



UNH President Outlines New Cost-Saving Steps To Address Budget Deficit

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DURHAM, N.H. - University of New Hampshire President Mark W. Huddleston has approved several immediate cost-saving steps, including a salary freeze for non-union employees making more than \$40,000, to help close the gap on a projected \$9 million in FY10 and \$17 million in FY11. The salary freeze would save approximately \$1.3 million next fiscal year and \$3.6 million in FY11.

Salaries for AAUP faculty and UNH Police Department patrol officers are being negotiated now, with the goal of settlements that are fair to unit members and the entire community.

Other measures include seeking undergraduate tuition rates for New Hampshire residents that better reflect the real direct costs of education, a step that would require University System of New Hampshire Board of Trustee approval. To ensure continued access and affordability for all applicants, UNH's financial aid budget would increase commensurately.

Huddleston said he also will work with the chancellor's office to constrain the growth of system-wide administrative costs and thus the amount of money transferred from UNH to the university system.

The actions come after extensive consultation with the Central Budget Committee (CBC) at UNH - a standing committee of faculty, students, staff and administrators who regularly meet to discuss and make recommendations on the university's finances. The CBC acts in an advisory capacity to the president. "The clear message coming from that committee, and from numerous conversations around campus, is we will continue to protect our core missions of teaching, research and service and ensure the outstanding quality of the education we provide to our students," Huddleston noted.

The university is faced with reduced state appropriations, a decline in the value of UNH's endowment and fewer than expected research dollars. Net tuition, the major revenue stream, is even more unpredictable than usual in this environment. Although the university received more than 16,000 applications for next fall's first-year class, equaling last year's record high, Huddleston said in these economic circumstances no one can predict how many students will actually enroll or how many currently enrolled students will return.

Faculty, staff and students have been encouraged to submit their ideas via email and Huddleston noted the invitation has produced more than 100 ideas, some of which will be implemented immediately. They include reducing memberships and subscriptions, a moratorium on office renovations and dramatically restricting the number of printed materials distributed by departments.

"Balancing our budget is not just about cutting costs and raising tuition," Huddleston wrote in the latest budget communication. "UNH also has been aggressively pursuing opportunities to increase revenue, including money made available through the federal stimulus package."

For example, the governor has agreed to provide \$3 million to the university system from the money made available to New Hampshire through the State Fiscal Stabilization Fund; of this \$3 million, roughly \$2 million will flow to UNH. An additional \$1.8 million has been secured to support Wildcat Transit. UNH officials are submitting applications under new energy grant programs announced by the Environmental Protection Agency and the U.S. Department of Energy in their portions of the stimulus funding. UNH also is examining ways to apply for stimulus funds for capital projects involving science and engineering buildings.

"UNH is blessed with enterprising and talented faculty and staff," said Huddleston. "I encourage anyone with proposals or ideas pertaining to the stimulus to visit the vice president for research's new Web site (<http://www.unh.edu/research/>) to learn more about our efforts to capitalize on the funding opportunities."

Huddleston concluded his budget communication by stressing that UNH needs to be ready to deal with further changes in economic circumstances, for good or ill. "If the steps outlined above prove insufficient to meet our projected deficits, we will need to consider a central hiring freeze, mandatory furlough days for all non-bargaining unit employees, and other budget reduction measures," he wrote. "Similarly, if the horizon proves to be brighter than it may now appear, we need to be prepared to ease some of the most onerous budget restrictions, especially in the area of salary increases for non-bargaining unit employees."

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