

November 19, 2009

To: The UMBC Community

Fr: Freeman Hrabowski and Elliot Hirshman

Re: Budget Update

Yesterday the Maryland Board of Public Works approved additional State budget cuts totaling \$362 million. The University System of Maryland's (USM) share of these cuts will be \$25 million, which the Governor has agreed to take from USM's fund balance, leaving its operating budget intact. UMBC's share of the cut will be approximately \$2.3 million. As a result, this reduction will not have an impact on jobs at UMBC. In support of the academic program, we will not reduce the fund balances of our colleges and academic departments.

While we anticipate there will be additional budget cuts this year and next, we are preparing to manage these challenges based on our two principles of preserving our academic programs and supporting the people who make up our community. We will continue to consult with our senates and keep the campus informed about additional developments.

Chancellor Kirwan's statement on the \$25 million transfer from the USM fund balance to the State is available online at: <http://www.usmd.edu/newsroom/news/781>.

It is important to note that this reduction represents a smaller share of the total reduction than would be the case if the cuts were proportional to our share of the State's discretionary budget. We believe this reflects the Governor's continued commitment to protecting higher education to the extent possible in this very difficult budget environment.

Thank you for your continued support.