

Strategic Planning and Budget Goals Bring Significant Results

Last year, Bemidji State University committed itself to budget readjustments that would reduce and realign some \$5 million over a three-year period, with most of the readjustments addressed this year.

At the time, the challenge in front of us appeared nearly insurmountable. Yet, today we are seeing significant progress toward remedying the structural imbalance between revenues and expenses. These imbalances developed in our budget as the level of state support for the university deteriorated rapidly during the last decade. As a result of our changes, Bemidji State experienced a stable budget for this fiscal year and is close to reaching a balanced budget for the 2008-2009 fiscal year.

Achieving a balanced budget has not been easy or painless. The reductions in the areas of instruction, academic and institutional support, athletics, student services and physical plant impacted the University. Programs and course offerings were modified and staffing levels shifted. Yet, I am pleased to report that we were able to retain all colleagues currently in probationary or permanent faculty and staff lines.

At the same time, we have made new investments that are now signaling early success. In addition to new engineering technology programs, a new four-year track nursing program has been added that is resulting in a significant new cadre of students. Thanks to additional external funding, new state-of-the-art laboratories and classrooms will be

completed in late fall. These initiatives will enable the University to meet critical labor force needs while helping individuals fulfill personal ambitions. In addition, the new Academic Success Center opened, furthering our ability to improve student retention and graduation rates.

On April 7, Governor Pawlenty signed a bonding bill that will bring nearly \$12 million of capital improvements to the campus. Funded projects include an \$8.9 million Sattgast Hall renovation and science laboratory addition and a \$525,000 Memorial Hall renovation for the nursing program's clinical resource center. Another \$2.28 million in funds will be used for critical asset maintenance and repair projects.

As a result of the support and diligence of state legislators, alumni, special University friends, community leaders, citizens and campus colleagues, the City of Bemidji was successful in its bid to secure state funding to build the regional events center. A future economic engine for the region, the center also will be a premier new home for our Division I ice hockey programs.

We have reason to celebrate as we recount these remarkable results. At the same time, we must remain resolute in ensuring our financial stability. While it is too early to be certain about FY2010 budget projections, early state forecasts suggest that fiscal challenges may continue. Much will depend on any changes in state appropriations, the funding formula and tuition rates, which are currently capped. Because of our planning

process and funding strategies, I'm confident we will be successful in meeting any budgetary challenges that may impact the University in the future.

In the meantime, I want to thank the University community for the hard work, creativity and tremendous commitment to student success. The upcoming Students Scholarship and Creative Achievement Conference and our May commencement exercises are major events that confirm Bemidji State's effectiveness in enabling students tap into their abilities and fulfill their goals. Yet, I know there are hundreds, if not thousands, of daily events, activities or learning moments that also serve to remind us of the University's capacity to deliver on that commitment.

Thus far, we have been successful in implementing a very difficult budgetary task. Despite the challenges, we have found a way to continue moving toward our vision of shaping potential, shaping worlds. Our planning and budget processes, coupled with the passion of the campus community to forge ahead, have served us well.