



Office of the President

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DATE: October 17, 2014
TO: Las Cruces campus faculty and staff
FROM: Garrey Carruthers, President
SUBJECT: Reduction in expenditures update

A handwritten signature in blue ink, appearing to be 'Garrey Carruthers', written over a horizontal line.

Last month, I sent a memo to faculty and staff stating that the enrollment numbers for NMSU's Las Cruces campus declined in the Fall 2014 semester. A decline in enrollment has a direct impact on our finances, as revenue collected from tuition and fees supports our I&G (Instruction and General) budget.

As a result of that decline in enrollment, we have spent the last few weeks meeting with stakeholders from colleges and units across campus to identify approximately \$4.8 million in reduced expenditures to make up for our reduced revenue. This amounts to about 2.5 percent of our unrestricted I&G budget.

During this process, I asked each dean and vice president to propose budget reductions specific to their colleges and units at 1 percent, 3 percent and 5 percent levels. I asked for different budget scenarios to ensure we would not have across-the-board reductions and to allow us the discretion of selecting certain reductions that would have the least impact on teaching, research and outreach responsibilities. We also asked each college and unit to prioritize their reductions to ensure everyone understood the effects of these actions.

All along, our goal has been to streamline our operation while also protecting the core mission of New Mexico State University. In the end, about 61 percent of our reduced expenditures will come from administrative budgets at the university and about 38 percent will come from academic budgets. A good share of our reduced expenditures is directly related to salary savings from delaying when vacant positions are filled. We also saw significant savings from sweeping carry-forward money from budgets and from adjusting our energy usage. These reductions do not impact summer school or other important student services. We also do not anticipate these reductions to be permanent and we are even adding new faculty lines in certain programs as a result of decisions finalized before enrollment numbers were in.

Going forward, I want everyone to understand that we are all in the enrollment game. While softer enrollment numbers seem to be a trend for most of higher education in New Mexico, we do not plan to take this issue lying down. We must be proactive in winning more than our fair share of new students. We all must take part in the recruitment of new students and in showing everyone the value of a degree from New Mexico State University. Thank you for being a caring community transforming lives through discovery.