

**Budget & Planning Committee**  
**April 5, 2107**  
**Minutes**

Present: Cody Stoddard, Sathy Rajendran, Aimeé Quinn, Carey Gazis, George Drake, Ian Loverro, Ken Smith, Michael Young, Kathy Temple, Duane Dowd, Wendy Cook and Tim Englund

Absent: Todd Shiver and Cathy Anderson

Guest(s): None

Meeting was called to order at 10:07 a.m.

March 15, 2017 minutes were approved as amended.

There was an error in the RCM budget formula. The committee talked about the error that it appears that equipment costs weren't taken out of the budget model. Instructional equipment, technology and institutional reserves doesn't appear to be have been deducted. CEPS may have lost \$1 million after the error. The committee talked about the need to slow this process down. The committee needs to have the spreadsheets with the calculations and have a written implementation plan. It was decided to begin with an official request to the Provost to provide the spreadsheets and a written implantation plan and follow with an invitation to the Provost and Joel to meet with the committee. . Kathy will draft a letter to the Provost and Joel. The implementation plan should explain the process being considered to reconcile the budget, implement strategies for ASL, and for overhead. The committee encourages that the budget system be evaluated against best budgeting practices. A potential deadline of May 1<sup>st</sup> of was discussed. Ken offered to contact Joel to discuss the content of the letter.

**BPC Budget Governance groups**

College level structures/department funding - Kathy, Ian, George and Wendy met Friday. There is significant variation in how college budget committees are being put together and how far along they are. The College of Business Dean is using the department chairs as the budget committee. It's important that college budget committee members are advocates for the college as a whole and not just for their individual departments. This may mean including faculty members who are not current chairs, as chairs have a strong and important role as advocates for their departments. It's unclear whether the CEPS budget committee would only be talking about the left over 148 and not the whole budget. If there was a written plan, the college budget committees would be better defined and what their role would be. The committees should review overall budget for the colleges.

College budget committees should help establish priorities for the college. They should take into account the academic and curricular implications of particular funding decisions.

At the department level, departments should have some control over some funds to fund department priorities. Departments need some amount of certainty in their budgets to be able to plan expenditures over a fiscal year. It is important that departments and faculty members have some incentive to develop entrepreneurial programs. One possible model might be a revenue-sharing agreement at the college level where profits from such programs are split between the college and department.

Subvention principles & guideline - Cody, Sathy, Ken and Todd – The group talked about what principles should guide the subvention. The following as key assumptions: 1. academic organizations are not structured around budgets; 2. shouldn't cut into the bone; 3. telling stories of the efficiencies; 4. emotional harm for colleges in the red; and 5. how those levers are managed; 6. Current discretion rules need to be divorced from personalities. Guidelines protect against bad actors. General guidelines 1. Subvention leaves all at minimum budget – no one is in the hole; 2. Subvention should be determined based on the levers that are available for each of the colleges based on the departmental construction of the college; 3. Subvention should account for efficiency efforts by the individual departments aggregated up to the colleges using the quantitative and qualitative (stories) of the department; 4. Subvention should allow for some growth or innovation (as needed) for departments within the colleges; and 5. Subvention should not send colleges from positive to negative. Carey commented that before subvention you shouldn't have a college that was in positive, but after subvention they are in the negative. There should be some minimum subvention formula.

Equipment & other special funds (Carey & Aimée) – The subgroup talked about the need of a committee comprised of representative members from each of the Colleges and the Library. This committee will advise the Provost in matters related to RCM including, but not exclusive; 1. Establish mechanism to review impact of RCM's effect on academic quality through the regular assessment; 2. Examine how money is allocated to ensure the priorities are consistent with the University's mission and strategic plan; 3. provide an annual appraisal of the campus performance under this budget model; 4. Evaluate subvention rationale; 5. Prioritize investment requests and develop process; and 6. advice on plan for instrumentation and technology. Some recommendations are a) requests for large equipment (<\$50,000) repair and maintenance at provost level.

The next step will be for Aimée and Kathy to put all of this in one cohesive document and draft the governance structure.

Gen Ed - Carey and Kathy are working on the data. Carey will send out the information to the committee.

Adjourned at 12:05 p.m.