Please find below the requested answers for the Lubar School’s SPC template:

a. The expected number of vacancies based on the unit’s historical vacancy rate over the last 3 years based on numbers compiled by Business and Financial Services:

<table>
<thead>
<tr>
<th>Salary Budget</th>
<th>Salary Turnover</th>
<th>% of Budget</th>
<th>FTE Budget</th>
<th>FTE Turnover</th>
<th>% of Budget</th>
<th>Ave Sal/Turnover</th>
</tr>
</thead>
<tbody>
<tr>
<td>$10,288,903</td>
<td>$766,239</td>
<td>7%</td>
<td>97</td>
<td>7</td>
<td>7%</td>
<td>$116,391</td>
</tr>
</tbody>
</table>

The current number of open positions; and likely upcoming planned and unplanned vacancies (details available in Attachment 1):

- 8.0 FTE Faculty positions
- 2.5 FTE Staff positions

b. Expected hires that are needed to maintain financial returns.

All 8.0 FTE Faculty positions and 2.0 FTE Staff positions are needed to maintain financial returns.

As the campus reviews units in the Strategic Position Control process, it is both informative and important to note that the Lubar School’s long history as a leader across all campus units, demonstrating exceptional productivity across a range of measures: LSB average course section size is more than double the campus average, and LSB produces more than three times the undergraduate and graduate degrees per instructional faculty over the campus average. These productivity measures demonstrate our already lean faculty/student ratios.

Because reduction of faculty would jeopardize our accreditation status, not to mention student outcomes, a potential loss of accreditation/reputation would most assuredly affect financial returns. The loss of reputation in the business school “space” would have severe enrollment implications. Lower enrollments will not only decrease tuition revenues at the Lubar School, but also across campus, since Lubar School tuition revenues contribute disproportionately in comparison with other units.

Please note that, over the past year, the Lubar School has put significant strategic effort into maximizing efficiencies through course consolidations and the planning of course offerings. These efforts have been based on the assumption of zero faculty vacancies, i.e. including all of the 8.0 FTE Faculty positions above. Because this optimization has already been undertaken, there is no scope for further reduction without the undesirable result of risking students’ time to graduation and jeopardizing our AACSB accreditation.
c. Expected hires that are needed to maintain accreditation of academic programs.

All 8.0 FTE Faculty positions and 2.0 FTE Staff positions are needed to maintain accreditation of academic programs.

As we consider the SPC process, our absolute priority at the Lubar School of Business is maintaining our AACSB accreditation. We are currently in our self-study year. Our peer review team visit occurs in 2017-18. Our accreditation has a five-year cycle.

The Lubar School’s AACSB International accreditation site visit in 2013 resulted in only one area noted for improvement prior to the next visit in 2017-18: to bring our high student/faculty ratio more in line with our peers by increasing faculty. An analysis of the gap with our peers indicated that our student/faculty ratio was 36% higher than the peer average at that time, and it has since fallen further.

Since that visit, we have worked in full consultation with the provost to address our faculty sufficiency. Our initial hiring plans to address AACSB’s concerns were derailed by the historic budget cuts in UW System. With this new fiscal reality, it is imperative for the Lubar School to at least maintain the minimum faculty sufficiency we demonstrated at our last accreditation visit, and avoid any cuts to our faculty, so that our self-study year (2016-17) and accreditation visit year (2017-18) positively reflect our ability to meet our mission.

In addition to these faculty positions, 2.0 FTE Staff are required to meet the minimum support needs for the school’s overall operations, allowing us to serve our students in the capacity expected by our accrediting body.

d. Expected hires that are needed for continuity of essential academic and non-academic operations that broadly support the University’s mission (after alternatives for downsizing and reorganization have been considered).

Academic Operations

All 8.0 FTE Faculty positions are needed to continuity of essential academic operations that support the University’s mission.

Over the past year, the Lubar School has put significant strategic effort into maximizing efficiencies through course consolidations and the planning of course offerings. These efforts have been based on the assumption of zero faculty vacancies, i.e. including all of the 8.0 FTE Faculty positions above. Because this optimization has already been undertaken, there is no scope for further reduction without the undesirable result of risking students’ time to graduation.

In addition, to meet the faculty standards for our accreditation, we must be vigilant about maintaining the minimum standards for the ratio of doctorally-qualified faculty in our academic programs, versus relying on adjunct faculty to address budget cuts. Our accreditation requirements are very specific, and these 8.0 FTE doctorally-qualified positions are therefore critical.

Non-academic Operations
2.0 FTE of the 2.5 FTE Staff positions are needed for continuity of essential non-academic operations that broadly support the University’s mission.

- **1.0 FTE Accountant/Senior Accountant:** After recent reorganization and vacancies in the business operations of the Lubar School, it is critical that we replace this position to maintain our financial reporting standards and requirements for school leadership, as well as campus and system requirements.

- **1.0 FTE University Services Program Associate (Project Appointment):** This replacement support position in our Executive Education unit is essential to the continued growth of external funding through Executive Education, which has experienced increased revenues and an increased client list in recent years.

- **.5 FTE Financial Specialist:** We will release the .5 FTE Financial Specialist vacancy in consideration of downsizing and reorganization.

e. Expected hires from external funding, auxiliary funds, and funding restricted for specific purposes (source of funding must be described).

The 1.0 FTE University Services Program Associate (Project Appointment) is funded through 136 revenues from the Lubar School’s Executive Education unit, which offers customized management training to corporate clients. Revenues in this unit have increased over the last two years. This staff support is essential to support customer relations and corresponding revenue generation.

f. Actions required to maintain R1 status and national and international reputation of programs.

All 8.0 FTE Faculty positions are needed for our AACSB accreditation, which serves as a quality indicator for prospective students, employers, business partners, and the academic community. Any reduction of faculty at the Lubar School of Business would put us at risk of losing our AACSB accreditation, the gold standard for business school accreditation worldwide. The Lubar School is among only 5% of business schools worldwide to hold AACSB accreditation, and has done so continuously since 1970. Stated simply, loss of accreditation would significantly diminish our reputation among prospective students, prospective new faculty, employers, business partners, and the academic community. The outcome would be dramatic effects on enrollment at both the undergraduate and graduate level. As the university’s second largest school, with 16.2% of UWM’s students and 17.6% of UWM’s student credit hours, this loss of reputation would not only blemish the university’s reputation, but would have a significant revenue implication for the university as a whole, given the Lubar School’s disproportionate tuition revenue contribution levels in comparison with other units.

As it relates to the university’s R1 research status, the Lubar School’s doctoral program primarily contributes through our PhD student enrollments and research publications (Business school faculty typically do not attract many external research grants). All doctorally-qualified faculty positions are critical to maintaining a strong faculty research program that continues to attract quality students. In addition, we must meet the faculty sufficiency standards for our doctoral program, set by the AACSB accrediting body. The past years of budget reductions have already necessitated a 20% reduction in the size of our doctoral program, from 47 in 2011 to 35 in the current fiscal year. Our all-time high was 57 PhD students in 2009.
g. Comparison of the expected savings (after considering a-f above) to the unit salary reduction target established by campus, and discussion of how any shortfall will be addressed (including the impact of these additional cuts on b-f above).

We will meet the $192,887 budget reduction target of 1% of FY17 Total Unit Forecasted Expenses but we can only partially address the $383,120 Vacancy Rate target because all positions listed as vacancies are, in fact, filled with newly recruited full-time faculty, visiting faculty or equivalent. These positions remain in recruitment status, with prior consultation and consent of the provost, to maintain minimum faculty sufficiency levels for AACSB accreditation.

We are able to identify the following sources of contribution for the expense reduction target allocated to the above two categories by:

- Postponing the recruitment of the Financial Specialist until further notice (.5fte appointment)
- Vacancy savings from the unanticipated retirement of named Full Professor Faculty Retirement, (August 2017). The position is currently being recruited for a Fall 2017 start.
- Vacancy savings from the unanticipated retirement of Associate Professor on partial LOA, (January 2017). The position is currently being recruited for a Fall 2017 start.
- Vacancy savings in administration from Accountant & Dean Assistant positions due to delayed hiring dates.

Impacts of additional cuts on items b-f are expressed in each point separately.
## Attachment 1: Current and likely upcoming planned and unplanned vacancies

<table>
<thead>
<tr>
<th>Position</th>
<th>FTE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hans Storr Professor (Assoc/Full)</td>
<td>1</td>
</tr>
<tr>
<td>Lubar Professorship of Finance (Assoc/Full)</td>
<td>1</td>
</tr>
<tr>
<td>Lubar Professorship (Assoc/Full, Non-Finance)</td>
<td>1</td>
</tr>
<tr>
<td>Professor in International Business, Notebaert Chair (Full)</td>
<td>1</td>
</tr>
<tr>
<td>Lecturer, Finance</td>
<td>1</td>
</tr>
<tr>
<td>Professor in Management (Assistant)</td>
<td>1</td>
</tr>
<tr>
<td>Professor in Marketing (Assistant)</td>
<td>1</td>
</tr>
<tr>
<td>Professor in Accounting (Assistant)</td>
<td>1</td>
</tr>
<tr>
<td>Accountant/Sr Accountant</td>
<td>1</td>
</tr>
<tr>
<td>University Services Program Associate (Project Appt)</td>
<td>1</td>
</tr>
<tr>
<td>Financial Specialist</td>
<td>0.5</td>
</tr>
<tr>
<td></td>
<td>10.5</td>
</tr>
</tbody>
</table>