

February 13, 2009

TO: All UW Faculty and Staff

FROM: Thomas Buchanan
President

RE: Update on Budget Planning Process

In my January 20 “Statement to the University Community on the Economy,” I asked Provost Myron Allen to lead a university-wide discussion about UW’s institutional priorities and where we may be able to identify efficiencies and economies in current budgets. This request was designed to allow the university’s major constituencies to provide input to a deliberate plan — one that protects the core elements of the mission in case Wyoming faces difficult fiscal challenges in the future. I asked that Provost Allen report back to me with recommendations by June 1.

Yesterday, Governor Freudenthal sent a memo to all state agencies, including UW, asking that we identify specific strategies for reducing general fund budgets by 5 percent and 10 percent. (Five percent of the general-fund portion of UW’s block grant is about \$9.2 million/year.) His memo does not say that state budgets will be reduced but rather that all state agencies must prepare *specific* plans. It won’t be enough simply to say that UW will reduce its block grant. The Governor directed that agencies provide this information to him no later than May 5.

The Governor knows that UW has already started the discussions needed to prepare a conscientious response. However, two elements of his directive bear on the nature of our task:

- The Governor explicitly stated that agencies may not forego the budgeted FY 2010 salary increases as part of their reduction strategies. In my reading, implicit in this constraint is the philosophy that the Governor values state-employee compensation at the possible expense of workforce size or activities that may be reduced or stopped. Accordingly, UW will proceed as planned with the salary increases scheduled to be administered this spring.
- The Governor’s memo alters the timeline for the budget planning process. As Provost Allen has indicated to each of the vice presidents, the academic deans and directors, Faculty Senate, Staff Senate, and ASUW, draft input on budget priorities from these groups is due to the Office of Academic Affairs Friday March 13. Academic Affairs will provide feedback by April 3. Under the new timeline, final input from these groups will be due in Academic Affairs on 15 April. A memo describing the process in more detail is viewable at the Academic Affairs website,

http://www.uwyo.edu/AcadAffairs/Univ_plan/budget_planning_instructions_09.pdf

I urge everyone at UW to provide the most thoughtful possible input, through the constituency groups identified in Provost Allen’s memo. I have asked that that memo, together with the Governor’s February 12 memo to state agencies, be posted on the UW Web site, in the President’s Outbox.