A Message Regarding the State Budget
March 30, 2014

Dear Colleagues and Students,

A special committee of state House and Senate leaders finished their work Sunday morning on a proposed two-year budget. The full House and Senate will take up the proposal Monday and send it to the Governor for his approval. Here are the highlights as we know them:

--All universities and the community college system will receive a 1.5 percent cut in state appropriations for operations this coming year; state appropriations the following year would be flat. For UK, that's about $4 million for the coming year. Nearly $55 million has been cut on a recurring basis from our state appropriations since 2008.

--New dollars for "Bucks for Brains" and a new research building were not included in the final budget.

--However, we received authority to move forward -- using our own dollars and private fund-raising efforts -- with agency bonds for $160 million to renovate and expand the Student Center and $150 million to continue the fit-out of Chandler Hospital. And we received a $35 million investment in bonds from the state -- to be matched by $30 million in private fund-raising efforts – for the College of Law.

With this budget, we will have started, or received authority in the last three years, to construct nearly $1 billion in new living, learning, research and other critical buildings across the UK campus.

These investments support the work of our faculty and staff -- our most precious asset in meeting our commitments. We appreciate the Governor and legislators for their consideration. They are trusting us in giving authority to build. We build not for our campus, but the future health and welfare of our fellow citizens.

However, the continued reductions in appropriations to our operating budget represent significant challenges for this university and the 120 counties of the state served by our extension offices. Flat or declining state support is not the new normal anymore. It is a fixed reality, just as limited federal support for research will be directed to proposals where there is talent that directly changes lives and transforms communities.

Smart growth of our efforts in the future will require a firm focus on quality, efficiency, accountability and measurable results. These can’t simply be words we use. They must be actions that define every effort.

I am confident we will do what is necessary together. Thank you.

Eli Capilouto