

Strategic Position Control Process
June 22, 2016
FINAL – Approved by APBC on June 16, 2016

The primary goal of this Strategic Position Control Process is to enable UWM to continue to down-size staffing in order to reduce expenditures to meet current and anticipated revenues. After operating deficits are substantially addressed, the process can be used to reallocate positions for strategic priorities. The planned term for SPC is no longer than three years but may be extended by the Chancellor.

The concept of this process is that each of the four main organizational areas at UWM (Academic Affairs, Student Affairs, Finance & Administrative Affairs, and General Education Administration) will have significant autonomy to make their own decisions, consistent with the criteria laid out in this plan and targets that are set for each area. This plan also allows each of those units to use savings it generates to first address its own operating deficit(s) or cumulative debt, and then to contribute to the good of the campus. All recommendations made under the plan will be reviewed by the SPC Committee with final decisions by the Chancellor.

The process will work as follows, beginning in FY 2017 and then repeated for each year that SPC is in effect:

1. **Establishing Targets.** The four main units will work together to establish the following targets for each year SPC is in effect, starting with FY 2017:
 - a. A target for use of SPC positions/salary to fill the unit's own remaining operating deficit(s) over the course of FY 2017.

Note: A unit with a significant operating deficit may conclude that natural attrition is not sufficient and find that layoffs or non-renewals best meet these goals.
 - b. A target for the use of SPC positions/salary to fill a portion of the campus's central pool operating deficit over the course of FY 2017. In effect, this target will be the equivalent of an additional budget cut for each of the contributing units.
 - c. A target for pay-down of the unit's own cumulative (one-time) debt, to begin after operating deficits have been closed.

The targets will be established taking into account each unit's operating deficit as of the beginning of the year and the total unrestricted (non-extramurally funded, non-auxiliary) base salary dollars in the units that can be used to address the above goals. The proposed targets will be reviewed by the SPC committee (see meetings schedule described below) and then brought by the Provost and Vice Chancellor for Finance & Administrative Affairs to the Chancellor for final approval.

2. **Unit Strategic Position Control Plans.** Each school/college/division is required to produce a "Strategic Position Control Plan." This Strategic Position Control Plan will be

due by October 1, 2016 and will be published on the university's biennial budget website. The Plan should detail¹:

- a. Where vacancies currently exist and are expected in FY 2017, including unplanned vacancies;
- b. What positions will be viewed by the school/college/division as critical to fill when open, and why, using the criteria described below but with more details specific to the needs of each school/college/division:
 - i. Impact on university mission, including success of research, students, and community engagement. Key priorities are:
 1. Maintenance of R1 status and reputation, and factors that directly support R1 status and reputation;
 2. Maintenance or improvement of recruitment of students;
 3. Maintenance or improvement of retention and graduation of students;
 4. Maintenance or improvement of key community engagements; and
 5. Maintenance of accreditation.
 - ii. Continuity of essential academic and non-academic operations that broadly support the university's mission, after alternatives for downsizing or reorganization are considered.
 - iii. Financial return such as impact on tuition revenues, development, auxiliary operations, etc.

Note: This criteria will necessarily be predominant during the first year of SPC, fiscal year 2017.
 - iv. Instances in which external funding either partially or fully funds positions.

Note: The funding from auxiliary revenue supporting positions may not be swept by SPC to close the campus or unit operating deficits. Nevertheless, reductions in positions within auxiliary units may be beneficial if they reduce rates or segregated fees for students. While the SPC plans for units with auxiliary functions shall take into account the unique nature of those operations, all hires in auxiliary units shall be reviewed and justified by the unit head using the same criteria noted above.
- c. The long-term vision for the school/college/division, assuming relatively flat funding levels.

¹ It is recommended that a common template be provided for these plans.

- d. Any incentives necessary to achieve the mission-critical priorities, including any plans to use a percentage of salary savings to address merit or market issues in compensation.
3. **SPC Committee.** The SPC committee is charged with providing overall strategic guidance on the SPC process, including the targets, general parameters for unit SPC plans, administrative metrics, the non-obligated carryforward reduction percentages, and monitoring that each unit is progressing toward their established targets.

- a. The initial SPC Committee will be comprised of:
 - i. Chair, Academic Planning & Budget Committee (APBC)
 - ii. 4 APBC members, including at least one Academic Staff member
 - iii. 1 Academic Staff member appointed by the Academic Staff Committee
 - iv. 1 University Staff member appointed by the University Staff Committee
 - v. 1 Student Association representative
 - vi. 1 Dean or other academic administrator selected by the Provost
 - vii. 1 Unit Business Representative from schools/colleges
 - viii. 1 Unit Business Representative from an area outside of Academic Affairs
 - ix. Director, Office of Budget & Planning

The Chancellor may add individuals to this Committee or otherwise make changes as he deems useful or necessary.

- b. SPC members except for the student representative will agree to serve three-year terms regardless of any discontinuance of membership on the ABPC.
 - c. The SPC will meet as often as necessary, including as follows:
 - i. June/July 2016: Meeting(s) to develop the Unit SPC Plan template, review proposed SPC plans and targets, and review the recommended percentage reduction for non-obligated carryforward balances.
 - ii. Fall 2016 as Needed. Meetings to review and discuss unit plans for administrative metrics.
 - iii. December 2016: Meeting to review each unit's progress towards its SPC plans and targets.
 - iv. May 2017: Meeting to review each unit's progress towards its FY 2017 SPC plans and to review and provide input on SPC plans/targets for FY 18.
 - d. The SPC's advice will be formalized in recommendations to the Provost and Vice Chancellor for Finance & Administrative Affairs to the Chancellor, who will then present those recommendations to the Chancellor for final review and approval.
4. **Publicizing Results.** Each head for the four main units maintains a log of all vacancies that are allowed to proceed to hire, with justification that relates to its SPC Plan. This log is to be published on the State Budget website no less than quarterly.

5. **Administrative Metrics.** It is the desire of the campus that all administrative operations (both academic and non-academic, but not including tuition-generating units as these units will be participating in Academic Performance Solutions, a separate data-driven initiative) develop metrics for efficiency and effectiveness. To further that goal, each unit head of the four main organizational units noted above shall work with the departments within that unit to develop fiscal year metrics that measure the efficiency and effectiveness of the administrative operations. Draft metrics should be developed and finalized by December 1, 2017. The SPC may develop general guidelines for the administrative metrics. Each unit should consult with the SPC committee on its draft metrics prior to finalizing those plans for metrics (see meeting schedule below). The metrics shall be included in each school/college/division's SPC plan beginning in FY 2018.

6. **Carryforward Reduction Plan.** While SPC is in effect, in or around June of each calendar year, the Provost and Vice Chancellor for Finance and Administrative Affairs will determine a recommended percentage for carryforward reduction that will be applied to each school/college/division that carries an aggregate positive balance in unrestricted carryforward balances in 101/131, 189, 136, and 150. The percentage reduction will be based on balances that are not documented as "obligated." Carryforward reductions will be held centrally. Some may be used by the Provost and Vice Chancellor for Finance & Administrative Affairs to retire school/college/division cumulative debt, upon approval of the Chancellor.

7. **Duration of SPC.** The above process will be repeated each fiscal year until the Chancellor determines that SPC is no longer needed (currently targeted through FY 2019).