



Office of the Chancellor

## Chancellor Weekly Brief – 6.26.2020

Dr. James Malm

### **ADDRESSING THE NEEDS OF THE PRESENT, ENSURING OUR SUSTAINABILITY FOR THE FUTURE.**

We are operating within extraordinary times that are increasingly unrelenting as the news cycle over the past week has brought into focus the stark realities of this ongoing pandemic. With COVID cases on the rise across the country—and here in New Mexico—we are reminded that our efforts to stay safe and to stay healthy must not cease. Our first priority is to ensure the health and well-being of our UNM-Gallup community members now and in the months to come. We are fighting a disease that remains incredibly dangerous, and one that has not slowed its pace.

Over the past week, too, we received news of the state's funding reductions caused by the ongoing financial impact of this virus. Across the board, all New Mexico public institutions and services received significant reductions to their budgets. UNM-Gallup was not spared—and we must now respond to these challenging times by meeting the needs of the present while preserving the well-being of future generations—as stated within our values. We must all make decisions today to ensure our sustainability into the future.

There is no value in hiding from the reality that we face. I want to be transparent with you so that we may approach this time in our history together with the resolve that it will take to mitigate the impact of the state's budget reductions to our campus. Foremost, we must manage these reductions and balance revenue expectations with expense plans.

As you've seen released in the past week, the numbers are certainly challenging. Our \$9 million recurring state appropriations were sanded by 4 percent with an additional 2.5 percent effectively sanded off with a federal CARES Act funding swap with the state of New Mexico. Our dual-credit, nursing, and workforce development were reduced by 6 percent or \$23,900. The budgeted \$312,857 employee compensation increase was also completely defunded during the legislative special session. And, internally, our \$2.9 million tuition and fee revenue forecasts were lowered by 25 percent.

There is some relief in knowing our reality. On behalf of our campus, I continue to meet with all New Mexico community college presidents and chancellors. I am holding regular meetings with UNM branch presidents as well as leadership from our main campus. And, I am garnering feedback here locally from our UNM-Gallup Local Advisory Board, our faculty assembly, and our senior staff.

Collectively, we are working through critical questions. What is the projected timeframe of this emergency operating environment? We may be facing years of economic recovery from the impact of this virus. We are also reviewing expenses that might be avoided in FY 2021 and beyond. And, we are exploring additional sources of revenue that we might use to backfill these reductions and forecasted shortfalls. As these questions are answered—and decisions are made—we will continue to be forthcoming with information to all within our community.

We will see the sun rise again, and our mission to prepare our students to achieve their educational and professional goals will continue. This virus will be defeated, and we will recover financially in the years ahead. I implore each of you to rededicate yourself to the essential role you serve within our university's mission. We must ensure a high-quality education and experience for our students even in the midst of this pandemic.



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I encourage you to innovate, work with incredible vigor, and collaborate within our campus community to approach the coming fall semester as an essential period within our history that will ensure our sustainability for future semesters and years to come.

Stay safe. Stay well. And, please have a restful weekend.

Best Regards,

A handwritten signature in blue ink that reads 'J. Malm'.

Dr. James R. Malm, Chancellor  
Professor of Business