

SIU Carbondale Colleagues:

Today we are releasing our official enrollment numbers for fall 2015, and as expected, there is some good news and some news we anticipated but wish had been better.

The good news is that our sophomore and junior enrollment totals reflect increased retention over the previous year. Everyone who has been working so hard on this should be gratified that our many campus-wide efforts are having a notable and positive impact.

The not-so-good news is that our official enrollment is 17,292, down 697 students or 3.9 percent over last fall. This loss of students will have a significant impact on local tuition and fee revenues for FY16 — this budget year — that will need to be addressed immediately, and I'll outline some steps in that regard later in this message.

The greatest drop is in the freshman class, and most of this decline was anticipated for several reasons:

- We intentionally admitted far fewer students who were under- or unprepared for college.
- We aggressively contacted students who had registered for classes but not yet paid, removing them from registration if they indicated to us they were not actually coming. This practice has not been done in previous years *prior* to the 10-day count.
- We made strategic changes to our recruitment and financial aid strategies in order to better use our limited resources; you will recall that last year we actually lost tuition revenue in spite of an increase in new freshmen...because we offered more tuition waivers than we could afford.

You can read more detail in the [press release](#).

I very much view this as a transition year where we've made necessary changes in "building" the freshman class — while ensuring we continue our historic tradition as an access institution. We are switching how we calculate official enrollment to align with federal standards for easier comparability with other institutions; although this does not affect the enrollment bottom line, it enhances consistency. Not counting those students who were registered, but with no demonstrated intent of attending by the 10th day, provides transparency in our enrollment numbers that has been needed. (The choice of the enrollment "purge" date is one way that campuses can create "variability" in their data.) We have hired a new admissions director, Jose Evans, to move us forward aggressively in assessing and expanding our undergraduate recruitment efforts. In addition, we will push even more on our retention initiatives to the upper-division undergraduate classes to see if we can improve junior-to-senior retention — and ultimately graduation — rates.

Even with these efforts, though, our future enrollment picture could remain unclear for a while yet, I believe. Numerous factors external to SIUC will continue to challenge our enrollment goals: free tuition as part of the Star Scholarship program at City Colleges of Chicago (given the large number of freshmen we typically draw from Chicago Public Schools), growing competition for students within the state and with neighboring states, and the current threat to state MAP grants, which help more than a third of our undergraduate students attend SIU Carbondale and keep students in Illinois in general. Given the perfect storm of uncertainties in both enrollment and budget, we must ask ourselves some hard questions: What should a realistic overall enrollment goal be? Should we continue to be all things to all people, or should we be more focused in our program offerings? How can we rethink everything we do to ensure that we are as academically strong and fiscally sound as possible?

IMPACT ON BUDGET

Today's enrollment news, as well as the unresolved threat to state funding, mean that we need to ask these questions sooner rather than later — and as alluded to above, we must take immediate steps to reduce spending in the current fiscal year.

As you know, Governor Rauner's initial budget in February proposed a cut to our state funding exceeding 30 percent. The Illinois General Assembly in May passed a budget that included a higher education cut of 8.75 percent, but this legislative budget proposal was vetoed by the governor. Nonetheless, given the actions to date, we (and every other state university too) can safely assume at this point that the *minimum* reduction when the smoke clears (uh ... which we are now hearing may not be until there is snow on the ground) will be 8.75 percent, or about **\$9 million** for the Carbondale campus.

Add to that the loss of more than **\$5 million** in annual tuition and fee revenue tied to this year's enrollment slide, and we are facing the need to reduce our current year's budget by **\$13 million to**

\$15 million.

Therefore, we will take the following steps:

- Conduct a final review and then implement budget cuts for the current fiscal year at varying levels across units on campus, continuing our effort to minimize (but not completely avoid) cuts to our academic core. We will do a last review of these reductions with the advisory Executive Planning and Budget Committee, based upon its work this spring, before activating the plans — most of which have already been discussed with the impacted units. I think it is safe to say at this point that we do not anticipate that units will need to reduce their budgets by more than 10 percent, and most will be lower I hope. We expect to have these cuts finalized within the next two to three weeks.
- The provost will start anticipated work with faculty on a review and realignment of academic programs and structures with a goal of identifying ways we might think differently. Our academic programs were built for a different era, and it's time to look at them with an eye toward emphasizing our strengths, minimizing our weaknesses and being responsive to student demand. So as not to reinvent the wheel, our thinking at present is to restart and build upon a process initially conceptualized in 2011-12 by the SIUC Program Changes Review Committee.
- We will also continue an ongoing review of administrative structure and operational costs with an eye toward even greater efficiencies. The challenge is that we already have one of the lowest ratios of administrators to all staff in the state and among our peer institutions. But we must continue to look for ways to be even leaner.

While the aforementioned academic and administrative reviews are not instant solutions to our budget challenges, we can no longer assume that the SIU of the future will look like the SIU of the past or present. We have to get ahead of the curve to address the changing financial realities for public higher education, not only in Illinois, but across the country, so we'll strive to more tightly align our programs and services to the needs of those we serve.

Meanwhile, it's fiscally prudent to at least move forward now with current-year reductions based on the projections we have the most confidence in ... acknowledging that the budget story could be even worse when the state's budget standoff finally reaches its end.

I ask all of you to do everything you can to minimize expenses, find efficiencies, and engage in the ongoing community conversations about our future.

While this is not a cheerful message, I do have a sense of confidence that if we take our very real and immediate budget challenges seriously, and if we willingly explore and embrace new ways of doing our work, the outcome will be a different but stronger university. I've said it before: We're not going anywhere and Southern Illinois University Carbondale will be here as a great institution for generations to come. But like everything that's organic, we also must change and adapt to ensure we can deliver that future for all who depend upon us to not just survive ... but thrive.

Sincerely,
Randy Dunn
Acting Chancellor