March 19, 2010

Cost Containment Ideas to Pursue:

Revenue Generation – $200,000

1. Require use of UNM internal venues (SUB/CE) with institutional funds - ~$200,000

Cost Reduction - $5,254,000

1. Strategic Use of Staff Salary Savings $1,470,000 salary; $411,600 fringe – Total $1,881,600
   a. Estimate of $3.0 M in annual staff salary savings in Academic Affairs.
   b. Require position to remain open for three months.
   c. Allow unit to retain 30% of the vacancy savings.
   d. Utilize 70% of the staff salary pull-back to be incorporated into recurring university budget.
   e. Remaining 30% would be used for strategic one-time initiatives/historical debt reduction in consultation with the Deans/VP's.

2. Approve only Full Year Sabbaticals $1,085,000 salary; $303,800 fringe – Total $1,388,800
   Assumptions
   a. Only half of the 76 participants from FY09 would participate.
   b. 38 participants taking full year sabbatical at 2/3rds pay creates ~$1.1 million in savings.
   c. No replacement cost per faculty handbook (see attached).

3. Improve Instructional Capacity $720,000 salary; $72,000 fringe - Total: $792,000
   FY10 budgeted instructional salary expense, excluding GA/TA's, is approximately $72M. Estimate assumes a 1% increase in instructional efficiency gained through the following:
   a. Increase in class size
   b. Rotation of offerings
   c. Adherence to minimum class size policy

4. Service Centers $603,000 salary; $169,000 fringe - Total: $772,000
   Assumes that each of the 13 school/college/division (excluding SPA) can consolidate at least one position and A&S, which is at least five times larger than all other units, can consolidate five positions.

5. Provost Administrative Unit Savings $130,000
   a. Staff Restructure - $72,000
   b. Academic Program Review - $20,000
   c. Freshman Family Day - $40,000

6. Efficiencies between HR/Continuing Ed/Anderson School of Management /EU within areas of professional development and administrative support – $175,000 to $250,000

7. University College $70,000 salary; $19,600 fringe – Total: $89,600
   Reorganization of University College