

**MICHIGAN STATE**  
**UNIVERSITY**

September 3, 2009

**MEMORANDUM**

**TO:** Academic Governance

**FROM:** President Lou Anna K. Simon  
Provost Kim A. Wilcox

**RE:** Budget Planning

Wherever one looks today, we see reminders that we are in the midst of one of the most difficult economic periods in generations. Moreover, this period of economic challenge comes after many years of declining state support for higher education nationwide and wide speculation that this decline will continue into the foreseeable future. Given these realities, we at Michigan State University have a responsibility to both our current students and to those that follow them to take all necessary steps to best position our University for the future.

Anyone can balance a budget by simply assuring that expenditures don't exceed income. It takes much more skill, however, to balance a budget and simultaneously recraft the institution in ways that will assure that it continues to be one of the world's centers for discovery far into the future. We would argue that it also takes more than one person, or even a small group of people, to effectively recraft an institution as large and complex as Michigan State University. In fact, it will take most of us working together to achieve that goal.

Like you, we are proud of Michigan State's tradition of shared governance, and more importantly, of the transparency and collegiality which has characterized that system through most of our history. We are looking to those attributes to help sustain us through the coming months. Moreover, we must rely on past planning efforts to ensure continuity in our goals and in our processes. To this end, we have assembled a set of design principles drawing upon our institutional values, the Boldness by Design framework, and our Institutional Metrics (all available at [shapingthefuture.msu.edu](http://shapingthefuture.msu.edu)). These principles should guide the discussions that lead to recommendations for change in both our basic operations and in our organizational structures. These recommendations, in turn, must then be vetted through the appropriate groups and processes within colleges and within the Academic Governance system. A comprehensive review of this type will demand commitment, courage, character, and candor. It will also require special diligence to assure that we are both thorough and expedient, for we must work to make the very best decisions while at the same time remembering that there is little time to waste.



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Success will also require a renewed sense of our roles as institutional citizens. For example, in the past, we have been fortunate that curriculum discussions in governance have been relatively unencumbered by fiscal concerns. This has led to the creation of a robust and exciting curriculum for our students. That same curriculum, however, has over time come to constrain a significant portion of our academic resources in ways that presently limit our ability to adapt to the changing world. A re-examination of key aspects of the curriculum with an eye toward enhancing learning and increasing student engagement, while at the same time increasing flexibility of our resources, will be needed in the coming months if we are to best position MSU for the future.

We look forward to working together to create the best possible Michigan State University for the 21<sup>st</sup> Century.

c: University Community