

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**
  - Estimate of \$3.0 M in annual staff salary savings in Academic Affairs.
  - Require position to remain open for three months.
  - Allow unit to retain 30% of the vacancy savings.
  - Utilize 70% of the staff salary pull-back to be incorporated into recurring university budget.
  - 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

  - Only half of the 76 participants from FY09 would participate.
  - 38 participants taking full year sabbatical at 2/3<sup>rd</sup>s pay creates ~\$1.1 million in savings.
  - 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:

  - Increase in class size
  - Rotation of offerings
  - 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**
  - Staff Restructure - \$72,000
  - Academic Program Review - \$20,000
  - 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