



JENNIFER M. GRANHOLM
GOVERNOR

STATE OF MICHIGAN
OFFICE OF THE STATE BUDGET
LANSING

MARY A. LANNOYE
DIRECTOR

September 6, 2006

BUDGET LETTER

TO: University Presidents and Chancellors

Fiscal Year 2008 Budget Development
Due Date: October 27, 2006

This letter identifies the financial and program information to be submitted for the fiscal year 2008 budget development process.

Operating Budget Request

As part of your budget request submission, I request that you provide an overview of the projected fiscal year 2008 requirements of your institution and the resources available to spend on these requirements. This overview should identify major increases in spending and related offsetting savings or added revenues.

As in prior years, you may provide budget requests for specific initiatives or programs. However, following past practice, you should be aware that the fiscal year 2008 Executive Budget is not likely to include specific operations funding for particular program initiatives.

Cost Containment

Please describe significant initiatives implemented by your institution to control costs in fiscal year 2007. In your description, please indicate the amount of annual savings or one-time savings you expect to achieve through each of these efforts. In addition, please describe new cost control initiatives that your institution plans on implementing in fiscal year 2008 and the anticipated savings resulting from each of these new efforts.

Performance Measures

Attached is a form for reporting performance measures for your institution. You may augment these by attaching a description of any performance or productivity measures used by your institution for measuring instructional and/or non-instructional services and a description of how the data from these measures is used to allocate resources. If you have questions, please contact Glen Preston at (517) 335-1539.

The information received from universities regarding additional resource needs, cost containment initiatives, and performance/productivity measures will be considered during the development of the Governor's fiscal year 2008 Executive Budget. Portions of the information received in the budget process pertaining to cost containment initiatives and performance measures may be published as part of the budget presentation. Please view this as an opportunity for your institution to demonstrate its financial stewardship to the public.

Submission Dates

Please submit three copies of budget development information by Friday, October 27, 2006 to the attention of Glen Preston, Office of the State Budget, Office of Education and Infrastructure, George W. Romney Building, 6th Floor, 111 South Capitol, Lansing, Michigan 48913.

State universities should enter higher education institutional data inventory (HEIDI) information by October 15, 2006, except for Wayne State University (WSU). WSU should provide preliminary HEIDI data by November 15, 2006 and final data by December 15, 2006. Universities should also submit a copy of the institution's Annual Financial Report to the State Budget Office, Senate Fiscal Agency, House Fiscal Agency, and Auditor General.

I look forward to working with you in developing the fiscal year 2008 Executive Budget recommendations.

Sincerely,


Mary A. Lannoye
State Budget Director

Attachment

cc: Budget and Financial Officers
Mike Boulus, Presidents Council, State Universities of Michigan
Presidents Council Analytical Studies Committee Members
Ellen Jeffries, Senate Fiscal Agency
Kyle Jen, House Fiscal Agency
Office of Education and Infrastructure

UNIVERSITY PERFORMANCE MEASURES

Institution: _____

Outcome Goals	1998-99 Cohort	1999-2000 Cohort	2000-2001 Cohort	2001-2002 Cohort
<p>Maintain or improve baccalaureate graduation rates:</p> <ul style="list-style-type: none"> a) Four year graduation rate - actual b) Five year graduation rate - actual/estimated c) Six year graduation rate - actual/estimated <p>"Graduation rate" means the percentage of students who have completed the requirements for a baccalaureate degree from the institution at either 4 ,5, or 6 years following initial enrollment using the IPEDS Graduation Rate Survey (GRS) methodology. The GRS is based on a fall cohort of full-time, first-time degree/certificate seeking undergraduates as established for the IPEDS Fall Enrollment Survey. Report graduation rates to the nearest tenth of percent. Report actual data where available and estimates when actual data is not available with a (e) noted after the reported estimated data.</p>				
Date Completed _____ Contact Person _____		Phone Number _____ E-Mail Address _____		