

To: Members of the Campus Community
From: John C. Hitt, President
Subject: UCF Response to State Budget Crisis

Governor Charlie Crist, Senate President Ken Pruitt, and House Speaker Marco Rubio recently wrote to the heads of all state agencies to announce that recurring general revenue for fiscal year 2007-2008 would not be sufficient to support the recent appropriations made by the legislature. The letter instructed the agencies to anticipate a minimum reduction of 4% in recurring general revenue during the next two fiscal years, and we have heard from other sources in Tallahassee that the reduction could be as much as 10%. The projected reduction in UCF's legislatively appropriated budget could range from \$12 million to as much as \$29 million.

This situation, along with the inability of the state universities to increase tuition, a change in the way the legislature funds enrollment, and increasing costs of educating students, forces the universities to take some drastic measures.

Thus, while we will do everything we can to preserve the quality of education we offer our students, we also must take some significant actions. Consistent with a decision made yesterday by the Board of Governors, we will not increase the 2008 freshman class beyond the size of the 2007 freshman class. In addition, effective today, I have placed a campus-wide freeze on hiring and I have given instructions for each vice president to reduce the budgets of the units reporting to her or him by at least 4%. I leave it to the discretion of the unit or division heads to decide how best to accommodate this call back of previously allocated funds, but I would urge you to eliminate unnecessary travel and monitor discretionary expenditures, and, in order to help with the overall university budget, to be very mindful of energy consumption.

Except for crucial positions approved by the provost or me, the hiring freeze, which becomes effective immediately, will apply to all faculty and staff positions at all UCF campuses and centers. OPS positions and positions funded from non-state sources, such as auxiliaries or contracts and grants, are exempt so long as the positions continue to be funded from non-state sources. Answers to questions about the hiring freeze and a link to an approval form for crucial E & G positions can be found at http://www.hr.ucf.edu/web/recruitment/Hiring_Freeze_Exemption_Request.pdf.

The freshman class enrollment freeze, the hiring freeze, and this initial budget reduction are the first steps that we must take to address this serious reduction in UCF's state appropriation. Please be mindful that it may be necessary to take additional steps as the overall state budget picture becomes clearer.