on my website to offer your ideas. I look forward to working with you as we all continue our efforts to make Ship an even better university.

Bill