

December 8, 2023

Chancellor Rodney D. Bennett
201 Canfield Administration Building
City Campus (0419)

Dear Chancellor Bennett,

The Academic Planning Committee (APC) has reviewed and considered the set of budget reduction proposals after you invoked the Procedures for Significant Budget Reallocation and Reduction on October 4, 2023, to address UNL's structural deficit of \$12 million. This letter includes a brief summary of APC review timeline, general comments on the budget reduction process, and APC's response to the budget reduction proposal following a vote on Wednesday, December 6, 2023.

APC Review Timeline:

On October 4, 2023, you met with APC to formally invoke the Procedures for Significant Budget Reallocation and Reduction and to present a budget framework to address UNL's structural deficit of \$12 million. You stressed the difficult financial situation of the University. You asked APC to provide recommendations on the proposal in an expedited manner. APC was assured that the proposal does not include any program eliminations. On October 18, APC reviewed your 12 million dollar budget reduction proposal to address the long-standing structural deficit that UNL has amassed over the recent years.

Following your presentation and the initial APC feedback, you announced a revised proposal on November 8. When this proposal was publicly announced on November 8, the committee sought written feedback from members of the UNL community while requesting additional details on the proposed budget reduction categories.

After deliberations and initial feedback from the public on the need for additional details, APC requested further details be provided on the budget reduction proposal and for this information to be publicized. On November 21, you released a more detailed budget reduction proposal. APC received 268 individual comments from the public, and each written feedback was carefully considered and incorporated into the committee's review and recommendations.

General Comments on the Budget Reduction Process:

A significant budget reduction process is painful, impacts many within the UNL community, and is never perfect. Therefore, before stating APC's recommendations, we provide general comments that we hope will prove useful in the future.

The committee acknowledges the communication regarding the current financial constraints faced by UNL and the request for an expedited proposal review. In response to this situation, APC acted in good faith and made every effort to expedite our review process within the bounds of thoroughness and due diligence. However, it is imperative to state that this expedited review process is an exceptional measure taken in response to the unique circumstances presented by UNL's current financial distress. This should not be viewed or interpreted as a precedent for future budget proposal reviews. The integrity and comprehensiveness of our review process are paramount, and any deviation from our standard procedure is made only under extraordinary circumstances with APC members' approval.

The expedited review process has resulted in a unique scenario: APC is unable to offer informed recommendations on 6.74% of the proposed reductions because the associated Zero-based Budgeting exercise is not complete.

APC Response:

APC's response is organized based on the budget reduction categories as follows:

1. IANR Units - \$1,150,000

APC concurs with the proposed reductions in this category and appreciates the significant efforts to support existing positions by shifting them to alternative sources. However, it was cautioned that this approach may limit UNL's flexibility in addressing further budget reductions. It is understood that the proposed reductions will reduce financial flexibility to invest in new strategic initiatives at IANR.

2. Executive Vice Chancellor Units – \$2,890,000

APC concurs with the proposed reductions in this category and appreciates the significant efforts to support existing positions through alternative sources. Nevertheless, APC is concerned about the effects of removing vacant faculty positions and relying on alternative sources, particularly in terms of investing in strategic directions within this and subsequent categories. There have been substantial discussions in questioning the rationale in which the reductions in this category are distributed to colleges.

3. Administrative Costs - \$2,907,281

Given the current circumstances, the committee reluctantly concurs with the proposed reductions, albeit with reservations about the horizontal approach. Instead of a horizontal budget reduction approach, APC members stressed the need for UNL to act strategically so that the university can continue to pursue its mission. Furthermore, while APC appreciates significant efforts to support existing staff by shifting positions to alternative funding sources, APC also cautions against the practice of eliminating vacant positions. While this approach may be preferred over eliminating existing positions, the work associated with these vacant positions still exists. This significantly increases the burden on existing staff, who have already been stretched thin because of historical budget reductions and stagnant wages.

4. Research and Economic Development - \$194,315

APC concurs with the proposed budget reductions in this category. While reductions in any aspect of UNL's mission are inevitable, APC appreciates the care in which these reductions are distributed to support Nebraska's only comprehensive research university.

5. Student Affairs - \$139,496

APC concurs with the proposed budget reductions in this category with the understanding that this reduction will not affect any existing positions.

6. Undergraduate Education & Student Success - \$460,000

APC concurs with the proposed budget reductions in this category. It is understood that this decision is tied to the evolving processes within the learning communities and career services, necessitating reevaluation and restructuring of roles.

7. Diversity & Inclusion – \$800,000

APC recommends against the proposed budget reductions in this category. The committee received over one hundred individual comments specifically on this topic, supporting the extensive progress the Office of Diversity and Inclusion (ODI) has accomplished over its short lifetime and cautioning against disproportionate reductions that might undermine this progress. The proposed reduction accounts for almost half of the allocated state-aided budget for ODI and, as such, is disproportional to the other proposed reductions (ODI employs 12 of the university's

~16,000 employees, ODI budget accounts for ~0.1% of the UNL operating budget, and the proposed reductions in this category account for 6.7% of the \$12M reduction). APC members raised serious reservations, particularly as this proposed reduction represents a significant departure from the N2025 strategic plan. There is a growing concern about the long-term repercussions of the disproportionate reductions on the university's reputation, student enrollment and retention, and academic excellence. Since the announcement of the proposed reductions, APC has been informed that this issue currently dominates student discussions across the campuses, indicating a serious concern about the university's commitment to DEI. We understand budget reductions are necessary for fiscal responsibility. Therefore, there is an urgent need for a balanced approach to identify proportional reductions as well as viable alternatives that do not compromise the university's commitment to providing a welcoming environment for the UNL community. APC is eager to engage in conversations on these alternatives.

8. Operational Efficiency – \$1,443,870

a. Zero-based Budgeting reductions - \$809,103

APC is unable to offer informed recommendations because the Zero-based Budgeting exercise was not completed as of December 6, 2023. APC is open to further consultations after this process is complete.

b. Operating Budget, Filled Staff Positions, Vacant Staff Positions, Move Staff Positions to Alternative Funding - \$634,767

APC concurs with the proposed budget reductions in this category.

9. Instructional Efficiency - \$2,014,733

APC recommends against the proposed budget reductions in this category, many of which are geared toward graduate teaching assistants (TAs). The committee has received significant feedback from our faculty, students, and alumni through the public feedback process, providing strong support for UNL's graduate teaching assistantship practices. Graduate teaching positions offer the most efficient way to attract top talent worldwide, support student professional development, boost UNL's research productivity, and provide a welcoming environment for all students who interact with TAs. While the committee appreciates significant efforts to ensure support for existing graduate students who might be adversely affected by this proposal, there is a consensus that reducing the graduate budget or moving positions to alternative funds, which may not be sustained, is not a fiscally strategic option. It is recognized that TAs are currently being

used in the most efficient manner possible. Moreover, a significant concern is that the graduate stipends are not currently competitive, potentially impacting UNL's ability to attract and retain talented graduate students. Furthermore, concerns were raised regarding the horizontal nature of the proposed reductions in this category and their potential to damage the central mission of the university, which is deeply affected by earlier budget reductions. APC underscores the need for a balanced approach to managing the budget without compromising the quality and competitiveness of our graduate and undergraduate programs. We reiterate our willingness to engage in conversations for alternative budget reduction approaches in this category.

Overall, it is inevitable that the significant budget reductions will impact UNL's mission, and APC regrets having to recommend acceptance of any reductions of this magnitude. Nevertheless, we appreciate the constant communication and many positive interactions that APC had with you and the administrative team throughout the budget reduction process.

On a personal level, I would like to thank you for your strong support in shared faculty governance in this regard.

Sincerely,



Can Vuran
Chair, Academic Planning Committee
Dale M. Jensen Professor, School of Computing

Cc: Academic Planning Committee
APC File Copy