

University Budget Development Committee

University of Wisconsin Oshkosh
Meeting Agenda and Summary

Meeting Time: 8-9am
Meeting Date: Tuesday, 29 September 2015
Meeting Location: Dempsey 236

Agenda

- ❖ Minutes
- ❖ Announcements
 - Listening sessions and update forums being scheduled
 - Website going live
 - Evening event at chancellor's house (tonight)
- ❖ Transparency document
- ❖ Scorecard document
- ❖ Appoint and charge UBDC Phalanges:
 - Segregated fee and differential tuition¹
 - MD, JD, PharmD, DVM²
 - Centralized vs. decentralized³
 - Budget 101⁴
- ❖ Phalanges should email a 1-2 page executive summary to the entire UBDC by **10/8/15**.
- ❖ Today's main question for debate: *Should UW Oshkosh continue to use the current incremental budget model as it currently operates at the university to college/unit level?*
 - Presentation to frame discussion of said question.

Recommended readings:

- Chapter 6 in "Public No More" book
- http://www.nacubo.org/Business_Officer_Magazine/Magazine_Archives/January_2013/The_Buck_Stops_Elsewhere.html

¹ Charge: Summarize System and University rules for collection and use of these funds.

² Charge: These programs are run with a non-standard budget model at UW-Madison – describe these models.

³ Charge: These terms are often misused around campus when discussing budget models (and other things), so we need clear working definitions and examples of their misuse.

⁴ Charge: Take the existing Budget 101 document and make a pithy version that we can post on the UBDC website.

Notice Prepared By: M. Ryan Haley
Date Prepared: 2 October 2015

UBDC Meeting #2 Summary

Attendees: Ryan Haley, Julia Hodgen, Jean Kwaterski, Dean Neal-Boylan, Matt Suwalski, Bill Wacholtz, Dean Koker, Lori Worm, Fred Yeo, Reginald Parson, Scott Beyer

- I. Listening Sessions.
 - a. Planning 3 in October; 2 in November; 2 in December.
 - b. Will be announced via campus email.
- II. Chancellor's Dinner Tonight, 5-7pm.
- III. Transparency Draft.
 - a. Review – topic for discussion – comment by Friday.
- IV. Budget Model Score Card.
 - a. Any model we review will be applied against the 10 criteria listed.
 - b. Criteria come from the CSG white paper and UBDC charge.
- V. Phalanxes/Groups.
 - a. Break people out into groups.
 - b. Bring 1-2 pages back regarding what they looked into.
 - c. Subjects.
 - i. Segregated Fee and Differential Tuition.
 1. Phalanx: Jean, Reginald, & John.
 - ii. MD, JD, PharmD, DVM – 4 Madison programs which won't be included in their new budget model implementation because they currently have different budget models established currently.
 1. Curious because they are high cost degrees.
 2. Phalanx: Julia, Fred, & Leslie.
 - iii. Centralized vs Decentralized.
 1. Focus on making these subjects as clear and transparent as possible
 - a. Begin educating campus on the accurate definition.
 2. Focus on all funds not just GPR/102.
 3. Phalanx: Scott & Matt.
 - iv. Budget 101.
 1. Phalanx: Angie, Lori, & Bill.
 - d. October 8, 2015 is the deadline for subject summaries.
 - i. Ensure documents are transparent in the writing.
- VI. Question of the Day: Should UWO use the current budget model as it currently operates at the University to College/Unit level?
 - a. PowerPoint to kick-off discussion.
 - b. Jean: When it comes to tuition for the four-year comprehensive is the tuition the same?
 - i. Response: Lori: Yes, the base is the same. However, Differential Tuition, Seg Fees, and other fees are different.
 - c. John: There was more of a decentralized unit when we received the Growth Agenda funding. We can discuss how that model progressed.

- d. Jean: Do all other Universities use Incremental Budgeting for their 102 funds?
 - i. Response: Lori: Yes, currently most of the other UW System Universities utilize this model. However, other Universities are looking at implementing a new model; e.g., UW Madison and Milwaukee.
- e. John: Looking at revenue may be a transparency issue. Hopefully, someone is looking at revenue but it does not influence the allocation.
 - i. Scott: I don't think they are though.
 - ii. Bill: We trust that our Dean's are looking at the revenue. As a department chair I don't focus on the revenue, I focus on my allocation.
 - iii. John: However, we don't focus on which units generate the most revenue.
 - iv. Fred: I don't know if that is important because transparency will not affect how we receive our budget.
 - v. John: But you don't know your 102 allocation compared to how much your College generates.
 - vi. Fred: But it doesn't matter what our SCH is. Because it all goes into one pot and gets allocated as it always has been. The biggest disconnect isn't transparency. Under IBM you can have all the activity you want but it creates a disadvantage concerning 102 allocations; which is different from PR where we generate revenue based off our initiatives.
 - vii. Scott: Transparency is a problem because costs are ignored.
 - viii. John: When we go through the Budgeting Process we get a sheet that states what units will get. But I would appreciate where the allocation came from. It may not make a difference but it would be helpful to know.
 - ix. Jean: Do the colleges, at the department level, give allocations based off what they originally received?
 - 1. Response: John: Yes and No. At the college level we have the ability to move things around within the college but we don't have any say in the allocation the college receives as a whole.
 - x. Ryan: We don't want to get weighed down with what occurs in the departments. We want to focus on the University to College/Unit allocation.
 - xi. Bill: Whose money is my department spending? My Dean's? The Provosts?
 - 1. Response: John: It's the Universities allocation from UW System. The 102/GPR (roughly 106 Million) covers the core mission of the University and is dispersed via IBM.
 - xii. Reginald: For students who are taking science classes does the Provost or anyone know where the fees go?
 - 1. Response: John: Yes, we know where those fees go. We have an accounting of where the revenue comes from and what it is purchasing.
 - 2. Jean: Fees are not GPR funds though.
 - 3. Jean: Is there a policy for fees?

- a. Response: Yes.
 - xiii. John: As we examine models we need to be careful because some fees we are unable to set, such as tuition.
- VII. Ryan: What do we need to know to answer our question: Should UWO use the current budget model as it currently operates at the university to college/unit level?
 - i. Reginald: How do units which do not generate revenue receive allocations?
 - 1. Ryan: Mission critical units should be preserved whether or not they generate revenue or not.
 - 2. John: Think of it this way: what do students expect or what should they receive by paying tuition? They should have a library and resources besides a course and classroom. Try to look at what are students paying for? They are paying for a whole set of resources besides attending a class.
 - 3. Ryan: Private schools utilize other budget models and are successful.
- VIII. Closing
 - a. Think on what we will need to answer our question and bring to our next meeting
 - b. Bill: If we complete this exercise, does someone above the University need to approve the change of the university's budget model?
 - i. Ryan: I have already had this discussion with the Chancellor and we will be meeting with some representatives from UW System.
 - ii. Fred: My concern is that there have been conversations going on with System representatives but the entire UBDC has not been a part of these conversations. This is an issue in transparency.
 - iii. Ryan: We (I) have not been involved in any conversations of this type, but would expect to be included as we move forward.
 - c. Bill: If the chancellor and President Cross approve the new model will this need to be approved by the legislatures as well?
 - i. Ryan: We would like to continue to watch Madison's progress to see if they have encountered any issues/concerns from the legislature.
 - ii. John: We need to consider that. However, System has been moving away from restricting revenue and allocation uses. The hope is that universities will have more flexibility on how we budget and use our budget authority.
 - d. Scott: Does the tuition come in from UW System to UWO? Do we know what percent we get?
 - i. Lori & Ryan: We receive about 5% of the UW System allocation. Yes, tuition comes in from UW System.
 - ii. Lori: If we exceed our pooled tuition revenue target, then we get to keep those funds as a campus.
 - iii. Scott: Why do we fund other universities with our tuition? Wouldn't that be a good question to ask? Wouldn't students be interested in that answer?

- e. Ryan: There are other states who are re-thinking their state budget process. I plan to talk to the regents regarding this issue as well.

DRAFT