

Dear alumna/alumnus:

On May 8, more than 100 members of the university community, including faculty, staff associates, students and administrators, came together for our annual retreat. This day-long program was an opportunity for this diverse group to discuss a wide range of topics that affect or could affect the university.

As would be expected, the budget was one of those topics. Dr. Denny Terrell, vice president for administration and finance, gave a presentation that outlined the budget situation, its dramatic impact on the university and, equally important, how the university has already dealt with previous cuts. That presentation is available by going to my budget website via the link near the bottom of this note and clicking on the budget overview link in the top left corner.

Here are some of the more interesting points she made:

- The state appropriation for our education & general (E&G) budget has decreased from \$32.3 million in the 2000-01 academic year to \$28.3 million for this year, with a proposed cut to \$22.7 million for the 2012-13 academic year.
- Tuition increases in recent years have been at or below the CPI.
- The percentage of our budget from state appropriations has decreased from about 65 percent when the system started in 1983-84 to about 28 percent this year.
- Since the 2003-04 academic year through this year, the university has saved \$23.4 million. It's important to note that not many private industries and businesses can be agile enough to reduce their budgets as dramatically as we have done in such a short period of time.
- Savings have been accomplished campus-wide, including increasing class sizes in general education courses, reducing overtime and continuing to leave positions vacant when possible. Currently, 9.7 percent of staff positions and 9.1 percent of management positions are unfilled.
- Thanks to efforts by the entire campus, we have reduced utility costs by 31 percent in seven years.

Over the next weeks, members of the Pennsylvania Legislature will be working to get a budget approved in time to meet the June 30 deadline. On May 9, the state Senate approved its budget version, one that does not further reduce funds for PASSHE. This welcomed approval is part of the on-going budget process with action still needed by the House and approval by the governor.

Your support during this process remains critical and we again urge you to show your support for Ship and PASSHE. Please contact your legislators and let them know what Ship did for you and that Ship and PASSHE need sufficient funding to meet the ever-changing academic and economic demands of the Commonwealth.

If you need information on how to contact your legislators, please go to

<http://www.legis.state.pa.us/cfdocs/legis/home/findyourlegislator/index.cfm?CFID=12710204&CFTOKEN=85689115>.

For more specific information related to Ship, please go to my budget website at <http://www.ship.edu/President/Budget>. That site will offer you details about the impact on us.

As always, I ask for your suggestions. 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.



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President