

**THE UNIVERSITY OF WYOMING  
BOARD OF TRUSTEES MEETING  
March 22-March 24, 2017  
Laramie, Wyoming**

*REVISED as of 3-20-17*

*This document will replace page 157 (slide 8) of the March 22-24, 2017, University of Wyoming Board of Trustees Meeting Report.*

**AGENDA ITEM TITLE: Voluntary Separation Incentive Program, Miller/Benham-Deal/Jewell**



# Proposed Budget Reduction & Reallocation Plan

- Table 8 outlines the proposed budget reduction and reallocation plan which incorporates the anticipated higher net budget savings from the No-Cap VSIP (row #1), the planned use of the VSIP savings in FY18-FY22 (rows #6-8), as well as the proposed Operating Reserve repayment plan (row #16).
- The Proposed Plan also includes the other recurring FY18 budget reductions as outlined in the President's *A Plan for Budget Reduction at the University of Wyoming for the FY17-18 Biennium* (rows #2-4).
- In addition to the VSIP reallocations, the Proposed Plan includes reallocations for the WyoCloud/Oracle Software, Utilities Deficit, Academic Affairs Structural Shortfall, the FY18 Block Grant Cut passed in this year's legislative session, and the restoration of some Penny Plan cuts that resulted in detrimental outcomes to certain operations and programs (rows #9-13).

**Table 8**

<b>Reductions</b>							
1 Faculty Voluntary Separation Incentive Plan (VSIP) Net of \$2M Budget Reduction	2,000,000	4,510,912	4,510,912	4,510,912	4,510,912	4,510,912	22,554,560
2 Elimination of 15 Vacancies held by President	750,000	750,000	750,000	750,000	750,000	750,000	3,750,000
3 Total Vice President's/Division Cuts	5,915,500	5,915,500	5,915,500	5,915,500	5,915,500	5,915,500	29,577,500
4 Huron Consulting Recommended Operational Savings	1,795,000	1,795,000	1,795,000	1,795,000	1,795,000	1,795,000	8,975,000
<b>5 Total Reductions.....</b>	<b>10,460,500</b>	<b>12,971,412</b>	<b>12,971,412</b>	<b>12,971,412</b>	<b>12,971,412</b>	<b>12,971,412</b>	<b>64,857,060</b>
<b>Reallocations</b>							
6 Faculty/Key Administrative Rehiring in High Priority/High Need Areas	2,000,000	959,108	3,500,000	3,500,000	3,500,000	3,500,000	14,959,108
7 Costs for National Searches to Replace 19 Faculty Positions for AY18-19		250,000	-	-	-	-	250,000
8 Strategic Initiatives Pool Funding		1,000,000	250,000	250,000	250,000	250,000	2,000,000
9 WyoCloud/Oracle Annual Software License	830,000	830,000	830,000	830,000	830,000	830,000	4,150,000
10 Utilities Annual Deficit	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	10,000,000
11 Academic Affairs Structural Shortfall	1,250,000	1,250,000	1,250,000	1,250,000	1,250,000	1,250,000	6,250,000
12 Additional FY18 Block Grant Cut	1,000,000	521,885	521,885	521,885	521,885	521,885	2,609,425
13 Restoration of Penny Plan Cuts	300,000	300,000	300,000	300,000	300,000	300,000	1,500,000
<b>14 Total Reallocations.....</b>	<b>7,380,000</b>	<b>7,110,993</b>	<b>8,651,885</b>	<b>8,651,885</b>	<b>8,651,885</b>	<b>8,651,885</b>	<b>41,718,533</b>
<b>15 Net Budget Savings (Total Reductions less Total Reallocations).....</b>	<b>3,080,500</b>	<b>5,860,419</b>	<b>4,319,527</b>	<b>4,319,527</b>	<b>4,319,527</b>	<b>4,319,527</b>	<b>23,138,527</b>
16 Less Repayment to Operating Reserve for VSIP	-	(2,241,493)	(700,000)	(700,000)	(700,000)	(658,507)	(5,000,000)
17 Additional Revenue from Proposed 4% Tuition Increase (salary increase only approved for FY18)	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	10,000,000
<b>18 Funding Available for Potential FY18 Salary Increase and FY19-22 Strategic Priorities</b>	<b>5,080,500</b>	<b>5,618,926</b>	<b>5,619,527</b>	<b>5,619,527</b>	<b>5,619,527</b>	<b>5,661,020</b>	<b>28,138,527</b>