

# **Budget Planning White Paper**

## **Constituent Group: Faculty Senate**

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The Faculty Senate Budget Committee was charged with writing a white paper that would provide input regarding possible reallocation of university funds in response to the world's economic recession. We were supplied with two ground rules to govern the discussion: (1) the emphasis must be on preserving and advancing UW's academic quality and stature and (2) any budgetary measures must be consistent with UW's mission statement, vision, and strategic plan. Section 1 funds are the focus of this discussion; however, review of other portions of the budget is relevant.

The Committee has met regularly with the Faculty Senate and solicited input from individuals within our constituency to develop general principles by which to evaluate the university's budget for possible reduction. The planning document, *Creation of the Future: University Plan 3*, states "UW's learning-oriented missions—teaching, research, and service—lie at the core of this vision, and they should be the last of our endeavors to suffer from budget reductions, should we ever have to manage them." In observance of this, we highlight the need to work toward a position of leadership in instruction, scholarship, and outreach as the only 4-year institution in a rural state, bearing in mind that we have a sacred trust to maintain the integrity of this institution. It is a time to scrutinize each position and its role in the mission of the university with an eye toward improving the use of all of our resources.

Planning principles quickly became an important issue, and this committee was urged to identify such principles to guide eventual implementation of recommendations. We share those that most influenced our choices discussed in Sections III and IV of this document.

- Allow divisions to target their own cuts.
- Seek savings outside core areas.
- Align budget reduction choices with goals of the academic plan.

- Make academic decisions for academic reasons, being flexible to make exceptions that preserve the integrity of units and reward strong programs at the heart of the core.
- Plan that divisions share cost of cuts proportional to total budget.
- Take into account unintended consequences.
- Scrutinize budgets with disproportionate growth in recent years and take inflated budgets, total budget size, and contribution to the core mission into account when making cuts.
- Plan for some divisions to tap Section II sources for management.
- Use voluntary programs whenever possible for workload reductions.

***Section 1: Define core elements of the University's mission; define high-priority activities that support the core; define enhancements to the core.***

The primary mission of our institution is to promote learning, the basis of which is effective teaching, scholarly research, and service. The University's current plan lists the following elements as vital to its "mission to explore, create, and share knowledge, in areas that are meaningful to our constituencies and at a level of accomplishment that garners international recognition": to be one of the nation's finest public land-grant research universities, to support rigorous scholarship, to contribute towards economic and community development, and to protect our cultural, historical, and natural resources.

We believe that the University Mission Statement determines five specific core elements within the institution that are essential for meeting the three faces of its mission. The challenge we face is to retain programs within stricter constraints. The high-priority activities that support the core elements are listed by divisions even though being listed places each at risk of being cut back. Mindful of the principle that divisions are best equipped to target cuts, we list high-priority activities within their divisions. Each will be shown to support one of the four core elements.

Enhancements are on the bottom tier of support for the core elements, and they fall under the umbrella of at least one high-priority item. Reductions and reorganization among the enhancement items will best produce efficiencies that budget cuts require. We define these enhancements by example, and suggest that others exist. We also suggest that the process that has produced this white paper continue in order to sustain openness and avoid corrosive competition between units. Divisions will eventually identify cuts that must be made. We owe the institution our commitment to also identify innovative ways to streamline and improve life on campus. Positive morale is imperative for the University is to “be broadly responsive to the state’s educational needs”.

<b>Core Elements</b>	<b>High Priority Activities</b>	<b>Enhancements</b>
Faculty support	Areas of Distinction – AP 3	Athletic Programs
Extension	Economic development	Internationalization
Libraries	Student Affairs	Auxiliary services
Student support	Academic Affairs	Resource centers
Select research centers	Public Affairs/Institutional Support	Specialized programs
	Select research centers	Select research/ business centers

***Section 2: Determine which major elements of UW's current overall operations belong to each of these three tiers, per the university's mission statement and planning documents.***

Determining core, high priority, and enhancement categories is problematic. In many cases, the funding is complex and responsibilities are shared.

**Core elements:**

**Faculty, Research and Extension/Outreach** support such as staff support in sufficient numbers and with opportunities for training to meet program needs, competitive salaries, sustained capacity to meet program missions, excellence in technology for

instruction and research, studios, labs and classrooms equipped for research and instructional excellence, researchers and educators working onsite to apply the land-grant principles;

**Libraries** support such as 24/7 access to databases and journals that inform instruction and research in diverse areas, staff to orient users;

**Student support** such as scholarships and financial aid, admissions and registration, competitive graduate student stipends and recruiting, excellence in course content and variety in undergraduate majors and graduate programs.

#### High-priority activities that support the core:

**Areas of Distinction as defined in the Academic Plan 3** give structure to many activities. We include the School of Energy Resources (SER), NCAR supercomputer partnership, Master of Fine Arts creative writing program, Endowment for Excellence funding, UW Art Museum, Geology Museum, American Heritage Center, the Haub School of Environmental and Natural Resources (ENR), the Archaeological and Anthropological Research Center, the Center for Biological Research, WIND, Agricultural Experiment Stations, and the Berry Center;

**Economic Development** activities include the Survey Center and Wyoming Technology Business Center (WTBC);

**Student Affairs** activities include crisis intervention and student counseling services, physical and mental health, admissions, financial aid, and records;

**Academic Affairs** activities include the Honors Program, summer programs, and graduate school allocations;

**Public Affairs** includes legal, governmental and community affairs, and employee issues.

**Institutional Support** activities include marketing, risk management, web services, and postal service.

#### Enhancements to the core:

**Athletic Programs** especially smaller programs, extra-curricular sports and recreation, and other items listed in the Athletics white paper;

**Internationalization** such as Study Abroad programs, cooperative initiatives such as the Saratov initiative and the Bolivian educators agreement, the Cheney International Center, and international travel grants;

**Research and Business Centers** include the Frison Institute, the National Park Research Center, WYGIS Climatology Research, and the Natural Diversity Database;

**Resource Centers** such as the Rainbow Resource Room, the Williams Conservatory, the Ellbogen Center for Teaching and Learning, the Volunteer Office, and the testing office;

**Specialized programs** such as LEARN, Visiting Scholars, GA training programs, Faculty Exchanges, Leadership Wyoming, Cultural Programs, Public Radio, and WY television programming, and non-credit Outreach programs.

*Section 3: Determine which major elements of the academic units belong in each of these three tiers, with rationales.*

**Core Rationales:**

**Faculty support:** The University cannot meet its mission of promoting learning without appropriate support of the teaching and research faculty and staff. The academic plan indicates that we seek to provide “academic and co-curricular opportunities that will expose students to the frontiers of scholarship and creative activity and the complexities of an interdependent world and promote... leadership development for all members of the university community.” This is not restricted to on-campus opportunities. “As Wyoming’s only university, we are committed to outreach and service that extend our human talent and technological capacity to serve the people in our communities, our state, the nation, and the world.”

To fulfill this mission, the university's faculty must have financial support for research, which includes support staff or student workers, curricular support to allow sufficient time for scholarship and review of current trends in their fields to accommodate best teaching practices, and a tenure and promotion policy that reflects the several-pronged responsibilities of the faculty and their vital role in the success of the university's mission. Meeting the institution's expectations for leadership in the state, the faculty should have flexible teaching and service assignments, as well.

The academic plan repeatedly addresses the need to move toward interdisciplinary teaching. This requires establishment of new courses or the integration of current courses, a time-consuming commitment for faculty in all departments involved. Our areas of distinction are, in some cases, still in the building process. Resources in the sense of faculty, library collections, and research space are still in flux.

Neither can the role of scholarship cannot be completed without access to the Library resources. The reputation of the university is in part dependent on the resources of the library and its standing in the region. Email, telecommunications, and access to the internet are the necessary infrastructure integral to the creation and dissemination of research and scholarly works.

While university support of scholarship and teaching is core to the success of our institution, some recent practices have developed that may be questioned in light of the best use of funds.

Suggested Strategies: Reduce Academic/Faculty Support \$2.2 M

- Start-up budgets have grown beyond their means of support. Placing a cap on start-ups would bring these costs under control.

- Release time funds, or buy-outs, should better compensate the department for the total cost of hiring replacement faculty. Based on replacement budgets in A&S, 25% increase could mean \$100,000.
- Graduate Assistants, Reserve. There is nearly \$1,070,000 in this reserve account that could be used to offset the immediate budget needs.
- Put faculty back into the classroom by changing job descriptions. This reduces the number of adjuncts, visiting professors, academic professionals, grad students, or new hires that are necessary. Based on replacement budgets in A&S: \$300,000 saved.
- Review courses offered institutionally to reduce duplication or partner with other departments offering similar course content.
- All administrators should be required to teach at least one course per year.
- Consider teaching summer classes on-load as a revenue source for units. Intensive, specialized courses may attract a wide audience, faculty are more likely to have a year-round scholarly production, and departments replace lost operating budget money.
- Reduce faculty non-grant related travel by 20%, based on Math Department travel, could mean \$300,000 savings.
- Consider reducing former deans' salaries to a level commensurate with their new role as faculty but still respectful of their service to the institution.
- Fold Ecology into Haub School Environment & Natural Resources to save on administration costs, \$30,000 savings.
- Reduce USP requirements.
- Review current curriculum before adding new courses.
- Postdoctoral positions should have increased funding through other sources.
- Observatory and museums move toward self-financing.

**Extension and Outreach:** Wyoming's rural environment presents challenges for its educational institutions. Not only is the University the state's only four-year institution, access to metropolitan centers for cultural, educational, and business opportunities are also limited. These services are provided to the state's population through the Extension and Outreach programs. The Academic Plan 3 states, "As a

public land-grant institution, the university has an historic commitment to access to higher education...to serve learners throughout Wyoming and beyond.”

**Libraries & research:** The University’s commitment to support the Libraries’ and museums’ missions of collection and access is important to recruiting new faculty and providing all faculty with the resources they need to conduct their research. Campus museums have strengthened their relationships with academic units and tied their missions to the Areas of Distinction. For example, the Art Museum is “strengthening its relationship with the Art Department and extending its mission to enrich the arts education community throughout the state.”

**Suggested Strategies:** Reduce Research Office & Ag Research \$.8M

- Consolidate research administration university-wide: \$500,000.
- Move obligation for the Wold Chair to Foundation reserves: \$50,000
- Wyoming Technology Business Center & Climatology Research (see the Office of Research white paper): \$175,000.
- Shift the direction of the University’s distribution of indirect costs on research projects to promote more recovery of institutional costs instead of incentivizing research

**Student support:** The University’s mission of promoting teaching is useless without a student body. The student support services that bring students together with the university and strive to retain them are rated as core or high priority services. Easy access to classrooms, instructors, technology, advising, health care, and libraries are instrumental to student success.

The Faculty Senate also feels strongly that graduate education and assistance is vital to the university community. As outlined in the Plan, “[o]ne of the characteristics of world-class research institutions is a commitment to excellence in graduate education.” These are our future academics and professionals, and their formation requires sustained faculty attention, mentoring, and external funding for

their research. This said, we support the reorganization contemplated in the white paper prepared by Student Affairs such as consolidated enrollment offices.

**Suggested Strategies: Reduce Student Support \$.8M**

- Raise Hathaway standards. The Hathaway Scholarships have made it possible for recent high school graduates to attend college, but not all are prepared for the university. Diverting unprepared students to community colleges reduces the stress on required courses and relieves teaching faculty in these required courses.
- Synergy Program resources could be redirected: \$50,000.
- Optimize federal Work Study: according to Student Affairs saves \$650,000.
- Review UW residency policies
- Establish a policy for multi-year plan for tuition increases
- Orientation could be self-supporting: \$21,000.

**High-priority Activities Rationales:**

**Areas of Distinction:** The University has outlined six areas of distinction for specific depth in the institution's goal to foster excellence. Those areas of distinction are: critical areas of science and technology; cultural assets, arts, and humanities; environment and natural resources; history and culture of the Rocky Mountain region; life sciences; and professions critical to the state and region. The academic plan specifically states that these areas of distinction provide "opportunities for many academic departments, even small ones, to pursue excellence and depth" and strongly recommends interdisciplinary contributions among academic units to achieve strength within these programs.

**Business and Economic Development:** Support of the Wyoming Technology Business Center, the Office of Research and Economic Development, the School of Energy Resources, and other centers with the goal of promoting an active economic environment for the community and the state is of primary importance for the stated goal of excellence. To establish a foundation for a healthy economy for the state and a future for Wyoming researchers and academics, we need to support economic development. Grants from the business incubator and a focus on energy, environmental, and science fields influence the direction of the state. Our rural

environment offers a laboratory for this type of advancement and positions us well to lead the country in some of these areas.

### Institutional Support

Institutional Support covers a broad range of administrative activities that could be curtailed or redirected.

### Suggested Strategies: Reduce Institutional Support \$2.4M

- General Services & General Expense fees reserve: over \$107,000.
- Unencumbered PLUS Budget: \$499,000. This money will need to be spent before the end of the biennium or returned to the legislature anyway.
- Centennial Singers: over \$180,000.
- Office of Development: over \$1,670,000. Could be more self-supporting.
- Office of Alumni Affairs: over \$230,000. Could be more self-supporting.
- Transpark: over \$355,000. This office could cover its costs.
- Review recent decisions that have expanded administration. The Office of the President's support budget has increased 68% in the last nine years with 140 administrative positions. Since 2000, administration has increased 55.5%.

### Physical Plant and Energy Savings

The faculty values good stewardship of University funding. We place priority on reducing our carbon footprint and gaining efficiencies as a positive initiative that builds community and advocate short-term savings from proportional cuts. The university has already asked that we all be aware of energy issues and do what we can to reduce energy costs. The services provided by the Physical Plant are all-encompassing, but we believe that a concerted effort to cut back on energy usage campus-wide as well as the implementation of a few inexpensive steps toward making the campus a greener environment are not only important to the university's financial situation, it is also the right thing to do for the environment. Some employee

education will be necessary. References for the suggested efficiencies below include:

<http://www.fpm.iastate.edu/utilities/energyefficiency>

[http://www.energystar.gov/ia/business/bulk\\_purchasing/HigherEducationFactSheet\\_v4.pdf](http://www.energystar.gov/ia/business/bulk_purchasing/HigherEducationFactSheet_v4.pdf)

<http://www.window.state.tx.us/tspr/energy/ch2.html>

<http://academicdepartments.musc.edu/vpfa/eandf/sustainability>

[http://www.universityofcalifornia.edu/sustainability/enrg\\_bestprac.html](http://www.universityofcalifornia.edu/sustainability/enrg_bestprac.html)

#### Suggested Strategies: Reduce Physical Plant & Energy Savings \$1.2M

- Invest in an Investment Grade Audit through WYECIP's, stimulus offering \$2 for every \$1 spent to reduce energy costs.
- 10% Energy conservation (\$0.6M): Simple changes make a difference. Consider turning off computers and electrical devices, including labs: UW has 10,000 computers. One turned on nights and weekends costs \$105/year.
- Use daytime cleaning staff schedule to reduce nighttime lighting.
- Retool to low-energy fixtures such as replacing EXIT sign lighting with LED light bulbs and removing light bulbs from vending machines.
- Lower reset temperatures on hot water systems.
- Reduce access to recreation facilities during low use times; shorten the Summer week; close parts of Campus for specific times such as Breaks.
- Hold summer school classes in only two buildings on campus.
- Reduce or eliminate space heaters, office fans, personal refrigerators.
- Move toward a paperless environment, especially regarding duplicate mailing and top end promotional materials.
- Invest in covers for the swimming pools. Though the initial outlay is expensive, Jackson found a \$40,730 savings annually from their Rec Center. For much more information, see the Town of Jackson town services page: <http://www.ci.jackson.wy.us/index.cfm?fuseaction=home>

#### Enhancements to the Core Rationales:

Although every enhancement listed adds considerably to the atmosphere of a vigorous university and are general conveniences, they are not vital to the core. They may be important tools for recruiting and retention of new faculty, staff and students. They may be important to sports fans, the business and ranching communities, or the community of Laramie. We provide no other rationale for activities in this category.

### Athletics

Including athletic programs among the enhancements should not be seen as the historical struggle between academics and athletics. Athletics lend a unifying element to the widespread areas of academic interest that may have little or no interaction with one another. In full understanding that athletic programs are integral to the community's development of body as well as mind, that these programs foster leadership and confidence, and that they bring in considerable money to the university, they are neither highlighted among the university's centers of excellence, nor do they play a very prominent role in the Academic Plan.

### Suggested Strategies: Reduce Athletics \$1.6M

- Eliminate one men's sport and various cheerleading groups.
- Each sports team donate proceeds from one home game back to the university called "Brown & Gold Game": \$500,000.
- Reduce travel expenses.
- Investigate Section II funds to replace Section 1 funds.

### Suggested Strategies: Reduce Foundation & Alumni Association

- Investigate self-sufficiency with funding from other sources.

### Suggested Strategies: Reduce Public Service \$.5M

- Reduction in Cultural Events delivered throughout the state. Our cultural program serves as an ambassador to the state, but in difficult economic times, many in the state will question putting resources into these programs.
- Review public radio station services.

**Section 4: Propose other approaches to create budget flexibility and relieve persistent budget pressures.**

Efficiencies – unknown value

- Switch email to Google to save \$0.1M-\$0.5M and improve service.
- Telephone system: review associated services like voicemail and landlines.
- Use 4-year computer replacement schedule, fewer labs, and better wireless.
- Part-time Budget: Review services like summer student labs.
- Require direct deposit for all employees. This will allow direct deposit on all reimbursements and should reduce workload.
- Long-term planning for continued tuition increases.
- Eliminate use of credit cards to pay tuition.
- Create a media center by merging TV, radio and other media.
- Shared specialists across units, e.g., development, technology, accounting.
- Early retirement for employees, especially those with Wyoming Retirement System, and voluntary staff reduction of work time, especially Summer.
- Consider ten-month calendars for selected (slow) positions during summer.
- Eliminate overtime and travel.

In summary, this Committee recommends flexible cuts proportional to growth<sup>1</sup> and budget Size -- Total \$9.7M

- Academic Support --- \$2.2M
- Athletics --- \$1.6M each
- Institutional supports -- \$2.4M
- Research Office & AG Research \$1M
- Student support --- \$0.8M
- Public Service --- \$0.5M

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<sup>1</sup> To establish a baseline for budget decreases, we compared the 2000 and 2009 Part I Budgets, \$139.8M and \$255.5M, respectively. There was an overall increase of 83%. We first looked for cuts only among divisions whose budgets grew by more than 83%. Except for a very small amount for the Law School, no academic division was in the high growth group. Athletics had less growth in Part I funding but more in Part II funding.

- Physical Plant and energy savings --- \$1.2M