Finance and Administration
UNIVERSITY OF WISCONSIN–MADISON

To: **Executive Committee, Deans, Department Chairs and Departmental Administrators, Administrative Council**

From: **Rob Cramer, Vice Chancellor for Finance and Administration**

Patrick Sheehan, CHRO, Office of Human Resources

cc: **HR Leads, Finance Leads**

Date: **June 14, 2024**

Subject: **Information on Position Cap Implementation**

Summary

We have been working with our colleagues at the Universities of Wisconsin to implement the position cap that was a part of the December 2023 agreement between the Board of Regents and the Wisconsin State Legislature. The genesis of this part of the agreement was concern over the growth in administrative positions across the Universities of Wisconsin during a time of declining enrollment at many campuses.

The agreement includes a provision that required the Universities of Wisconsin to institute a system-wide cap on hiring a range of positions for three years beginning January 1, 2024, with a number of important exclusions that are detailed below. Language detailing the agreement can be found in the resolution document.

UW–Madison leadership is providing information, resources, and guidance, along with a new website at hr.wisc.edu/hr-professionals/position-cap, to ensure that information about implementation is clear and accessible.

The goal is to meet the spirit and intent of the agreement without inhibiting our ability to fill positions across campus needed to support and advance our mission. While the position cap presents us with an opportunity to conduct a careful review of administrative positions

and to find ways to increase our administrative efficiency across our campus, we must also continue to effectively staff the many activities and critical functions that support the university.

Overall Management Approach

We acknowledge that developing the steps to implement the position cap is taking longer than expected and is more complex than we initially believed. UW–Madison leadership is working through details on setting initial position levels; creating definitions of affected positions; working to establish processes for enabling the vast majority of decisions to be made in the schools, colleges, and divisions; and ensuring that our approach is employed in a manner consistent with the Universities of Wisconsin, as the cap applies to the entire System. We are pleased to share some significant progress below.

We also recognize that communication around these issues has taken longer than initially anticipated and we are aware that there is heightened concern about how this process will be implemented. We thank you for your patience while this work continues.

Our fundamental goals are twofold: (1) to ensure that we comply with the agreement, as of course we must, and (2) to use this commitment as an opportunity for us, collectively, to seek some ways and places to operate with increased administrative efficiency, thereby allowing us to direct a greater percentage of our resources into our research, teaching, and outreach enterprise. We recognize the critical importance of administrative excellence in supporting our core mission. We also believe that this cap can provide opportunities for us to look for ways that we can improve the efficiency of our internal operations.

The cap also means that there will be times when, in order for us to do new and innovative things at the school, college, or division level, we will need to decide, at the unit, division, or school level, what we no longer need to do. This means that we are asking you — in the spirit of this agreement and our goals — to not simply automatically replace every existing position, whether within or outside the cap. Rather, please pause and consider whether this is a priority position that needs to be refilled for your unit to meet its goals, or whether there might be other needs or new opportunities that are more pressing.

In this spirit, in developing initial plans for implementing the cap, consideration was given to creating a modest shared strategic pool of vacancies to support the expansion of, or new initiatives in, schools, colleges, divisions and centrally. Having a mechanism to develop a pool and share vacancies could provide flexibility and enable larger efforts in support of school, college, divisional, and campus-wide initiatives. We have, however, paused work on this concept as we continue to work through details related to setting the base position allocations for units and gain experience working through the new processes needed to manage within the position cap. We will revisit the potential usefulness of a modest shared pool with the deans and other administrative leaders in the future.

Below, we provide updated guidance on positions exempted from the cap and those that fall within it.

Hiring Positions Exempted from the Position Cap: Criteria and Definitions

To date, significant progress has been made in clarifying the definitions of positions that are exempted from the cap and positions that may be subject to the position cap and developing supportive processes for decision-making within schools, colleges, and divisions.

As this work continues, we want to reemphasize that there are a variety of roles and positions that are exempted from the position cap, meaning that schools, colleges, and divisions can proceed with posting and hiring faculty, student- and patient-facing roles, instructional staff, and research and outreach positions funded primarily through gift and grant funding, including:

- Research positions funded at 75% or more by gift/grant/contract
- Outreach positions funded at 75% or more by gift/grant/contract
- Positions in which 75% of the employee's time is spent working directly with students and/or patients
- Other positions funded 100% by gift/grant/contract
- Part-time student positions
- Positions necessary to address subsequently enacted or expanded state and/or federal compliance mandates

At the same time, and perhaps needless to say, resources are inevitably constrained. Simply because positions are not subject to the cap does not mean that they should automatically be filled when vacant or that new, exempt positions should be created without careful thought. But in these categories, the position cap's framework does not create hiring limitations.

We are pleased at this time to be able to share helpful and important definitions related to what positions are excluded from the cap. For additional details on definitions, visit hr.wisc.edu/hr-professionals/position-cap.

Hiring for Positions Not Exempted from the Position Cap: Updated Guidance

In our May update, we asked schools, colleges, and divisions to hold on most hiring for positions that were not exempted from the position cap while we aimed to provide

additional clarity. Given the time it is taking to finalize implementation, and that units are looking ahead to acute Fall 2024 needs, we are modifying this guidance.

- Schools, colleges, and divisions may proceed with filling existing vacancies that fall into the non-exempt category, but we ask that you continue to do so judiciously. Consideration should be given to alternatives, such as consolidation of responsibilities, or to examine where shared services exist or where units can coordinate activities. OHR and Business Services are additional options to consider as alternatives for meeting some needs. We will work with units to manage through these decisions in the coming months as it relates to future position guidance. It is important to continue to apply scrutiny to vacancies. The cap means that we will have limited and constrained growth in these categories. This means that at the level of the school, college, or division, new positions and new opportunities for positions that fall within the cap will largely need to come from decisions not to fill other vacated roles. Please consider this reality as you assess whether to fill vacant positions.
- Non-exempted positions cannot be posted without approval from the respective deans and vice chancellors, because of the cap. If they wish, deans and vice chancellors can provide additional guidance and/or internal approval processes to those within their units about positions within the cap. Later today, OHR will provide HR Leads with access to the form to document approval for these positions. Position cap numbers (composed of positions not exempted from the cap) will be managed at the school/college/division level. For new non-exempted positions, a department, school, division, or college can "trade" a vacant or unfilled existing non-exempted position for a new non-exempted position, but without such a trade, there must be a pause on hiring new, non-exempted positions.

Workflows and Reporting Mechanisms

The work to operationalize the cap will result in additional tools and resources for schools, colleges, and divisions.

The Office of Human Resources will soon offer new functionality in the Job and Employee Management System (JEMS) to enable schools, colleges, and divisions to verify whether a position is excluded from the position cap. It will also track decisions on positions that require some analysis before posting as exempted from the position cap. This will support local decision-making and provide visibility and accountability to ensure that UW–Madison stays within its position limits. These updates will go into effect on July 1.

The following workflows and reporting systems have been developed to support the operationalization of the position cap:

- A list of exemptions with corresponding definitions (including funds defined as “gift, grant, contract”) to aid in determining which positions are and are not subject to the position cap.
- New functionality in the job tracking system (JEMS) to support tracking and reporting needs.
- A standardized form for submitting positions not exempted from the cap for consideration at the school/college/division leadership level, with final signoff required by the dean or director.
- Training and documentation provided to HR leads and HR representatives to support information collection.
    - A training for HR leads took place June 11, 2024.
    - A training for HR representatives is planned for June 18, 2024.
    - Ongoing guidance, resources, and assistance to schools, colleges, and divisions during the period of the position cap.

Additionally, guidance on DEI positions affected by the agreement will be provided as soon as possible, as we continue to develop it. At this point, we can confirm that positions engaging in this work must first be approved by the Vice Chancellor for Finance and Administration and the Chief Diversity Officer in the Division of Diversity, Equity and Educational Achievement. We recognize the value and importance of UW–Madison's work in DEI, and we will use a thoughtful and carefully managed approach to complete the actions set forth in the agreement.

We understand that this is complicated and that these processes are still a work in progress. We would like to express appreciation for the work by our many colleagues at the Universities of Wisconsin and UW–Madison on implementing the position caps. It has proven to be difficult, and it has also highlighted some of the challenges presented by past decisions regarding personnel and budget systems.

At the same time, a number of us have engaged in meaningful discussions regarding our priorities for hiring in the future, and how we can work together differently to support the mission of UW–Madison.

Our financial resources are limited, and as stewards of these resources, we have to keep in mind the genesis of the position cap — concern over high rates of administrative staffing growth across our universities — and look for opportunities to rethink our work, the processes we utilize, and the ways in which we can work most efficiently and effectively for our students and Wisconsin residents.

You can expect a further update no later than June 28. We hope this memo provides valuable details about current processes and the principles we will use as we move forward.

For additional information or questions related to the position cap that are not addressed here, please contact Patrick Sheehan, patrick.sheehan@wisc.edu, or your divisional HR lead or representative.