

The Governor's Proposed Budget

Dear Campus Community,

Governor Matt Bevin this evening put forward his proposal for the two-year budget for the Commonwealth of Kentucky. As part of that plan, he is proposing a 6.25 percent reduction – approximately \$16 million -- in our base appropriation from the state effective July 1, 2018. This proposed cut is in addition to the one percent reduction – approximately \$2.7 million -- in our base appropriation announced by the Governor in December.

Moreover, the Governor is also proposing to eliminate 70 mandated programs and substantially reduce funding for other programs that are funded directly by the Commonwealth, but administered by institutions such as the University.

We are still evaluating the specifics of the proposed cuts, but these direct reductions represent millions of dollars of additional cuts to the University of Kentucky.

This is the first step in a lengthy and fluid process. Over the next two months, the state House and Senate will review and debate the Governor's proposal, make changes, and pass their respective versions of Kentucky's two-year budget. Ultimately, if the House and Senate pass different versions of the budget, a conference committee will work to craft a final version of the budget for the Governor's consideration and approval.

Because of your hard work across our missions of education, research, service, and health care, we have a very powerful story to tell. We work hard to be an essential partner for progress for our state. Investment in the University of Kentucky is critical to economic prosperity for our state; civic strength of our communities; and healthy lives for our people.

And we will tell our story aggressively and with great pride in you and your efforts.

Throughout this process, we will keep you informed of our progress and major developments. Additionally, as the University begins the process for developing the fiscal year 2018-19 budget, we will remain committed to four principles we have used for the last several years:

- * Ensure student access and affordability
- * Continue our commitment to competitive pay for faculty and staff
- * Plan strategically to prevent across-the-board cuts and to maintain and enhance academic quality
- * Build a community of belonging.

In the meantime, the most important way to respond to budget challenges is for each of us to continue to do our jobs as we always have – with determination, professionalism, and an appreciation for the difference we make, every day, in the lives of others.

Thank you for all you do and for your commitment to UK.

Eli Capilouto
President