




Garrey Carruthers, Ph.D.
Chancellor

New Mexico State University System
MSC 3Z
P.O. Box 30001
Las Cruces, NM 88003-8001
575-646-2035, fax: 575-646-6334
president@nmsu.edu

DATE: March 12, 2015
TO: Deans, Presidents, Vice Presidents, and Directors
FROM: Garrey Carruthers, Chancellor 
SUBJECT: Moratorium on Personnel Actions

During the Fall 2014 semester, I released several campus communications regarding a decline in enrollment numbers for NMSU's Las Cruces campus and the direct impact it had on our Instruction and General (I&G) budget. As a result of that decline, I worked with the Budget Office and the President's Academic Council over several weeks to identify approximately \$5.4 million in reduced expenditures to cover the anticipated reduced revenue from tuition and fees. The Budget Office has recently completed additional analysis on revenue projections based on actual tuition and fees generated through February 28, 2015. As a result, the revenue shortfall has increased and we will need to capture an additional \$2 million in expenditure reductions during the current fiscal year.

To assist in achieving the required savings, I am imposing a moratorium on new or replacement hires for all regular I&G positions until further notice. Effective immediately, the Budget Office will freeze all vacant I&G positions that have not yet initiated the Posting stage of the recruitment process. For searches currently underway, departments will be allowed to continue the process until the position is filled with a satisfactory candidate. The moratorium will be applied to all faculty and staff I&G positions and the temporary salary savings pooled centrally will be applied to budget reduction needs. Any request to appeal the decision to hold a frozen position vacant should be submitted to the Budget Office utilizing one of the attached guidelines and forms. The Budget Office will coordinate the exception request process through the Provost and me.

The enrollment predictive analytic models being run through the Provost's Office reflect flat or declining enrollment for the upcoming Fall semester. As a result of these projections, our FY16 budget scenarios include a permanent reduction in I&G budgets for the next fiscal year. In addition to possibly continuing with this moratorium, we will follow a similar process to what was done during the Fall 2014 reduction exercise allowing each dean and vice president to propose budget reductions specific to your college/unit at various levels. The submittal of various cut scenarios allows needed flexibility in achieving target budget reductions while protecting the core mission of the institution and revenue generating activities. Within the next few weeks, you will receive specific instructions outlining the permanent budget reduction process to include timeline.

Thank you in advance for your cooperation and work in managing through the necessary budget adjustments to better align our I&G operating budget with adjusted revenues.

Attachments

c: Dan Howard, Executive Vice President and Provost
Angela Throneberry, Sr. VP for Administration and Finance
Budget Office