

MEMO

DATE: March 4, 2020
TO: Chancellor Cathy Sandeen
FROM: Beverly Shuford, Vice Chancellor, Administrative Services
RE: Recommendation for Administrative Services Division Administrative Reviews

The Administrative Services Division is composed of 8 areas: Athletics, Budget Office, Business Services, Environmental Health & Safety/Risk Management (EHSRM), Facilities and Campus Services, Financial Services, Information Technology Services, and University Police Department. All of these functions are committed to student success and many functions are critical for maintaining baseline safety, security, and compliance.

Administrative Services has a current FY 2020 Base Budget from General Fund of \$27,185,887. I am recommending a total contribution of \$3,267,000 of which \$600,000 is projected increased rents, and \$2,667,000 are base reductions, or a 9.8% reduction. Additional information includes:

- Included in the \$27.2 million UGF Base Budget is \$5.95 million for utilities. This was removed from the 10% target reduction for Facilities.
- Athletics is supplemented by approximately \$3.2 million above the Base Budget from central funds, correspondingly, that 10% target reduction was increased.
- IT Services has covered staff departures outside of their department, inheriting two FTEs equivalent of critical infrastructure duties without receiving positions or budget, or an estimated additional \$125,000 that has been absorbed into their existing base budget, allowing the full cost of the eliminated positions to be realized in other areas.

From FY 2014 to FY 2020, Administrative Services reductions in Base General Fund has totaled \$19.8 million, or a 62% decrease of Unrestricted General Fund (UGF) since FY 2014. The total for UAA, from FY 2014 to FY 2020 reductions in Base General Fund has totaled \$63.1 million, or a 47% decrease of UGF. Administrative Services has been at the forefront and continues to search for cost savings and efficiencies to minimize impacts to students and the UAA academic mission.

Following are my recommendations for reductions for FY 2021 for Administrative Services:

Function	Action	Amount
Athletics	Director of Athletics to determine specific reductions that may include permanent reductions of vacant positions and travel.	\$ 600,000
Budget Office	Reduce annual operating funds base (supplies and training)	\$ 3,000
Business Services	Reductions based on current allocations of General Fund to AAC operations and GSS-recycle	\$ 192,000
Facilities and Campus Services	Reduction of Facilities reserve (supplies, materials, tools, and parts)	\$ 840,000
Financial Services	Procurement reorganization	\$ 256,000
Information Technology Services	Reduced student worker FTEs, weekend and evening hours, PCs lab support, AV classroom upgrades/refreshes, other reductions as identified by CIO.	\$ 230,000
University Police	Reduce annual operating funds base (supplies and training) with salary savings	\$ 10,000
VCAS	Increased rental income from UC	\$ 600,000
VCAS	Decrease contingency budgets used for unplanned events related to EHS, Facilities, Legal, etc.	\$ 536,000
Total		\$ 3,267,000