MEMORANDUM – PLEASE POST ON ALL FP&M BULLETIN BOARDS

TO: FP&M Employees

RE: Update on FP&M Budget Reduction Plan

DATE: April 17, 2015

Last fall, Chancellor Rebecca Blank requested that deans and directors of administrative units model how they would implement anticipated cuts in state support for the UW System.

A guiding principle of the exercise was to maintain the university’s teaching, research and outreach excellence and minimize the impact on our students.

After the State budget picture became clearer, Chancellor Blank asked that Facilities Planning & Management (FP&M) submit a plan to cut our budget over the next two years by 6.5%, or approximately $2.9 million. We are one part of a larger plan to cut and restructure the University budget by $36 million by the beginning of the new fiscal year.

The entire FP&M Leadership Team has been engaged in the development of our FY 16 and FY 17 budget reduction plan. I recognize that these budget cuts impact some of our operational areas more than others and want to assure you that the decision to implement the budget reductions in this manner was both difficult and carefully considered. As a reminder, the budget reduction applies only to Fund 101 so some operational areas have not been included in the plan. In addition, many of our operations and functions, particularly related to health & safety, are mandated and must therefore be maintained. In the end, I chose to protect certain FP&M essential building, grounds, and utilities operations and maintenance functions that are critical to performing our mission.

I do want to stress that every department within FP&M has been asked to share in the cuts in some manner. Thus, as existing positions become vacant across the division, they will be carefully reviewed and some may remain vacant as needed so that resources may continue to be reallocated to other areas. In addition, please know that it is possible that there may be a need for further additional budget reductions down the road.

FY 16 (beginning July 1, 2015):

We are eliminating a total of 55 vacant positions within FP&M. Fifty-three of the 55 positions that are being eliminated are within the Physical Plant Department. One of the 53 positions being eliminated is the longstanding vacant Utilities Director position. The other 52 positions being eliminated within have to do with a targeted reduction in existing custodial/cleaning service levels being provided to our academic and research buildings. Currently, the majority of campus academic and research buildings are resourced for APPA ‘Level 3’ custodial/cleaning standards (defined as Casual Inattention). However, some of the newer campus buildings have been previously resourced at a higher APPA ‘Level 2’ custodial/cleaning standard (defined as Ordinary Tidiness). As a result of the planned custodial/cleaning service level reductions, all campus academic and research buildings (with one exception) will be maintained at the lower APPA ‘Level 3’ custodial/cleaning standard.

Staff who work in the buildings that are currently maintained at the APPA 2 level will be notified of the service level change by their Supervisor prior to July 1st and will receive guidance on how this impacts individual custodial ‘runs’. In some instances, employees with less seniority may be
required to switch crews. Please be assured that we are doing everything we can to minimize this possibility.

Two other vacant positions within FP&M – a vacant Project Manager position within the Capital Planning and Development (CP&D) Department, and a vacant Assistant Safety Director within the Environment, Health & Safety (EH&S) Department – will also be eliminated. In addition, we are making some reductions to our FP&M Supplies & Expenses (S&E) budget that will be achieved primarily by reducing IT expenses.

**FY17 (beginning July 1, 2016):**

We are eliminating one additional vacant position; a Shop Supervisor within the Physical Plant Department. In addition, we are making some reductions to our FP&M S&E budget that will be achieved primarily by reducing IT expenses.

The bulk of the FP&M operating budget cuts in FY 17 are planned to be taken from reductions to the FP&M, Space Management Office (SMO) Central Lease account. The FP&M SMO has been working with the Vice Chancellor of Finance and Administration (VCFA) in recent years to aggressively return units that are currently located off campus in lease space to on-campus locations in State/University-owned facilities.

We recognize that this is a difficult time for those University employees that are directly affected by the on-going State budget cuts to the UW System and UW-Madison campus, as well as our students, faculty and staff.

If you should have any specific questions regarding the above FY 16 and FY 17 budget reduction plan please feel free to direct them to your Supervisor, Manager, or Director as appropriate.

Sincerely,

Bill

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