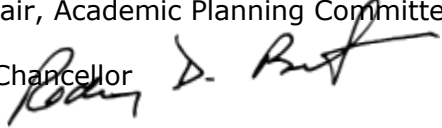




## MEMORANDUM

**TO:** Dr. Clay Cressler, Chair, Academic Planning Committee  
**FROM:** Rodney D. Bennett, Chancellor   
**DATE:** August 8, 2025  
**SUBJECT:** Budget Reduction Framework

I am writing to notify you of the need to invoke the significant budget reallocation and reduction process due to a budget shortfall in the current fiscal year. This memorandum will serve as the required framework document and includes a description of the current situation, rationale for budget reductions, the scope of necessary reductions, and a desired timeline for completing the review process and implementing the changes.

### **Overview of Budget Situation and Rationale for Budget Reductions**

The University of Nebraska System recently announced significant budget challenges and the need to “trim well over \$20 million from our systemwide budget and reallocate even more” to account for financial pressures. Additionally, the University of Nebraska-Lincoln needs to eliminate its structural deficit. Considering the structural deficit and anticipated new budget cuts, we must implement a plan by the end of this calendar year to reduce our budget at UNL by \$27.5 million.

As you know, we have reduced our budget several times in recent years. Despite our best efforts to live within our means, our revenue has not kept pace with expenses. This is due to a combination of downward trends in state appropriations, net tuition, and campus allocations combined with historically high inflation of healthcare costs as well as property and liability premiums and utilities.

### **Approach & Timeline**

This spring, I asked our leaders to think differently about our budget challenges - to address our current deficit in a strategic way that moves beyond the percentage-based approaches of previous budget reduction processes and to think in a way that establishes a foundation for future decision-making and success.

The Executive Leadership Team has proposed teaching and research metrics that will be used for academic program analysis with input from many people. These metrics were shared with you last semester. They have also been shared with Deans and department executive officers. Valuable feedback from these meetings has resulted in improvements to this metrics-based approach that can be consistently and fairly applied across programs. This quantitative approach, combined with qualitative assessments like strength of the program, needs of the state, and workforce alignment, are being considered as part of the

current process. These metrics will help us to make decisions regarding ongoing and future investments in key programs that can further elevate the university and the state of Nebraska.

I value the Academic Planning Committee's (APC) role in this process and appreciate you convening this week to consider this framework document. In order to carefully consider your input and factor it into a final budget reduction plan that is submitted to the Office of the President, I need to receive your final recommendations no later than October 24<sup>th</sup>. This will allow for full Board of Regents consideration at their December meeting. It is important that we complete our process following this timeline while being thoughtful and adhering to existing shared governance processes, as well as Board policy, both in letter and in spirit.

<b>Date</b>	<b>Action</b>
<b>Week of August 4</b>	Chancellor invokes the budget reduction process and provides the APC with the framework for consideration
<b>August 20</b>	Chancellor provides the APC the plan for budget reductions
<b>September 5</b>	APC provides initial feedback on the plan
<b>Week of Sept 8</b>	Chancellor makes the budget reduction plan public. APC announces procedure for campus feedback
<b>Sept 15 – Oct 10</b>	APC collects and considers feedback
<b>October 13 - 23</b>	APC deliberates and prepares recommendations
<b>October 24</b>	APC makes budget reduction recommendations to Chancellor