

Important Campus Conversation

Dear Campus Community,

Your hard work enables us to educate and graduate more students; seek answers to more challenges through research; and serve and heal more Kentuckians than ever before.

I recently shared the results of our efforts with state policymakers as I described how reductions in our state appropriations put our progress at risk.

We've been here before. Since 2008, our annual state support has been reduced by nearly \$70 million. Further reductions are being considered as the General Assembly builds the state budget for 2018-19 and 2019-20.

At the same time, on our current trajectory, the cost of continuing to provide competitive wages and benefits and fund maintenance and renewal of our campus will increase beyond current levels of support and available resources. Over the next five years we project a gap of \$200 million between anticipated resources and the cost of continuing our work.

Substantial increases on the tuition Kentucky families pay is not the answer.

This funding gap does not include operating units that do not receive state funds, such as UK HealthCare. But our health care enterprise also is examining how to fund future needs as the revenue environment changes.

We must develop long-term solutions now. I have directed Provost David W. Blackwell and Executive Vice President Eric N. Monday to lead a conversation about how we build a forward-thinking budget that will enable us to pursue aggressively our goals for our University and our Commonwealth. Groups of administrative leaders, faculty, staff, and students are examining the University's long-term financial needs and revenue opportunities.

We need your help. Over the next several weeks, we will facilitate discussions throughout the campus. We have created this website

– www.uky.edu/sotu/ourpathforward <<http://www.uky.edu/sotu/ourpathforward>> - where you can learn more and provide ideas.

As we formulate a University budget for the coming year, we will begin to implement ideas from this process. We will keep you informed as we reach key milestones.

As always, I am grateful for your commitment to all we do. I look forward to the conversation and ideas it will generate.

Eli Capilouto
President