

From: Purce, Les
Sent: Wednesday, October 27, 2004 3:04 PM
To: All Staff & Faculty DL
Subject: Budget planning

As we approach the beginning of another legislative cycle, I want to give you a brief update on our budget planning. The legislature will convene in January and begin working on the state budgets for the 2005-2007 biennium. The budget request that we submitted this summer emphasizes the priorities that we share with all of the state's public baccalaureate institutions: improving compensation for faculty and staff and restoring core funding. At the same time, the legislature will confront a statewide budget shortfall currently estimated to be between \$1 and \$1.7 billion. This shortfall is smaller than the one the legislature faced when building the 2003-2005 budgets, but is nevertheless a substantial challenge.

The state budget process is lengthy, and many of the variables that will ultimately determine Evergreen's budget appropriation will not become clear for some time. Voters will decide the fate of several initiatives that could directly impact the level of state funding or place restrictions on various fund sources. Governor Locke's budget proposal will not be released until December. The new governor will need time to prepare his or her budget proposal in January, and the House and Senate budget proposals will not be released until March at the earliest. The legislature is unlikely to pass a final budget before mid-April, or even later if a special session is required.

Fortunately, Evergreen is well prepared for the uncertainty and legislative challenges we will soon face. The recommendations that the College Budget Council gave me last spring anticipated these conditions. The budget that the Trustees adopted included a healthy reserve and gives us some flexibility as we work toward a budget for 2005-2007. The vice presidents and I are working closely with the divisional budget coordinators, Steve Trotter and Petra Carver to maximize that flexibility. Thanks to the ongoing collaboration between staff in Enrollment Services and Academics, the portion of our budget that relies on meeting our enrollment goals is healthy.

Early in 2005, we will begin the college's formal budget planning process. We will continue to use an open and consultative process. I will provide occasional updates to the campus as events unfold during the legislative session and during our internal budget planning process. We will continue to post weekly updates on the web site during the legislative session. Overall, I believe we have come a long way from the position we were in when the state's economy turned sharply downward in 2001. As we move forward, we will be able to continue managing our finances in a careful and consultative fashion, without distracting unnecessarily from Evergreen's primary mission of teaching and learning. I want you all to know how much I have appreciated your commitment to our progress over the past four years.