

# President's Memorandum to Faculty and Staff

Office of the President  
February 21, 2011

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## State Budget Reductions

On Thursday Governor Rick Snyder proposed a budget that includes significant reductions in funding for higher education in Michigan. Governor Snyder's proposal includes cuts to higher education funding that would equal 21.9 percent for Ferris State University and our students. These cuts would mean the loss of nearly \$10.6 million to the University – or more than \$780 for each student enrolled. The governor has also proposed a reserve fund of \$83 million for universities that hold tuition increases to less than seven percent. If all state universities hold costs below this level – as Ferris State University has done since at least 2003 – the impact would be a 15 percent reduction in funding. That reduction would still be the largest in the University's history at more than \$7.3 million.

In a series of University-wide messages and budget forums I have pointed out that the trend in Michigan has been toward state disinvestment in higher education. This proposed budget accelerates that trend. There can be no doubt that the state faces extraordinarily difficult choices as it struggles to balance the budget; however, several things are very disappointing in this budget proposal. Without question higher education is being asked to bear a disproportionate share of this reduction. For example, even though it has been widely bemoaned that Michigan is one of the few states that already spends more on corrections than higher education, the governor's budget has a slight increase for corrections in this proposal. There is no reduction for community colleges in this proposal. This budget also includes a significant reduction in business taxes. Perhaps most distressing is the level of acquiescence in media coverage and public reaction. News stories focus on other issues, such as the tax on pensions, cuts to revenue sharing and the four percent reduction to schools. Seemingly lost in these other concerns is the largest budget reduction in the history of Michigan public universities and the state continuing to erode a path to a college degree for all its citizens. Sadly, this trend is unlikely to be reversed any time soon.

There are other issues involved in the governor's budget proposal. Tax credits for contributions to public universities are eliminated. Higher education and community college funding has been moved into the K-12 budget, effectively making it a K-20 budget. It remains to be seen just how this might impact state universities, but it seems clear that public universities are the lowest of these priorities. The current budget proposal does nothing to restore any of the financial aid funding cut from our students over the past two years. It does, however, increase funding to the Tuition Incentive Program, something we had to fight to restore last year. It is worth remembering that the Governor proposes a budget, but the legislature ultimately drafts and approves budget legislation for his signature. It remains to be seen if the legislature will adopt these proposals or look to move in different directions. Over the next few months I will be actively engaged with lawmakers in Lansing to help shape the final budget and to see if the negative impact on our institution and our students can be lessened.

It has been no secret that the state budget was facing a serious deficit. We have talked about this numerous times over the past two years, and with the assistance of our entire University community have prepared for this. The reality is that with the exception of some cuts that need to be finalized in Academic Affairs, we have already identified cuts of \$7.3 million. It has been and remains my hope that we will not need this entire amount and be able to use it for important priorities in all of divisions. At this time I do not anticipate beginning another round of budget reductions.

Because there is much interest in this proposed budget, I will be holding a new budget forum to share information regarding this Thursday, Feb. 24 at 1 p.m. in the Rankin Center's Centennial Dining Room. If your work schedule allows, please join me for a discussion about this far-reaching proposal and what it might mean for Ferris State University.

### **Holiday Inn**

The University's lease with the management company that operates the Holiday Inn and Conference Center in Big Rapids is set to expire on June 30 of this year. This provides the opportunity for the University to consider carefully the decision of continuing to own this facility or selling it. This is particularly important during these challenging economic times, with declining state support and increasing pressure to restrain costs throughout the University.

Because of this, the University is finalizing a search for a suitable commercial realtor to represent the facility. At the same time, discussions are underway with the management company currently operating the property to determine the feasibility of them continuing to do so while the property is on the market. Should the University sell the hotel this would not include the Katke Golf Course, which will continue to be owned and operated by the University.

The Holiday Inn is a valuable community resource. However, I believe the time may well be past when the University is best served by having the responsibility of its ownership. Removing this responsibility will help reshape and streamline the University's functions. I will keep the University updated on further information as future plans for this facility move forward.

### **Review of Fritz Erickson**

This semester I am continuing an approach began last year for the review of vice presidents that interviews campus stakeholders and includes the opportunity for input from individuals throughout the University. I recently reviewed Provost and Vice President for Academic Affairs, Dr. Fritz Erickson. In addition to the materials submitted by Dr. Erickson and two extended sessions with him, I interviewed 57 people, including faculty, staff and other members of the University community, and received additional comments via email.

It is very encouraging for me to see how willing members of our University community were to engage in this process and share their perceptions. I want to thank the many individuals who participated in this review of Provost Erickson for their assistance and interest in the welfare of Ferris State University.

After careful assessment of this input and related materials, I am pleased to report this review confirmed that Dr. Erickson is perceived as a strong, effective vice president. Among his many successful efforts, frequently noted were his significant work with the Academic Affairs

budget, the reorganization of international efforts, his visits to colleges, departments and programs, his embracing of both the Ferris and Big Rapids communities, and his friendly and engaging approach to working with others. As he leads Academic Affairs, Dr. Erickson is encouraged to continue to build strong working relationships for Academic Affairs and to increase understanding and appreciation for its work throughout the University.

In our conversations, Dr. Erickson has shared with me his appreciation for this review and for what he has learned from it. He expressed to me how much he appreciated the strong support that has been communicated for him through this review. My thanks to everyone who took part in the process.

### **Festival of the Arts**

This is the final week of the Festival of the Arts with a full schedule of events. Some highlights for this week include -

- Step Afrika! - Tuesday at 7. p.m. in Williams Auditorium
- "Battle of the Brass" featuring the Grand Rapids Symphony - Wednesday at 7:30 p.m. in Williams Auditorium
- Jeremy Kittel Band - Thursday at 7 p.m. in Williams Auditorium
- Jazz at the Blue Cow - Saturday at 8 p.m.
- Closing Reception: Voca Lyrica Concert - Sunday at 4 p.m. in the Big Rapids High School Auditorium

The closing reception will also include the announcement of the winning Kendall College of Art and Design student in the Festival of the Arts Sculpture Competition. Congratulations to Bruce Dilg and everyone who has helped make the Festival of Arts such an outstanding success.

### **Men's Basketball**

Congratulations to Coach Bill Sall and the men's basketball team for clinching the North Division of the GLIAC championship with an exciting come from behind victory over the University of Findlay on Saturday. This was the team's twelfth straight victory and came over a team ranked third in the nation. Special congratulations to senior center, Justin Keenan, who tied the GLIAC all-time conference scoring record. The team will host Grand Valley in their final regular season game this Saturday at 1 p.m. During this game there will be a celebration of men's basketball achieving the milestone of 1,000 wins.

Sincerely,

David L. Eisler, President