

November 4, 2004

To: Vice Presidents, Chancellors and Deans

From: Richard Pfutzenreuter  
Vice President, CFO, Treasurer

Re: Fiscal Year 2005-06 Phase I Budget Instructions

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Budget development for 2005-06 again begins with the establishment of base level spending. To help in determining the University's financial outlook for the coming year, it is necessary to compare base spending levels and other anticipated financial obligations to projected resources, and we need your assistance to ensure that our information on base budgets is as complete as possible.

Attached to this message is a copy of the base adjustment worksheet for your Resource Responsibility Center (RRC) as it now stands and the instructions for submitting additional base adjustments. (You will also be able to find the instructions on the web at <http://www.budget.umn.edu>.) As you may recall, this is a rather technical exercise in which permanent transfers and nonrecurring allocations are identified. The fiscal year 2004-05 allocations are adjusted by those factors to arrive at the base spending level for 2005-06. No substantive decisions are made at this time. Decisions on future investments will be incorporated during Phase II of the budget process.

Thank you in advance for your help in this matter. If you have any questions about these instructions, please contact your budget officer.

cc. RRC Managers