

Minutes from the Strategic Planning Workgroup for Finance and Operations 5 August, 2014, 1:00 pm (Miller Oval)

Committee Members:

Present: Sean Goodlett, Cathy Daggett, Tim Hilliard, Michael Nosek, Audrey Pereira (arrived a few minutes late)

Absent: Shylah Maloney (student rep)

Guests: Jeff McMaster, Jay Bry, Jessica Murdoch, Susan Moore, Jane Fiske, Paul Weizer, Charles Roberts

Call to Order by Sean Goodlett (approximately 1:00pm)

I. Minutes from Meeting of 22 July, 2014:

Motion to approve Michael Nosek, second Tim Hilliard

Vote: 4/0/0

II. Discussion of the Fall Term and Committee Staffing

Sean explained to the group that he is no longer faculty. He has been appointed Interim Dean of the Library, and thus he will no longer occupy a faculty slot on the committee. Whether he continues to serve as chair of this workgroup is at the discretion of the MSCA Union president and the President of the University.

III. Cost Reduction Framework for Non-Academic Departments

Sean explained that the group had previously indicated that we would work toward construct a framework(s) for establishing how cost-reductions could be made rather than recommendation specific cost-reductions. With Jessica, Susan, and Anthony we wanted to discuss the non-academic programs in this regard.

- We are looking for metrics that are being used or could be used to examine non-academic programs
- Jessica: For resignation or retirement, Jessica makes decisions about whether to replace through discussions with department; she weighs whether the position could be restructured
 - o Recommendations go to president
 - o There are a lot of criteria considered (i.e. changes in technology)
 - o There is not a set of items to consider
- Sean outlined some of the metrics used on the academic side
 - o Some ideas discussed were number of students serviced and a possible FTE equivalent
- Do we compare ourselves to sister institutions in this area, and if so how?
 - o This could be done, but many of the sister institutions are very different, and comparisons may not mean anything.

- There are a lot of conversations between HR leaders to discuss these ideas and look at data (comparisons with other institutions, nationwide; e.g. salary review)
- Jay indicated that there are some metrics in place and benchmarks do exist (e.g. how many custodians are needed for a given square foot area), but we may need to look up what other metrics and benchmarks exist or could be used.
 - The issue was raised by others that we have three unions on campus, and many of these types of criteria may have contractual constraints.
 - We have had layoffs in the past and having a set of standard criteria would make decisions in the future potentially difficult.
 - We may need to explore national benchmarks that may exist for groups such as the physical plant and IT.
 - N.B.: Increases in technology may warrant changes.
 - Use of staff can be reevaluated as positions become open.
 - N.B.: One can't take tasks for one union member and place them on someone in other union.
- There was a discussion about increasing productivity (reference was made by someone about information available from Commissioner Freeland
 - What we grappled with is "tenured" in their positions (not just faculty).
 - Sean: Do we need professional development?
 - Jess and Sue: Yes. The turnover rate with new hires is greater than for folks who have been here longer. There is a growing trend for people to skip around more than they used to.
- Other discussion points
 - Freeland keeps metrics with academic side of institutions, but non-academics are not as easy; however there may be a push in the future to move to this type of measurement.
 - Within the institution there are pockets of negativity.
 - Jessica: In HR they are introducing a new onboarding program (analogous to CTL and mentoring). This will give some statistical data from managers and help to change environment to try to make new hires want to stay.
 - A Birthday event has begun to increase social interactions and boost morale.
- There was a discussion on a cost reduction framework for nonacademic departments similar to that which has been discussed for the academic departments.
 - National benchmarks: If they exist could we use them or propose to consider using them?
 - Use of datasets for salaries: This is being done now "in conformity with contracts."

- We have to be careful not to be detailed and think about what ideas can be proposed as recommendations outside of the Strategic Plan.
- We began a discussion related to the changing structure of the student body (such as the increase in population of veterans and changing ethnic demographics). If we want to attract them, how do focus our resources?
 - Student services
 - Athletics, a consideration not only for morale but for luring male students
 - A daycare has been raised in other focus groups
 - we need to have conversations related to how we can establish frameworks to make decisions about these issues.
 - Fee-based structures have been raised, but they could be looked at with regard to athletics/teams (flag this for revenues)
 - Differential fee structure for specific majors
- Can we get some projections (from institutional “numbers”) for what change in growth we will have in nontraditional students?
 - If we get current trends we can decide what demographic(s) we want to target
 - Can we get numbers on these trends – baby boom echo –
- Jane raised the issue of changes in technology over next few years
 - Paul: Pam and Anthony are putting together a common data site.
 - Charles: One example of technology issues is smartboards. The University dumped a ton of money into them but there was no metric to see if they were being used. The Technology Working group is looking for a metric for this kind of technology.
 - The Tech group has identified four major areas of technology; 1) campus infrastructure, 2) IT infrastructure for academics, 3) library, and 4) academic departments who use technology as a part of their teaching.
 - A significant problem is that because of institutional department-based budgets, we can’t spend money efficiently.
 - We tend to buy “stuff” all at once rather than over time. (Discussion of EBRQ and large item purchases and a sinking fund that exists for some long-term purchases.)
 - Can we build a system for some types of purchases that works better? Is there a system that would work better than the EBRQ system?
 - (Additional discussion occurred regarding purchasing priorities, tying planning to budgeting, the involvement of the Technology Advisory Committee in the decision making process, and needing to set academic priorities.

IV. The Question of Debt and Impending Capital Projects

Sean gave some background on previous discussions. Our debt this year will be about \$50 to \$55M. We requested a breakout of capital projects and the Hammond Phase 5 project is the last major identified project (\$15M expenditure). Jay has flagged other items that are possible but not committed and are beyond a five-year plan including a parking structure (\$14million) and renovations to the Rec. Center (\$7million). Remaining capital projects will come out of \$5million line item of operating budget and other state funding that we sometimes get (e.g. Percival and Edgerly building renovations, McKay renovations where Geophysical Sciences have moved out). These items will be prioritized, but they are not in the master plan.

With the end of Hammond Phase 5 project we will be close to or exceed the recommended limit for our debt load. Beyond this we can only use local monies (we are limited to \$2 million projects at any one time so some projects (e.g. Miller renovations) are done in several phases.

- Discussion: We have \$100M dollars of deferred maintenance.
 - o Sean: Do we need to plan for any of this \$100million list, and do we have a list of items that need to be done in the next 5 years.
 - o Jay: There is no way to plan for some of these things. If something fails we go to the state and they give us the money. We have put money into the local fund to help chip away at some items that are determined to be high priorities.
 - o We are charged with capital expenditures. We need to tie capital expenditures to enrollment. Maybe we should use academic programs to attract new students. Capital expenditures may not affect enrollment.

VI. Items from the floor

- Jay gave us a break down on fees and institutional demographics.
- Sean will scan these documents and post them on Blackboard site.
- Demographics graph will go back an additional 5 years (currently has 5 years). Some additional items will be added onto it as well, such as unmet need and average family income.

VII. Motion to adjourn

Motion by Audrey and seconded by Tim. Adjourned at 3:00pm

Submitted by Michael Nosek