



Office of the Chancellor

New Mexico State University System
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DATE: July 7, 2017

TO: All Las Cruces faculty and staff

FROM: Garrey Carruthers, Chancellor

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

SUBJECT: Finalizing 2018 budget while keeping student success as top priority

As we finalize our budget for 2018, we continue to refine our strategy of focusing on student success.

I would like to thank student leadership and the Board of Regents for the support they showed in recently approving a 6 percent increase in tuition and fees. As a result, the university will be able to address the remaining budget shortfall and still maintain momentum as it strategically invests in initiatives largely related to student success, such as scholarships, internships, marketing efforts, career services and student advising.

Positive things are happening. This allows us to have a balanced 2018 budget with strategic direction.

The 2018 budget approved by the Board of Regents included an expenditure reduction of about \$8 million. A big part of closing that gap will come by freezing currently vacant faculty and staff positions. Vacant faculty positions account for about \$4.2 million while vacant staff positions total \$2.2 million.

Over the prior three years, staff position savings have represented 44 percent of total budget reductions while faculty position savings provided 17 percent. The 2018 budget strategy brings the reductions into better balance, although staff position savings over all four years are still significantly larger than faculty position savings.

As retirements and resignations occur in the future, the position savings generated will provide a resource pool that can be strategically utilized for filling frozen faculty and staff positions, as well as newly open positions, depending upon the needs of the university.

The budget calls for reducing research administration costs by \$208,350. This reduction will be realized by merging the Office of Research and Development with the Office of Grants and Contracts. Two staff positions will be eliminated, the only layoffs anticipated as a result of expenditure reductions in the 2018 budget.

In the recent past, the university has increased its investments in graduate assistantships. In the current budget environment, NMSU will slightly retrench by reducing its graduate assistant commitment from \$9.903 million to \$9.653 million, a reduction of \$250,000. No current graduate assistantship agreements will be affected.

The remaining expenditure reductions will come from a variety of areas including I&G transfers, equipment renewal and replacement funds, and institutional support adjustments for the community colleges.

Investments in programs designed to help students succeed in attaining their educational goals account for most of the new spending in the 2018 budget. The new Center for Academic Advising and Student Success (CAASS) and the First-Year Residential Experience (FYRE) are both programs that required investments and are aimed at improving student retention. An investment in the predictive analytics software system CRM Advise will allow better monitoring of progress toward degrees and alert NMSU advisors at CAASS of the need to intervene when students show early signs of distress.

NMSU is a great team and many of my colleagues have been involved as we fashioned the budget for 2018. My thanks to everyone for *riding for the brand* – NMSU.