

**BUDGET PLANNING COUNCIL**  
**MINUTES**  
**April 27, 2007**

**Present:** Wendy Merb-Brown, Gail Houlette, Gary Neiman, Phyllis Bernt, Joe McLaughlin, Dominic Barbato, Bill Decatur, Greg Shepherd, David Thomas, Aimee Howley, Rich Carpinellie, Morgan Vis, Kathy Krendl

**Staff:** Darrell Winefordner, John Day

**Absent:** Dennis Irwin, Morgan Allen

**Guests:** Steve Flaherty

**Multi-vote for Cost Savings & Revenue Enhancement Priorities:**

BPC members expressed concerns that the grouping of items made it difficult to vote for individual items and not all items carried equal importance. The committee then decided to review all the items and developed a list that identifies ideas that need further study.

The committee conducted an action oriented discussion that identified what group / unit is currently working on the item; and if a review was not in process recommending who should 'own' item:

**#5 – University Operations – Efficiency/Effectiveness**

- Quarters vs. Semesters – **Task Force** under way – Phyllis is a committee member
- Establish/Maintain Reserves in Budget Planning – Started in FY08 budget with a \$1M allocation – **VPF&A**
  - Bill would like BPC to be test audience for May AFFI board presentation on Ratios and “So What” discussions
  - A suggestion was made to review the report from last year’s BPC subcommittee on Central Pool / Reserves
- Position Control (change to Position Management) – BPR process underway – **VPF&A**
  - Note on list – remove ‘hiring freeze’ language
- Credit card payment stopped – **DONE**
- Study of the Structure of Academic Units and Academic Support Services – Provost office will be discussing reorganization opportunities – did UC save money, improve service – do we have right organizational structure?  
**PROVOST**
- Web design – Should be included in the **Shared Services discussion** – **VPF&A and PROVOST**

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- Data for Decision making / establishing data warehousing – areas where we have not fully implemented technology for decision making; dovetails with RCB implementation---**IT and RCB Implementation**
- Dealing with carry forward – philosophy for dealing with it consistently; how to deal with carry forward generated from unspent operating funds or revenue generating activities. Under the new budget model, planning units will need to use carry forward to build reserves to buffer revenue swings resulting from enrollment changes – **RCB Implementation**
- Business Service Centers – should be included with the **Shared services discussion – VPF&A and PROVOST**

#8 – Purchasing

- Outsourcing services provided by facilities – **VPF&A**
- Telecomm – **IT**
- Purchasing power – **VPF&A**

#9 – Motor Pool

- Motor Pool reduction – proposal to charge back units for full insurance, annual inspection cost, charging labor from motor pool – full costing - **VPF&A**
  - Make rental from motor pool more appealing through pricing and charging back for maintenance and service
- Private ‘perk’ vehicles – car allowances to executives, what do benchmark institutions do, do we want to continue ‘perk’ as part of employee contracts in the future?, we should benchmark - **VPF&A and PROVOST**
- Bus services to airport – publicize available services, manage some of these travel issues through our fleet? – **VPF&A**

#6 – University Operations – Reduce Expenditures

- Reduce utility consumption – efforts have been on-going, President just signed carbon footprint initiative, standing committee on sustainability exists – broad representation – Committee on committees appoints them; need to broaden efforts and communication – **VPF&A**
- Reduce consulting fees – we need to consider on-campus expertise availability and not study over and over again; Office of Research / Communication & Marketing should collaborate on updating ‘Expert’ book – **PROVOST and Communication & Marketing**
- Reduce or eliminate food and entertainment for meetings with only internal University employees – policy statement coming from **VPF&A**; also dealing with Catering policy – heading through review stage
- Central Travel Service – oversight of travel practices; Should be included in the **Shared Services discussion – VPF&A and PROVOST**
  - Travel policy moving forward to eliminate requirement for travel to be put on P-Card
- P-Card Review (added to the list at the meeting) - suggestion made to scrutinize number of P-Cards for control purposes; who should have and who should not have – don’t “wholesale” get rid of program – **VPF&A**

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- Supported Auxiliary self-sufficiency – this refers to general fee subsidy – Airport, Health Center, Campus Recreation, ICA. This item will require review over the next several years through budget process – **BPC to study this long-term**
- Terminate lease to HDL – negotiations in process – **VPF&A**
- ICA – ‘oversight’ committee for ICA – what do they do?; faculty, staff, and student membership; haven’t really made recommendations to President; committee exists for NCAA compliance – thought is that the committee reports to the Athletic Director; need to look at roll of Athletics at OU also; refer back to Supported Auxiliary self-sufficiency – **BPC to study this long term**
- Sell King Air – recommendations have been made via Airport operations report; **VPF&A**

#### #6 – University Operations – Entrepreneurial

- University Bookstore – The use of a local (EdMap) book procurement opportunity tried at OU – pilot in COB didn’t go anywhere. This item has significant town-gown relationship implications; **VPF&A, PROVOST and Dominic Barbato**
- Sell off-campus internet service & cell phone – **IT** (concern that there might mission creep and legal issues.)
- One-stop conference center – Student Affairs, Auxiliaries, UORC involved with **Cross-functional team in place working with Voinovich**

#### #2 – Employees – Total Compensation

- Restructuring of Early Retirement for Faculty – **PROVOST**
- Parking fees for faculty & Staff – Parking and Transportation Master Plan – **FPAC**
- Alternative salary increase assumptions – **BPC**
- Eliminate University cell phone allowance – **POLICY REVIEW SUBCOMMITTEE**
- Reduce Employee Fee Waiver – **BPC**

#### #10 – Regional & COM

- Discuss UORC fee assumptions – look at the relationship between Athens and COM--- **PROVOST, BPC and RCB Implementation**

#### #1 – Student Fees

- Charge a matriculation fee instead of housing deposit – new fee kept if they don’t come; benchmarking needs done; Admission office to benchmark this – **PROVOST**
- Benchmarking other student fees – **DONE** (can be removed)
- Allowing Deans/Units to increase Other Student Fees charged – on the table with the Deans now – tech fees supporting staff, practice teacher fees, etc. – we need ONE fee committee woven into annual fee process where new fees and adjustments get proposed in the context of the overall budget – **BPC and RCB Implementation Task Force**
- Need systematic system to track and communicate fee information

#3 – University Operations – Revenue Enhancement

- Increase Indirect Cost Recoveries – process to review using indirect costs as cost share and /or waiving of indirect charges – **VP Research**
- Increase Investment Income – risk assessment on University cash will be discussed with the board - **VPF&A**
- Create a facilities fee and link the fees to projects determined by FPAC / BPC – discussed in FPAC – **BPC long term**
- Development campaign – **VP ADVANCEMENT**

#4 - Enrollment Management

- Tuition pricing, discounting, and enrollment marketing – committee working on this – some consulting advice being sought; starting gate on the Search for an Associate Provost for Enrollment Services – **ENROLLMENT COMMITTEE ALREADY WORKING ON THIS / PROVOST**
- Summer programming – look at this strategically, impacted by **DEANS coordinating with RCB**
- Graduate fees – need for benchmarking and analysis of opportunities for increases – **BPC (Aimee Howley to head task force to study)**
- Distance Learning / Lifelong learning – hiring an executive director to replace Tom Shostak – **PROVOST & UORC**

**Senate Bill 6 Discussion:** Bill will have the Ratio analysis presentation planned for the May Board AFFI Committee meeting premiered at BPC.

**Multi-year Model:** Time ran out prior to a discussion of the multi-year model discussion. This discussion will take place at next meeting.

**Auxiliary Review Process and Planning:**

Bill, Kathy and Kent are discussing a cross-organizational ‘advisory board’ or committee to discuss Auxiliary operations, Housing and educational opportunities.

How do we facilitate a partnership between Academic support units and Academic resources as a way of improving service delivery – IT, web design, various consulting, interior design, etc? To be successful, must look at the department level rather than faculty level contacts. **PROVOST** will engage a conversation with VPs, Deans and Department Chairs and Directors. Change doesn’t happen because of knowledge – it happens because of a willingness of the culture - change management is also necessary to make this work.

**Budget Discussion:**

Board's directive to add more money to IT in the budget planning for FY08 is going to be studied. A thoughtful plan is being pulled together by Brice Bible on what funds can reasonably be deployed toward IT in the next FY. A recommendation will be discussed with Board at their next meeting

State budget bill ---House has proposed its Substitute Bill. It added funding to the Governor's proposal. While we are encouraged by this development, we are proceeding cautiously. For now we are continuing to use the Governor's proposal as the base model, but are reviewing the implications of the House proposals.

The House's budget proposal includes the following funding parameters:

SII	- 2% 1 <sup>st</sup> yr	Tuition Caps	- 3% 1 <sup>st</sup> yr
	- 10% 2 <sup>nd</sup> yr		- 0% 2 <sup>nd</sup> yr

The House version also provides an additional \$100M in scholarships targeted to STEM majors.