

**School of Business, Government and Economics
Budget Reduction Outcome
May 29, 2018**

Dear Colleagues,

Several of you have asked about how the budget reduction announcement has affected SBGE. I am now at liberty to address the issue given the due process needed and sensitivities involved with personnel decisions.

The President’s Board Report summarized the **compensation** reductions at a university level as follows:

	Amount	Amount %
Faculty	\$ 759,217	47.0%
Staff	856,067	53.0%
Total	\$ 1,615,284	100.0%
Student	77,173	
Total	\$ 1,692,457	

The Provost’s portion of the compensation reductions was \$1,023,024. SBGE was asked to come up with budget reductions in compensation of \$186,769. We submitted reductions of \$186,994 split between staff \$29,775 and faculty \$157,219. Our submitted reductions were made within the context of SPU’s Strategic Plan, and SBGE’s Strategic Plan, and our Accounting, Business, and Economics programs AACSB-accreditation constraints. One of the key strategic initiatives of SBGE is to deliver high- quality, relevant degree learning programs through a faculty deployment and sufficiency strategy that will fulfill our mission.

The reductions submitted were a combination of proposed salary savings from hiring lower-cost faculty, either as professors or instructors, and permanently eliminating the **undergraduate** portion of faculty and staff reductions when the MAM-SSM program was closed. The reduction target was also achieved by proposing a reduction of Dick Sleight’s position to a 0.8 position.

SBGE was notified that our budget has been reduced by \$123,129.

	Proposed Reductions	Final Reductions
Staff	29,775	29,775
Faculty	157,219	93,354
Total	\$186,994	\$123,129

Sadly, even though it was prioritized by SBGE as having a negative impact, Dick Sleight’s position was reduced to 0.8. Dick has been remarkably gracious and accommodating even though he would have liked to have dictated the timing of such a reduction in his position. In fact, Dick had previously raised this possibility of reducing his hours but on a different timetable. I am in dialogue with Dick regarding what should come off his task responsibilities to adjust for fewer work hours. Apart from Dick’s position, SBGE has come through this process relatively unscathed in terms of our ability to fulfil our mission of delivering high-quality and relevant learning programs and engaging in research. We have, at this present time, been able to protect our faculty lines moving forward.

While this budget process has been difficult, it *has* highlighted the need for constant evaluation in the pursuit of our mission. Thank you to all of you -- staff and faculty alike – for the excellence with which you pursue your calling, and the respect and care you show our students. Thanks to Kim and Gary for their help in this process, and thanks to Kris for her help in analyzing the SBGE budget.

Ross