



President Hogan Announces Compensation Reductions

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STORRS, CT — University of Connecticut President Michael J. Hogan today informed managers of Storrs-based programs that their compensation in Fiscal Year 2010 will be reduced to offset anticipated reductions in state support.

Hogan notified the managers that they will lose their annual increases, take furlough days, or some combination of the two as part of his program to achieve major cost savings in light of the challenging national and state financial crisis. The fiscal year begins July 1.

“As the state's financial situation continues to decline, it is becoming increasingly clear that we must take extraordinary steps to address the growing budget deficit forecasted for the next fiscal year,” said Hogan in an email to the 103 non-unionized administrative managers.

“Budget realities require that we sacrifice even more, and I’m confident you share my belief that sacrifice should begin with the University's administrative managers.”

Hogan already asked the managers to take by March 1 a “day on at UConn” --- a day at work without pay and has done so himself. He said he appreciates the cooperation he has received from managers who supported this initiative.

“The dollar savings resulting from a wage freeze may seem modest in comparison to the total reduction the University may be required to implement,” Hogan said. “Yet, every dollar of savings we can generate is important. Your sacrifice will be real, and I know it will be appreciated by our students, faculty, and staff.”

Hogan said he wanted to allow managers to plan for the cuts and that he appreciated the leadership managers have offered.

“Let me note how difficult I know this news is for you. Many of you have risen to the challenges over the past year with innovative solutions to address them. Indeed, the quality of our already-excellent programs has continued to rise, our students continue to excel, and UConn's reputation continues to soar,” he said. “You have played a key role in producing these remarkable outcomes and deserve all forms of recognition. Yet, these are extraordinary times calling for extraordinary measures.”

UConn has ordered each of its departments to achieve 3 percent savings this year as a result of a more than \$12 million rescission in its state support. Further cuts in the next

fiscal year, which begins July 1, are anticipated.

To help identify possible spending reductions and revenue enhancements, Hogan also appointed a task force to study the situation.

The Costs, Operations & Revenue Efficiencies (CORE) Task Force, comprised of faculty, staff, and administrators and co-chaired by Richard Gray, vice president and chief financial officer; Barry Feldman, vice president and chief operations officer; and Peter Nicholls, executive vice president and provost, recently issued its initial report.

The report identified \$5 - \$7 million in cost-savings and revenue enhancements for 2009-10, including measures such as energy conservation, reorganization of staffing, expanded summer session offerings, and streamlined work processes.

Hogan noted that he would immediately begin implementing recommendations of the report to achieve the estimated savings and revenue enhancements by the end of FY10.

He has asked the CORE Task Force to continue its work and submit another report in June.