

October 12, 2009

Dear University of Idaho Faculty, Staff and Students,

Today, the University of Idaho submitted to the state its management plan to address a directive from Governor C.L. "Butch" Otter that universities return 6 percent from their FY2010 budgets to help the state address a midyear budget shortfall. The plan presented has emerged from meetings with University executive staff, faculty, staff, student and other leadership constituent groups and from internal economic and budget modeling.

The University receives several different appropriations from the state, with the primary allocation focused on general education. The holdback plan we submitted today totals approximately \$7.1 million from reductions in personnel, operating expenses and capital outlays. These include:

General Education	\$4,964,000
Dairy	\$ 600,000
Agriculture and Research Extension Service (ARES)	\$1,499,400
Forest Utilization Research (FUR)	\$ 22,300 *
Idaho Geological Survey (IGS)	\$ 30,700 *

\*4 percent as directed by the governor

General education holdbacks will come from personnel cost recovery--including elimination of a portion of our vacant positions and travel, operating expense reductions, and use of University reserves; dairy holdbacks will come from a capital outlay reduction; ARES holdbacks will come from personnel cost recovery, operating expense reductions, capital outlay reductions and ARES reserves; and FUR and IGS holdbacks will come from personnel cost reductions. The ARES appropriation received the same 6 percent holdback from the governor as the University's general education appropriation, which comes on top of an earlier state-mandated cut to the ARES FY2010 appropriated budget. Executive, faculty, staff and student leadership had discussed and reviewed furlough scenarios, but we will not ask for that level of sacrifice from our employees at this time.

These reductions will be implemented at the college and unit level in the coming weeks. The full plan submitted to the state will be available online:  
[www.uidaho.edu/president/letters.aspx](http://www.uidaho.edu/president/letters.aspx).

The world's economic re-set continues to impact the Gem State and our University. The recalibration plan we submitted today required exceedingly difficult choices, and virtually every part of the University has been impacted. I continue to remind state leadership about the vital role that its only land-grant University plays in the state's social and economic development. If the University is to remain the vibrant partner that has helped to build this great state and will lead it to a strong recovery, it will be critical that we both focus on building our own resources – increased enrollment, retention, funded scholarships, research and creative activity and new collaborations – and that our state leadership protect the essential nature of its investment in higher education and the work of future generations that we uniquely support. Continued disinvestment should no longer be an option.

Thank you for your hard work – indeed you have stepped up in extraordinary ways – and for all you do to support and maintain the University at a time when I know we are asking you to do so much. Your commitment is certainly recognized as we focus on the future of our state and our institution.

Sincerely,

A handwritten signature in blue ink that reads "M. Duane Nellis". The signature is written in a cursive, flowing style.

M. Duane Nellis  
President