



October 19, 2012

TO: UW Faculty and Staff

FROM: Tom Buchanan
President

RE: Update on Management of Faculty and Staff Positions in Preparation for Possible Budget Reductions

Last May, I submitted UW's plan for an 8% budget reduction to Governor Mead. Should the state enact these budget reductions, UW's Section I general fund appropriation will be reduced by \$15.7 million effective at the start of the fiscal year 2014 on July 1, 2013. Although UW's plan calls for greater-than-proportional reductions in non-personnel categories, it involves some significant reductions in personnel-related expenditures.¹

I am committed to making any reductions in personnel through attrition, to the greatest extent feasible, rather than by reductions in force (layoffs). This is possible only by acting immediately to reserve a portion of the salary and benefits vacated by retiring and resigning faculty, staff, and administrators. The purpose of this memo is to report on the steps we have taken thus far.

The Office of Academic Affairs has responsibility for the reductions in academic positions. This past summer that office used the existing annual faculty central position management process to hold in reserve \$1 million of the \$3.57 million in faculty and academic professional salaries vacated in fiscal year 2012. This resulted in 12 faculty positions being reserved.

The management of non-academic employee vacancies is being accomplished through quarterly meetings of vice presidents, at which time they determine which vacancies are refilled. The first of these quarterly meetings took place on October 3, when the vice presidents reviewed 84 vacant positions representing \$3.05 million in salaries, funded by both Section I and Section II dollars. Decisions were based upon staffing plans submitted by each division and recommendations from deans and directors. The vice presidents identified 28 vacant positions to hold open, and in this way reserved \$716,385 in Section I salaries to be used to meet the projected budget reductions, should they be enacted.

¹ In the plan, UW's non-personnel budget would be reduced by about 14% of the amount budgeted for those uses in the general fund appropriation. Personnel-related expenditures (salaries and benefits) would be reduced by about 3.5% of the total amount budgeted for personnel. A 3.5% reduction in non-academic and academic personnel corresponds to approximately \$6.5 million/year. See the following URL for details:
<http://www.uwyo.edu/acadaffairs/plans/budget/index.html>.

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The non-academic personnel salary savings decided on October 3 were contributed as follows:

Division	Number of positions	Section I salary \$ (FY13)
Academic Affairs	9	\$194,386
Administration & Finance	10	\$236,223
Athletics	3	\$64,813
Legal, Govt. & Comm. Affairs	0	\$0
Information Technology	1	\$66,000
Institutional Advancement ²	0	\$0
President's Office	1	\$31,446
Research & Econ. Development	1	\$32,724
Student Affairs	3	\$90,793
TOTAL, Non-academic personnel	28	\$716,385

Including the academic employee savings for a grand total:

TOTAL, Academic personnel	\$1,000,000
GRAND TOTAL, employee salary savings to date	\$1,716,385

It is important to keep in mind that vacancies occur randomly, so in any given quarter some divisions may have no vacant positions to contribute. The vice presidents will ensure that as the process continues all divisions will participate at appropriate levels. The next quarterly meeting to review vacant non-academic positions will occur in January 2013.

If state-directed budget reductions are less severe than 8%, UW will release, for use, as much of the reserved funds as the actual budget reductions will allow.

As I've said before, our people are what define our institution and make it great. Any reduction in our numbers is painful. However, even if we are fewer, it is very important that we continue our efforts to raise the level of compensation for faculty members, academic professionals, staff, administrators, and graduate assistants. For this reason, UW's 2013-2014 supplemental budget request includes \$5.3 million for merit-based raises for our employees. Simply put, it is the right thing to do.

² Institutional Advancement (UW Foundation) reimburses the university for the salaries of its Section I employees, an arrangement that was instituted during the 2009 budget reductions. As a result there are no salary savings to be collected from vacancies in the UW Foundation.