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UW STAFF SENATE MEMORANDUM

TO: MYRON ALLEN, PROVOST AND VICE PRESIDENT ACADEMIC AFFAIRS
FROM: STAFF SENATE, CHERI FRANK, STAFF SENATE PRESIDENT *CBF*
SUBJECT: BUDGET EXERCISE RECOMMENDATIONS
DATE: 12/8/2011

As representatives of a large portion of the members of the University of Wyoming community, Staff Senate has prepared this memo to assist the administration of the University of Wyoming in preparing their response to the request of the Legislature's Interim Joint Appropriations Committee for budget reduction scenarios. The Staff Senate recognizes the need to support the core elements and the mission of the university. It is also the responsibility of the Staff Senate to be a representative voice for the University's staff and speak on behalf of our constituency. Our budget recommendations are based on reducing costs in areas that will support maintaining the best possible work and educational environment for staff, faculty and students.

Staff Senate is focusing on reductions in four areas. In the 2009 white papers from various constituency groups on campus with regard to budget reductions, the cost of early retirement options, operating campus, travel requests and opportunities, and employment-search and vacancy filling related costs were mentioned by multiple stakeholders and these are the areas we explored further.

Since payroll related expenditures are easily the largest portion of UW's Section I budget, Staff Senate offers the following suggestion to manage the ongoing cost of this important item:

- At present, 1306 benefited employees are age 50 or over. Of these, 897 are 55 or over. Under both retirement plan programs available to UW employees, there is some level of eligibility for retirement available at age 50, in many cases full retirement benefits are available at age 55. Generally speaking, those employees with more years of service are also compensated at higher levels than those who are nearer to entry level but hold similar positions, resulting in higher payroll costs. **Staff Senate believes that researching options for offering incentives to retire upon attaining eligibility** could reduce overall payroll costs, provide opportunity for advancement of the workforce as a whole, and limit the University's expenditures related to benefits. This incentive could take one of many forms, perhaps the University could offer to pay a portion of the retired employees' health insurance premium for a limited time in order to

encourage retirement. Staff Senate agrees that a detailed cost/benefit analysis of this endeavor and all options available would have to be undertaken.

Additionally, the day to day costs of operating campus has multiple opportunities to reduce the expenses to UW. Staff Senate suggests evaluation of the following suggestions:

- Electricity – Many buildings and departments have options for reducing their electrical use. Small appliances such as individual dorm size refrigerators and space heaters use a great deal of energy in comparison to larger units that provide for more people. Replacing eight individual small refrigerators (1.5-2.0 cu. Ft.) with a single energy efficient 16.7 cu. Ft refrigerator has the potential of saving \$283 a year in energy cost. It costs \$17.00 per million electric BTU vs. \$3.00 per million steam BTU to heat an area. We would propose that UW evaluate the overall potential cost savings by eliminating the individual energy consumers to more energy efficient large scale options that maintain or perhaps improve the quality of the work environment. These options could include: Night and weekend setback hours, updating or replacing heating and cooling units in old buildings to more energy efficient options, lowering the lighting levels and providing more efficient LED task lighting and using motion detector or occupancy saving devices in large gathering areas to minimize waste lighting empty rooms.
- Water – The cost of water use has increased in recent years. We would propose that UW consider replacing all of the current showerheads on campus to a low flow water efficient model. We also would propose monitoring and controlling sprinkler output to avoid wasting water on cement or pavement.
- Summer 4-day work weeks – Piloting a 4-day (10 hour shifts) summer work week to determine actual cost savings is an option Staff Senate supports. Over the summer break that would be an additional fifteen days relief from cooling, water use and lighting of unoccupied areas. In reviewing the cost associated, this has the potential of being a significant cost saving to the University depending on the number of participating departments and should be more thoroughly explored and considered.

Furthermore, Staff Senate believes that the following other austerity measures could offer cost savings to the institution:

- Assessment and reduction of travel costs across all units' holds potential for notable savings. Currently, there is a campus wide policy that addresses the justification of business related employee travel; however it is very broad and vague. Staff Senate encourages UW to implement a policy that requires an approval process for University travel and believes that a measure such as this would reduce frivolous and costly travel expenses.
- An evaluation of new employee recruitment expenses is also warranted. The costs associated with hiring new personnel have increased. The Staff Senate believes that current recruitment patterns should be examined. The pervasive availability of video conferencing technologies should alleviate the need for lengthy campus visits and associated costs (lodging, meals, etc.). Moving allowances for new personnel should also be evaluated. The Human Resources website currently has openings for 25 faculty positions. Assuming an average hiring salary of \$60,000 per position, the standard 10% applied to moving expenses would total \$150,000.

While none of our proposed options will likely reduce the budget by 8%/14 million dollars, there is opportunity for the University to potentially reach the 2%/3.7 million dollar reduction by implementing some

of our suggestions and would help the university achieve a 5%/9.2 million dollar reduction. We feel the recommendations of Staff Senate provide long term budget reduction plans and allow the University to more efficiently utilize its resources while maintaining and building upon one of our key assets to this university, our people.