

August 20, 2019

TO: Chancellors

FROM: Jim Johnsen

SUBJECT: Budget Plans

COPY: VP Layer, VP Rizk, CFO Dosch, Provosts, Vice-Chancellors

As we prepare for the September 12th-13th Board of Regents meeting, below is guidance on the FY20 budget distribution plan.

The Governor's budget is a \$25 million unrestricted general fund (UGF) reduction for FY20. In addition, I will be proposing to the Board to invest an additional \$5 million UGF in strategic initiatives. The strategic initiatives decisions will be made after the September Board of Regents meeting.

A total of \$30 million UGF reductions will be allocated to the universities based on their percentage of UGF funding in FY19. In addition, the FY20 distribution plan will include funding for comp

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Advancement functions (Development, University Relations, Alumni) are also under review, however with the systemwide campaign underway there are no anticipated savings in FY20 and those areas should not be reduced as part of your plan.