

THE UNIVERSITY OF WYOMING
BOARD OF TRUSTEES SPECIAL MEETING REPORT

December 13, 2011
8:00-9:00 a.m.
Conference Call in Old Main Boardroom

AGENDA

- I. Response to 2013-14 Budget Reduction Planning, Buchanan1

AGENDA ITEM TITLE: Budget Reduction Planning, Buchanan

CHECK THE APPROPRIATE BOX(ES):

- Work Session
 Education Session
 Information Item
 Other Specify:

BACKGROUND AND POLICY CONTEXT OF ISSUE:

On Friday, November 4, the Wyoming Legislature's Joint Appropriations Committee (JAC) determined that revenue growth was not keeping pace with the rate of growth in expenditures. In addition, they expressed concern that a continuation of this trend in future biennia could lead to significant budget challenges for the State of Wyoming. Therefore, the JAC decided to request that all state agencies submit plans to reduce their 2013-2014 state-funded budgets by five and eight percent (below the 2013-2014 standard budget level). Subsequently, the Governor's Office requested a two percent budget reduction plan in addition to the aforementioned five and eight percent plans. On November 17, Governor Mead's Administration directed agencies to submit the reduction plans to his office by December 16, 2011.

The reductions in state general fund appropriations to the University of Wyoming, UW Medical Education, and WICHE for the three planning levels translate into the following amounts:

University of Wyoming (Agency 067)		UW Medical Education (Agency 167)	
2%	\$ 3.7 million/year	2%	\$0.3 million/year
5%	\$ 9.2 million/year	5%	\$0.8 million/year
8%	\$14.7 million/year	8%	\$1.3 million/year

WICHE (Agency 169)

2%	\$ 51,807/year
5%	\$129,518/year
8%	\$207,229/year

PRIOR RELATED BOARD DISCUSSIONS/ACTION:

In response to this request, on Friday, November 18, the Board of Trustees directed President Buchanan to develop a process for: (1) soliciting input from UW stakeholders on the principles and priorities to be considered in identifying reductions of these amounts; and (2) developing a plan for implementing the reductions, should they occur. On November 22, Provost Allen requested input on budget reduction options from UW stakeholder groups, including Faculty Senate, Staff Senate, ASUW, Academic Deans and Directors, Executive Council, and others. Feedback from these groups was due on or before Friday, December 9. In addition, President Buchanan met with UW's vice presidents and associate vice presidents with budget-related responsibilities to formulate a plan suitable for submission to the Governor's Office and the JAC on December 16.

WHY THIS ITEM IS BEFORE THE BOARD:

The University must submit budget reduction plans to the Governor's Office by December 16, 2011. The Board has requested that the President brief them prior to the submittal to the Governor's office.

ARGUMENTS IN SUPPORT:

The President intends to rely on a similar approach to the one used when UW responded to then-Governor Freudenthal's January 2009 mandate to state agencies to plan for budget reductions of up to 10 percent. However, the planning period available to respond to the current request is much shorter. Detailed implementation plans (should they become necessary) will be developed and presented to the Board of Trustees at the March 2012 meeting.

ARGUMENTS AGAINST:

None

ACTION REQUIRED AT THIS BOARD MEETING:

No action is required by the Board. Budget reduction plans for two, five, and eight percent reductions for the University of Wyoming (Agency 067), UW Medical Education (Agency 167), and WICHE (Agency 169) will be discussed with the Board. The plans must be submitted to the Wyoming State Budget Division and the Governor's Office by December 16, 2011.

PRESIDENT'S RECOMMENDATION:

Submit the requested budget reduction plans for two, five, and eight percent reductions for the University of Wyoming, UW Medical Education, and WICHE budgets on or before December 16, 2011.