

June 20, 2012

TO: UW Vice Presidents

FROM: Thomas Buchanan
President

RE: Process for Managing Non-Academic Employee Vacancies

This memo establishes a mechanism for managing our non-academic personnel¹ vacancies in anticipation of possible budget reductions in UW's Section I budget. Without this mechanism in place, UW is vulnerable to reduction strategies such as sweeping *all* vacant positions or reductions in force. Sweeping all vacancies impacts the campus randomly and without respect to the effect on the unit and the institution as a whole.

An ongoing, central review process also will make it possible to reallocate positions among divisions or among job categories so that we can make the best and most efficient use of our non-academic employee resources as university priorities evolve through our university planning process.

This process does not replace the process by which positions are refilled at no more than 15% into grade. Those savings will continue to be collected (currently at the rate of ~\$300K/year) and have been incorporated into UW's 8% budget reduction plan separately from the reductions in non-academic personnel discussed in this memo.

The following principles will guide non-academic employee reductions:

- Institutional priorities established through our university plans must guide decisions about non-academic employee position management.
- The heads of each division together will manage these resources.
- Non-academic positions or functions can be redefined and/or restructured. Reallocations can and on occasion should occur across divisions.
- Discussions about non-academic positions must be frequent and regular. Initially they will occur on a quarterly basis.
- If possible, any non-academic employee reductions should be made through management of vacancies and attrition rather than by reductions in force.

¹ Non-academic personnel include all UW benefitted employees except tenure and tenure-track faculty and extended-term and extended-term track academic professionals, clinical faculty, and administrators with faculty or academic professional status.

I direct the management of non-academic employee vacancies as follows:

1. Establish the amount of non-academic Section I salary dollars to be retained each quarter

If the 8% budget reduction is enacted², UW will need to reduce its non-academic personnel budget by approximately \$4.4 million. Making the (conservative) assumption that EPBs are 35% of salaries, this translates to a \$2.9 million reduction in total Section I non-academic employee salaries. Currently UW has 1224 employees in this category who are paid a total of \$54,056,989. The table at the end of this memo shows the distribution of these employees across UW's divisions. *The current distribution will not necessarily determine where reductions will occur.*

Approximately 180 non-academic Section I positions were vacated in the year ending April 30, 2012. These positions totaled \$6.6M in salary. If this vacancy rate continues, then UW can expect around 45 vacancies per quarter. An estimate of the salary associated with these anticipated vacancies is \$1.65M. (However, this rate of vacancies is likely to decline as the reduction plan is implemented.)

Effective July 1, 2012, all vacancies, both Section I and Section II, will be held open³. The vice presidents responsible for each division will meet quarterly to determine which vacancies will be refilled and whether there are other positions that need to be funded with vacated salary dollars. Those decisions will be based upon university priorities and informed by the division staffing plans described below. Each quarter, at least \$360,000 in Section I salary funds must be retained by holding positions vacant. This amount is required so that if the state enacts budget reductions, the total \$2.9M in non-academic employee salary reductions can be achieved over a two-year period.

2. Develop non-academic employee staffing plans for each division

Each vice president will prepare a staffing plan that will include an analysis of the core mission and function of each division and how staff can be best and most efficiently arrayed to accomplish their essential functions. The plan (3-5 pages) should include the following:

- A brief description of their core mission and essential functions.
- A description of the critical staff services needed to support these functions.

² See http://www.uwyo.edu/acadaffairs/plans/budget/067_uw_8_percent_reduction_plan_2012.pdf

³ Grant-funded positions are not subject to this policy. Positions vacated by termination of an employee will be returned to the unit.

- A description of how division staff might be restructured to provide critical services with fewer staff, such as consolidation, reorganization, centralizing certain staff, etc. Possible reorganizations could include those that cross divisions. Plans might also include ways to migrate Section I-funded staff to non-Section I funding sources.
- Identification of processes that could be made more efficient.
- Identification of non-essential staff functions.

These plans are due to the President's Office by September 15, 2012. They will be distributed to the vice presidents so that each is aware of the priorities of other divisions and can make informed decisions together about vacancies that accrue each quarter.

3. Establish quarterly meetings of vice presidents to identify positions to hold vacant

Quarterly meetings of the vice presidents, chaired by Provost Allen, will be held on or around October 1, January 1, April 1, and July 1 to discuss which vacant positions will be refilled and which will be held vacant pending a legislative or gubernatorial decision on enacting budget reductions. This group will determine a process for handling emergency requests to refill critical positions.

At the October 2012 meeting the vice presidents also will review each other's non-academic employee staffing plans with the purpose of identifying cross-division efficiencies and savings.

4. Establish a "vacancy reserve"

After the vice presidents identify positions to be held vacant, money associated with those positions will be placed in a "vacancy reserve."

If at their quarterly meeting, the vice presidents determine that a vacant position is to be refilled, it must be refilled at no more than 15% into grade and the difference in old and new salary will be placed into the CSM pool, as is current practice.

If budget reductions are not necessary or if state-mandated reductions are less than has been collected from unfilled vacancies, then the funds in the vacancy reserve may be used to support staff positions in ways that are consistent with university plans and priorities.

Division	Section I* Classified Staff and Coaches				Section I* Non-academic Administrators / At-will				Total Section I* Non-academic Employees			
	Count	Account FTE	Budgeted Sect. I Salary** \$	%	Count	Account FTE	Budgeted Sect. I Salary** \$	%	Count	Account FTE	Budgeted Sect. I Salary** \$	%
President	1	1.0	\$67,548	0%	3	3.0	\$219,180	3%	4	4.0	\$286,728	1%
Athletics	117	90.9	\$5,300,444	12%	2	2.0	\$310,008	4%	119	92.9	\$5,610,452	10%
Academics	434	408.7	\$16,906,312	37%	11	9.8	\$857,551	11%	445	418.5	\$17,763,863	33%
Student Affairs	97	91.6	\$3,739,827	8%	14	13.5	\$1,216,968	15%	111	105.2	\$4,956,795	9%
Administration	321	308.4	\$12,323,805	27%	17	16.0	\$1,872,415	23%	338	324.5	\$14,196,220	26%
Research & ED	14	13.0	\$697,872	2%	4	3.9	\$519,531	6%	18	16.9	\$1,217,403	2%
Development	23	18.5	\$790,218	2%	16	15.5	\$1,383,120	17%	39	34.0	\$2,173,338	4%
Governmental Affairs	15	15.0	\$684,672	1%	8	8.0	\$879,120	11%	23	23.0	\$1,563,792	3%
Information Tech.	108	92.4	\$5,447,888	12%	7	6.0	\$680,502	8%	115	98.4	\$6,128,390	11%
Internal Auditor	0	0.0	\$0	0%	2	2.0	\$160,008	2%	2	2.0	\$160,008	0%
Total	1130	1039.5	\$45,958,586	100%	84	79.7	\$8,098,403	100%	1214	1119.2	\$54,056,989	100%

Includes vacant positions, does not include people paid from part-time personal service (B1200), and does not include EORC, Distance Learning, Statewide Distance Video.

**Includes UW (067 Budget) and Medical Education (167 Budget).*

***Budgeted Section I salary includes vacant positions.*

Source: UW OIA