

UW Submits Budget Reduction Plan to Governor

May 22, 2012 -- In response to a request from Gov. Matt Mead and the Wyoming Legislature, University of Wyoming officials have arrived at a plan to reduce UW's budget by \$15.7 million annually.

Prompted by anticipated declines in state revenues due to lower-than-expected natural gas prices, Mead in April asked state agencies to plan for possible 8 percent annual budget reductions for the fiscal year that begins July 1, 2013. UW submitted its response to the governor today (Tuesday, May 22).

UW leaders, who sought input from across campus in drafting the plan, say it attempts to reduce spending with the least possible impact on the university's academic mission. It also identifies non-personnel areas for budget reductions in preference to workforce attrition and possible employee layoffs.

"However, given a reduction of this magnitude, it appears inevitable that UW will need to make reductions in the size of its workforce," says UW President Tom Buchanan, who notes that employee salaries make up close to 75 percent of the university's general fund budget.

The plan calls for a reduction in non-personnel expenses of 14 percent, with just a 3.5 percent cut in personnel expenses. Still, a 3.5 percent reduction for personnel would require the elimination of 80 to 125 administrative, non-academic and academic positions.

"As many reductions as possible will be made by attrition," Buchanan says. "We will endeavor to retain positions most closely aligned with the university's core mission and our areas of distinction identified in UW's strategic plan."

Savings from workforce reductions are pegged at \$6.5 million annually. The impacts of those cuts would include some closed courses for students; increased class sizes in large-enrollment courses; a reduction in statewide off-campus services; closure of some administrative, academic support and student support offices; and impaired financial, information technology and maintenance services.

The 14 percent reduction in non-personnel support budgets across campus would comprise the balance of the reductions. That would include instructional support

budgets, meaning deterioration in equipment and supplies for teaching labs; fewer opportunities for student research, field and studio experiences; and less faculty professional development.

In addition, cuts in the operating budget for intercollegiate athletics would reduce outreach activities, scholarships, recruiting, equipment and team travel. Reductions in the student services support budget would affect student advising, transition and mentorship programs. And cuts in UW's physical plant services would mean reduced rates of repair and upkeep to university facilities, among other impacts.

The budget reduction plan also includes a \$2.3 million drop in UW-funded, non-Hathaway student scholarships. That could result in fewer nonresident students coming to UW, and more loan debt for some students.

Finally, UW's School of Energy Resources would see an \$816,000 cut, potentially reducing the number of external research awards secured by UW faculty, and meaning fewer advanced energy-related training opportunities for students.

While the governor has not indicated whether an 8 percent cut actually will be imposed, UW officials say they plan to begin eliminating some positions through attrition in the 2012-13 fiscal year -- so as to minimize the need for layoffs in the 2013-14 fiscal year. That will be done through the creation of a central position management process by which only some vacated staff positions will be refilled, based upon priority rankings developed through periodic consultation among vice presidents and the administrators who report to them. Such a system already is in place for academic positions.

"Making the decision not to refill or reallocate a position is difficult, but the alternative -- layoffs -- is far worse, in my judgment," Buchanan says. "By starting this new staff position management process immediately, we hope to reduce the probability that reductions in force will be needed to accommodate whatever budget reductions UW must manage."

Meanwhile, UW is not identifying specific programs that will see reductions in the event the governor carries through with the 8 percent cut. That's largely because more detailed discussions, and recognition of areas with vacancies, are needed to arrive at such specifics.

“We recognize the prudence of the governor and Legislature in asking for budget reduction plans, given the declining price of natural gas and its negative effect on state revenues,” Buchanan says. “We also know that budget reductions will unavoidably impact our ability to provide quality higher education in the state. Our goal is to accomplish the reductions in a way that preserves to the maximum extent possible our core educational mission and UW’s academic quality and stature.”

The full text of the plan that UW submitted to the governor may be viewed at <http://www.uwyo.edu/acadaffairs/plans/budget/index.html> .

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