




HUMBOLDT STATE UNIVERSITY

Office of the President

MEMORANDUM

DATE: April 7, 2020

TO: Stephanie Burkhalter, University Senate Chair
Lisa Bond-Maupin, URPC Co-Chair
James Woglom, URPC Co-Chair

FROM: Tom Jackson, Jr., President 

SUBJECT: University Senate/URPC Balanced Budget Proposal for 2019-2022

It is greatly appreciated the amount of time and energy the URPC devoted to trying to develop a balanced budget proposal for Humboldt State University. This is a very challenging and emotional subject. The committee's efforts to make serious recommendations while also trying to keep Humboldt moving forward is acknowledged.

Many universities throughout the United States, and within California, are challenged by significantly reduced enrollment and high operational costs. We are not alone in these challenges. This region continues to have a substantial decline in college-aged individuals and high school graduates. The marketing and enrollment efforts will make some difference. The way in which we address budget shortfalls while also stimulating new programs and alternative revenues will be very important. To maintain our excellence, numerous course corrections are now necessary. This will not be easy.

The URPC recommendations have been received. Unfortunately in the post-COVID environment more substantial fiscal challenges lie ahead. Following are updates and next steps:

1. The approximate \$5.4 million projected base budget shortfall by FY2022 is now, unfortunately, adjusted to approximately \$20 million (post-COVID). This is based on the most recent enrollment, budget, and graduation projections. There was growing momentum with recruitment prior to COVID. Information on enrollment with a budget overlay will be provided to University Senate on April 7, 2020.
2. The URPC budget reductions for FY2021 totaling \$3.8 million is approved. However, with post-COVID, several additional activities outside of the purview of the URPC must be enacted. These may include combinations of the hiring chill, a spending freeze, travel reductions, operational changes, and employment incentives for retirements. I have asked the CFO to prepare a summary of all available options that could be used for reductions and strategic investments. He is also working with each divisional leader as we consider or implement strategies. URPCs insight into the available options prepared by the CFO is requested. This will be shared with you prior to the end of this semester and will be time sensitive.

Thank you again for your service and for your continuing dedication to sustain HSU.