

University Budget Development Committee

University of Wisconsin Oshkosh
Meeting Agenda and Summary

Meeting Time: 3-4pm
Meeting Date: Wednesday, 6 January 2016
Meeting Location: Dempsey 236

Agenda

- ❖ Summaries
 - ❖ Announcements
 - Report drafting
 - Phalanx reports (15 January)
 - ❖ Discussion topics
 - Auxiliaries
 - Allocation spreadsheet
 - ❖ Walk-ons
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Summary

Attendees: Ryan Haley, Matt Suwalski, Reginald Parson, Jean Kwaterski, Nathan Stuart, Julia Hodgen, Dean Koker, Dean Neal-Boylan, William Wacholtz, Dean Yeo

- I. Announcements
 - a. Phalanx Reports
 - i. Due January 15th
 - ii. Ryan will then begin incorporating them into the Chancellor's report.
 - b. Chancellor's Report.
 - i. The report will include:
 1. Rationale of the model we want to move forward with.
 2. List of next steps.
 - ii. The goal is to have people focusing on the structure rather than their allocation. Sun-setting hold harmless should ease people's concerns about any abrupt changes.
 - iii. Leslie: I would suggest writing the report so people can understand it; with simple language.
 1. Jean: I believe we should also include definitions, possibly at the beginning of the document.

Prepared By: Angie Metke and M. Ryan Haley
Date Prepared: 8 January 2016

- c. Model Feedback
 - i. Chancellor's impression:
 1. People have been positive about our open forums.
 2. There is an understanding that the mechanism is amoral.
 3. We are emphasizing a transparent, rational model.

II. Auxiliaries

- a. Definition of Auxiliaries:
 - i. UW System: "An entity that exists to furnish goods or services to students, faculty, or staff, and that charges a fee directly related to, although not necessarily equal to, the cost of the goods or services. The distinguishing characteristic of auxiliary enterprises is that they are managed as essentially self-supporting programs. The general public may also be served incidentally by auxiliary enterprises."
 - ii. Ryan's interpretation: They are similar to a Cost Recovery program, only non-instructional. You collect a fee, which becomes your revenue. Then you pay your expenses using the revenue generated.
 - iii. Ryan & Jean: Each Auxiliary would be its own division or unit and they all report to Vice Chancellor Roter.
 1. Similar to our Colleges which report to Provost Earns.
- b. Non-Auxiliaries
 - i. Jean: Per system guidelines Student Health, Child Care and others are considered non-auxiliaries because they receive funding from other sources.
 1. John: There are also state statutes that govern some non-auxiliaries, like parking.
- c. UWO Auxiliaries approach:
 - i. John: We can look into how the revenue is generated in each area and how it flows. We then can determine whether or not we can direct that flow to a different area.
 - ii. Nathan: I don't think it really matters whether we label these Auxiliaries or non-Auxiliaries if we will attempt mono-funding in our new model.
 1. Some money will flow naturally via state statute and other funds will flow based on the chosen Budget Model.
 - iii. Jean: We will need to explore the taxes that will be charged to Auxiliaries. Some areas will not have the same taxes that the other cost centers, like the Colleges, have.
 1. Those details will be fleshed out in the spring, if the Chancellor approves the rationale of UB-1. The right tax (e.g., for hold harmless) can be found.
 - iv. John: Will it matter if we contract out certain Auxiliary services? For example Dining we contract out but the Bookstore doesn't.
 1. Matt: The University pays for the building, the dining contract and the administration offices in this circumstance. Sodexo then pays for their employees.
 - a. Again, those details will be fleshed out in the spring, if the Chancellor approves the rationale of UB-1. The right tax (e.g., for hold harmless) can be found.

- v. Leslie & Ryan: We will have to look at each Auxiliary differently with regards to calculating the tax they will pay.

III. Allocation Spreadsheet

a. Review

- i. There are four sheets, to determine where on campus the money is dispersed.
- ii. We look at what funds each division has access to.
- iii. John & Ryan: Right now we are looking past our purview but at this point it may be easier to work our way up and combine as needed for clarity.
 - 1. This will especially help when we are looking at smaller areas which are funded through different sources.
- iv. John: We should look at how some of these multi-funded programs became a College-owned area. Some of the areas which are Differential Tuition funded are also supported by the Provost and my College and were never under my College until we needed extra funding for them.
 - 1. Ryan: We need to look at these evolving decisions and make sure with the new model they make sense.
 - 2. We should also look at appropriately funding them, per their needs, through one source so we don't have these evolving decisions.
 - 3. John: If we decided to reset funding for Differential Tuition funded programs we will need to update the Student Compact with these decisions.

IV. Closing

- a. Ryan: What is to stop revenue-generating areas from finding deductions to ensure that they contribute less or no revenue to Central and/or the tax?
 - i. Jean: Is that even an option. Don't they have to pay whether or not they make revenue?
 - ii. John: I think units will still have to prepare a budget, so they understand where their revenue comes from and they stay within their prepared budget. They will need to have a reason for going out of their prepared budget.
 - 1. Whatever model we choose we need to have the Vice Chancellors have the ability to determine a change in the tax or flow of revenue. But in consultation with the deans/directors.
 - iii. Fred: Producing less SCH due to outside influences compared to internal will depend on how you handle the scenario.
- b. UW System Visit
 - i. System representatives are coming to talk to us about how the 102 allocation is determined for UW System campuses.

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