

THE UNIVERSITY OF WYOMING
FINANCIAL CRISIS ADVISORY COMMITTEE
MINUTES OF THE COMMITTEE
Monday, September 19, 2016

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1:00 - 3:00 p.m.

Wyoming Union Family Room; University of Wyoming Campus

AGENDA

Call to Order	1
Roll Call and Approval of Minutes.....	1
Public Session	
I. Report on Budget Reduction Target – Research and Economic Development – Vice President William Gern.....	4
II. Report on Budget Reduction Target – UW President’s Office – President Laurie Nichols and Budget and Fiscal Coordinator Matt Coulter.....	4
III. Report on Budget Reduction Target – UW Foundation – UW Foundation President and CEO Ben Blalock.....	4
IV. Public Comment.....	4
V. Executive Session	4
Adjournment	4

Call to Order

Chair Steve Bieber called the meeting to order at 1:04 p.m.

Roll Call and Approval of Minutes

Committee members present included: University President Laurie Nichols, Provost Kate Miller, Dean of the College of Law Klint Alexander, Dean of the Outreach School Susan Frye (via conference phone), Dr. Frederic Sterbenz, Dr. Robert Sprague, Dr. Donal O'Toole, Dr. R. McGreggor Cawley, Committee Chair Steve Bieber, Ms. Molly Marcusse, Mr. Kevin Colman, Ms. Rachel Stevens, and Mr. Joel Defebaugh.

Dr. Cawley moved to approve the minutes from September 9, 2016 and September 12, 2016 as distributed. Mr. Coleman seconded. All committee members were in favor; the motion passed unanimously.

Public Session

Committee Chair Bieber explained that the meeting for Friday, September 23, 2016 would be tentative based on how the committee would like to proceed. He also noted that the Strategic Planning Kick Off event would take place on Friday, September 23, 2016 at 3:00 p.m. in the Marian H. Rochelle Gateway Center. The committee discussed the three upcoming meetings for presentations and group discussion regarding the budget plan that President Nichols would present to the Board of Trustees in November. Based on conflicts that had presented themselves, the committee decided that on Friday, September 23, 2016 Vice President for Student Affairs Sara Axelson would present her budget reductions to the FCAC, Monday, September 26, 2016 would be an open agenda, Friday, September 30 Vice President Mai and Provost Miller would present their budget reductions to the FCAC, and on Monday, October 3, 2016 Athletic Director Tom Burman would present his budget reductions to the FCAC.

The members of the FCAC decided that the above schedule would allow for the best opportunity to assist the President in offering their suggestions for the final budget reduction plan that would be presented to the Board of Trustees at their November Meeting.

Report on Budget Reduction Target – Research and Economic Development – Vice President William Gern

Vice President for Research and Economic Development Bill Gern thanked the committee for their time. He stated that his division had been asked to reach the target of \$150,000 thousand, adding that this reduction had already been met by the division. Vice President Gern explained that his division had moved three positions from Section 1 funds that were partially paid through pre and post award dollars and partially paid through indirect cost funds, to being fully funded through the indirect cost funds. He added that additionally a portion of a salary line for the WOHL Energy Chair, a position that was developed in the 1990's. Vice President Gern explained that a salary line had been retained that would be cut in half in an effort to obtain savings seeing as this position was currently vacant. He explained overtime a large fund had been accumulated which provided enough monies to attract a great person when it came time to fill this position. Vice President Gern explained that moving the salary line would not damage the chair's abilities upon hiring. He stated that through these reductions his target reduction was met.

A member of the FCAC asked how the funds that were now being used to pay employees that were previously paid through section 1 had been used for previously. Vice President Gern explained that those funds had been research indirect cost funds that had been start-up funds or grant matching dollars. He stated that there would be fewer start-ups in the coming years, which allowed for this shift to occur. Members of the committee noted that this sounded like a temporary fix to a larger situation. It was noted that this would more than likely be a permanent shift. The committee thanked Vice President Gern for his remarks.

Report on Budget Reduction Target – UW President’s Office – President Laurie Nichols and Budget and Fiscal Coordinator Matt Coulter

Budget and Fiscal Coordinator Matt Coulter introduced himself to the members of the FCAC. He explained that the report from the President’s Office would provide great detail into where and how the reductions would be made for the \$190,000 thousand reduction. Mr. Coulter explained that savings had been realized by the President’s Office through two personnel changes. He explained that one individual had been moved to a contract, in alignment with President Nichols’ FY17 reduction plan regarding FTE between .5 and .99, and another had taken a different position on campus.

Mr. Coulter noted that the second largest portion of the President’s Office budget consisted of travel and food. He added that the Board of Trustees budget is categorized under the Office of the President budget. Mr. Coulter added that the Board of Trustees had committed to reducing their budget as well. He explained that in regards to the President’s Office travel budget, the office had previously supported the Saturday University Program that was offered through UW in two different ways. Mr. Coulter noted that previously the President’s Office had provided a based amount of monies as support for the program and had covered the cost of using the UW plane. He added that it had been communicated with the program director that the base amount of monies to support the program would continue, however the cost of travel would no longer be covered by the Office of the President.

Mr. Coulter addressed how food and catering were handled by the President’s Office. He explained that there had been numerous fundraisers and events that had needed catering over the years and had been funded out of Section 1 funds. Mr. Coulter noted that it had been the plan to now fund these events through a President’s discretionary fund through the UW Foundation. He also stated that some of the larger events that had been hosted by the President’s Office in the past would no longer take place, including the commencement picnic.

Mr. Coulter further explained the Board of Trustees budget stating that a large portion of their reductions had taken place through the implementation of the Penny Plan prior to the FY17 budget reductions that had been announced. He added that the Board of Trustees had been able to reduce additional money and those savings would be swept into the FY18 reduction savings.

Mr. Coulter stated that the President’s Office planned to realize additional savings through a decrease in student salaries. He explained that the office would no longer rely on as many student workers as it had in the past. Mr. Coulter added that the President’s Office often received requests to join different higher education organizations that provided additional services to the University, however it was decided that one of these organizations was no longer providing services that UW

needed. He explained that once that decision was made UW canceled their membership which resulted in some cost savings. Mr. Coulter also explained that there would be fewer large equipment purchases such as furniture.

Mr. Coulter concluded his remarks by explaining a reduction in the Old Main Boardroom Breakroom. This space was utilized to provide refreshments to visitors to the President's Office and for those who hosted meetings in the Old Main Boardroom. Over the past year the President's Office has considerably decreased the amount of refreshments offered in an effort to support cost saving measures.

Members of the FCAC asked for additional information regarding the Saturday University program. Mr. Coulter explained that this program allowed for seminars to be taught around the state by University of Wyoming Faculty to work with different communities besides just the Laramie community. The committee discussed where this program should be funded and included options such as academic affairs. The committee also discussed the use of the UW airplane for this program and other uses by the President's Office and the Trustees noting that this usage would be decreased moving forward.

Members of the FCAC asked how the President's Office would be impacted by the use of fewer student workers. President Nichols explained that this budget had not been fully utilized in the past. Mr. Coulter added that the student workers had decreased from 5 students to 3 students which had occurred through students graduating and positions not being filled.

A member of the FCAC asked about the catering costs that had been funded by the President's Office. Mr. Coulter explained that the President's Office in the past had hosted almost 200 events per year in the past. He added that this number has recently dipped but hope that it would once again increase during President Nichols' Presidency. The committee discussed the President's Discretionary fund that would be reopened within the University Foundation. It was noted that this was a common practice among other universities to fund hospitality events.

Members of the FCAC asked how technology upgrades would be handled by the President's Office with the reduction in large purchases. Mr. Coulter explained that many of the purchases that were made by the office would be covered by a line item in the budget as a reserve if any immediate replacements presented themselves. The committee thanked President Nichols and Mr. Coulter for their time and presentation.

Report on Budget Reduction Target – UW Foundation – UW Foundation President and CEO Ben Blalock

UW Foundation President Ben Blalock thanked the committee for allowing the UW Foundation to present their budget reductions. He stated that following the budget cuts in 2009 the UW Foundation was put in charge of hiring all major gift officers for the University of Wyoming. UW Foundation President Blalock explained that this ability caused a reduction to the UW Foundation Budget in terms of what was funded by the UW campus. He added that the state had only funded 9% of the UW Foundation overall budget and UW support would be decreased to below \$700,000 thousand. UW Foundation President Blalock explained that it was understood prior to the reductions being announced that the UW Foundation would need to reorganize its structure to

prepare for these cuts. He added that through this reorganization 12 positions had been reduced at the UW Foundation, noting that some of these positions had already sat vacant. UW Foundation President Blalock added savings would be realized through administrative operations, equipment, events and fundraising activities, stewardship, marketing and communication, and the UWyo Magazine. He explained that in terms of what information had been presented to the UW Foundation from Huron they stated that the gift officers were well liked across campus and we know we were within reason in comparison to other university foundations. UW Foundation President Blalock stated that he felt as through moving forward the UW Foundation was well prepared to launch a capital campaign at the direction of President Nichols.

The members of the committee discussed the positions that had been swept as a part of the UW Foundation Budget Reductions. UW Foundation President Blalock stated that the reorganization in conjunction with other cost saving efforts, had achieved over \$197,000 thousand in reductions. which exceeded the original reduction amount. He also noted that currently the UW Foundation had seven major gift officers and if any additional were needed as the capital campaign launched it would be decided through a thoughtful process as to how many to hire.

The committee discussed the relationship between the UW Foundation and Institutional Communications and Marketing. UW Foundation President Blalock stated that this relationship was very active and these two divisions worked hand in hand which provided no overlap. He added that it had not been an easy choice to no longer fund the UWyo Magazine, and he hoped that would be something that could be restored in the future. A member of the committee asked if the amount of state support received by the UW Foundation was enough to support its function. UW Foundation President Blalock explained that the UW Foundation was comfortable with the amount of state support they had received, adding that these funds were a starting point for salaries and benefits for their employees. He stated that the UW Foundation transferred funds back to UW each year. UW Foundation Present Blalock noted that the Marian H. Rochelle Gateway Center maintenance is mostly supported by the UW Foundation itself. A member of the FCAC asked how workload had been distributed among the remaining UW Foundation Staff. UW Foundation President Blalock stated that workload had been distributed accordingly but specific descriptions were being revisited.

Members of the FCAC thanked UW Foundation President Blalock for the work the UW Foundation had been doing. It was noted that from a student prospective there had been a lot of work being done to work closely to raise funds for the overall good of the University. A member of the FCAC added that it was nice to see the UW Foundation sharing in the reductions with the entire University community.

Public Comment

There was no public comment from any members of the audience.

Adjournment

At 2:00 p.m. the committee entered into Executive Session. Following Executive Session Mr. Defebaugh moved that the committee adjourn the meeting. Mr. Coleman seconded. The committee adjourned at 3:02 p.m.