

A Plan for Budget Reduction at the University of Wyoming

May, 2016

Guiding Principles

The University of Wyoming aspires to be one of the nation's finest public land-grant research universities. We serve as a statewide resource for accessible and affordable higher education of the highest quality; rigorous scholarship; technology transfer; economic and community development; and responsible stewardship of our cultural, historical, and natural resources. 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. These aspirations will be central to the decisions on how UW will respond and adapt to reduced State support. Below are principles that will be used to guide the development of budget reduction plans.

Staying True to our Mission

- Budget reductions should have minimal impact on student success including recruitment/access, retention, persistence, transfer ease, and timely completion of degree.
- UW will continue to place the quality of academic programs, both at the graduate and undergraduate level as the highest priority. Our most enduring legacy is its graduates, who use their education to better their lives, our state, and the world around them.
- UW will maintain or enhance excellence in research, scholarship and creative activity which contributes to the state's economy and enriches society.
- UW will preserve its state-wide presence through outreach, extension and UW athletics.

Essential to our Core

- UW will strive to attract, retain, and reward high quality employees who contribute to a diverse campus community.
- The safety and health of students, faculty, staff or visitors, or UW's compliance with applicable laws will not be compromised.
- The ability of the University to perform essential operation or maintenance of the physical plant will be maintained.

Cost savings and Revenue enhancing opportunities

- As the University works to address reductions in state funding to the University, it must also increase private support and explore entrepreneurial opportunities to diversify and grow other revenue streams.
- UW will emphasize cost savings through driving inefficiencies out of the University's operations.

Process

- The University will be as transparent as possible in dealing with budget reductions and provide on-going communication with the campus and constituencies.

Budget Reduction Plan to Realize \$26 million in FY17

Permanent Budget Cuts

\$19,300,100¹

1. Implement \$7 million budget reduction submitted in early April
Savings: \$7 Million
2. Eliminate 70 vacant positions. (Note: Positions fully paid by external funding sources i.e. grants, contracts, gifts may be filled; several critical hires will continue). Keep a strong inventory of vacancies and rectify hiring on a case-by-case basis once permanent position elimination has been fully determined.
Savings: \$3.6 million salary + \$1.6 million FB = \$5.2 Million
3. Standardize faculty workload for fall semester as follows:
 - a. Professorial faculty are assigned a 2/3 or 3/2 workload. Faculty can buyout teaching load with external funding.
 - b. Academic Professional faculty are assigned a 4/4 teaching load.
 - c. On-line courses taught in-load.
 - d. *Immediate embargo on temporary academic appointments for fall 2016 (i.e., non-extended term academic professional lecturers, research scientists, extension educators, temporary faculty appointments, visiting faculty appointments).*
Savings: \$2.5 Million
4. No positions allowed where the appointment is at or greater than .50 FTE (50% time) and less than 1 FTE (100% time).
Savings: \$1.5 Million
5. No overtime, no faculty overload, no additional compensation effective immediately.
Savings: at least \$100,000
6. Offer a retirement incentive to qualified employees.
Savings (estimate) 50 FTE \$3 Million in FY17; \$6 million in FY18

One-time Budget Cuts for FY17 (with Permanent Budget Cuts identified for FY18)

\$6,550,000

7. One-time contribution from reserves as follows:

\$500,000	President's Office
\$500,000	Residential Life & Dining Services
\$500,000	Information Technology
\$500,000	Audit Reserve
\$1,250,000	Outreach School
\$1,250,000	Colleges outreach funds

Savings: \$4.5 Million

¹ \$16.2 million = 8.4%
\$ 3.0 million = 1 ½%

8. Savings realized in FY16 from salary salvage and operating expenses
Savings: unknown but potentially \$1-2 Million
9. Voluntary reduction of summer hours for employees to 32 hours (with pay for 32 hours). Hours of work approved by supervisor.
Savings: Unknown, perhaps \$50,000
10. *Only if absolutely needed but would prefer to not use this strategy:* furlough all employees during FY 2017 for 4 days in December (20-23)
Savings: \$2 Million

Other Actions*

11. Standardize course/section enrollment as follows:
 - a. Evaluate all course caps and raise whenever possible.
 - b. Standardize 10/5 low enrollment (10 students minimum to offer undergraduate course; 5 students minimum to offer graduate course). 2% of all sections allowed as exceptions justified to the Provost on a course by course basis.
 - c. For multiple section courses, employ a minimum of 85% fill rate.
12. Limit out-of-state travel; limit conference attendance; limit professional development spending.
13. Cap student labor at same level as FY16 or lower.

*These will result in some savings but potential savings is difficult to estimate

Budget Plan for 2017-2018 (for FY18)

Target of \$10 Million Permanent Savings with plan developed by August 31, 2016

Budget Reductions

1. By August 31, complete academic program review process. Identify low productivity/low outcomes programs and process for elimination will be initiated.
2. Review non-academic programs/services and reduce, combine or eliminate those non-essential to core functions.
3. Study organization and structure of Colleges and non-academic units. Combine units and consolidate functions where possible to realize efficiencies and reduce administrative overhead.
4. Review all administrative appointments with a goal of leaning up; standardize administrative compensation. Expand management oversight to like departments/units.
5. Begin realigning vacancies to high-need, high-priority areas and continue to eliminate positions where possible.
6. Analyze all positions and move 12 month appointments to 9 or 10 month contracts where possible.
7. Study opportunities to reduce staffing level or task frequency (e.g. custodial cleaning; service hours of transit system, etc.)
8. Evaluate opportunities to outsource University operations to off-load personnel (labor) and introduce new revenue to university (e.g. dining services, custodial).

Revenue Growth

9. Develop a plan to fully utilize endowment and gift dollars, putting them to work for the university on an annual basis.
10. Develop a plan for program fees/differentiated tuition for high-cost programs.
11. Develop a plan to increase out of state enrollment with significantly less discounting.

Longer term fiscal plan

1. Develop strong strategic plan to include higher fiscal performance.
2. Implement an integrated budget and accounting system; analyze budget staffing; develop strong reporting function; train employees.
3. Develop a plan to diversify revenue, relying less on increases to state support.
4. Study tuition elasticity and develop a long-term plan for tuition and fees.
5. Implement a Responsibility-centered Management (RCM or decentralized) budget model.
6. Develop a strategic enrollment plan and grow enrollment to align UW faculty-student ratio and average cost per students to peer institutions.
7. Optimize public and private funded scholarship resources to meet student enrollment objectives.
8. Develop a campus resident hall and dining plan; bond renovations or new buildings; revamp charges to align with amenities.
9. Refresh or develop other plans to align with the strategic plan: Campus master plan; College plans; Athletic plan; Diversity plan, etc.
10. Incentivize external funding and grow tech transfer.
11. Develop standardized faculty workload system including reports.
12. Develop a merit salary policy and on-going plan for salary increases.
13. Study and when feasible, develop private/public partnerships.
14. Launch a capital campaign to support the strategic plan.