

Business Affairs Officers Committee

Minutes

March 7, 2012

Present: C. Barduca, R. Beatty, C. Brahm, M. Buchan, K. Elms, J. Dunlop for J. Ferguson, R. Gordon, S. Frump, R. Harris, S. Kellogg, J. Kieleszewski, C. Lezuch, S. May, C. Blackburn for J. Nechal, S. Primas, S. Progar, K. Rize, L. Sabapathy, L. Shrader, C. Siladi, A. Strickland, A. Turner, K. Vest, D. Wells, A. Yancey

Guests: Jim Barbret with Fiscal Operations, Maggie Cmund and Jaime Ontiveros from Huron Consulting Group

I. Call to Order – C. Lezuch

Meeting was called to order at 1:30 pm.

The minutes of the February 1, 2012 was approved.

II. NEW Business

A. Budget Updates

Maggie Cmund and Jaime Ontiveros from Huron Consulting Group provided a presentation on a new approach to budgeting and financial management. Jaime discussed the Steering Committee representatives consist of business affair officers, deans, faculty and administrative staff. Their charge is to recommend a budgeting method that will be academically-driven. The proposed model should support the University's strategic mission by promoting resourceful planning and sound fiscal management; incentivize entrepreneurship by allowing leadership to retain the rewards of their efforts, while maintaining accountability; provide information and analysis that is accurate, sound, and reflects good judgment to enable forecasting and strategic planning; utilize an allocation methodology which strives to attain a balance between portraying the complex economic reality which being easy to use, explain and maintain; and be transparent.

Jaime also discussed that numerous individuals were concerned that an incentive-based model will closely reflect WSU's former enrollment-based budgeting. However, there were several key differentiators:

- **Multiple Funding Mechanisms** – since the proposed incentive model incorporates multiple funding methods, it avoids a singular focus on enrollment

- Consistent Application of Methodology – All allocation rules will be consistently applied to Schools and Colleges
- Volatility Mitigation – several mechanism avoid/address these concerns such as use of diversified funding sources, multi-year strategic investment fund commitments, and five year review cycle.
- Prioritization of Activities – the model incorporates a strategic initiatives pool that will be used annually to direct resources to University priorities, ensure schools and colleges with high cost of instruction are able to fulfill this missions, and promote cross-unit collaboration.

The BAOs will be trained on the level of detail. The FY 2011 current funds actual expenditures and revenues were used to develop a financial model. The FY 2013 current fund budget will be built on the incremental budgeting and incentive base budget model. All schools and colleges will be held-harmless during the initial parallel process. The FY 2014 and forward will strictly be incentive based. From FY 2014, schools and colleges will receive different subventions based on University priorities; their respective loss or surplus, and revenue generation capabilities. The average timeframe for implementation is about 2.6 years and the typical span is two and four years.

B. Equipment Disposal – James Barbret

Jim stressed the importance of following 6.3 - Equipment Disposition in Section 6 - Equipment Management of the university's Administrative Policies and Procedures Manual. He mentioned that just because a piece of equipment or furniture is not tagged (i.e., capitalized) or inventory, that it is still considered a university asset and should be disposed off based on 6.3 – Equipment Disposition. Property Office can be contacted if you have questions or concerns about disposing of equipment.

C. Travel Update – Jim Barbret

The new travel policy should be posted in the WSU APPM by the end of the following week. Jim will provide the group with the new travel policy by the end of this week. This new policy takes effect for all travel beginning on or after April 1, 2012. The new policy highlights include use of per diem rates as set by GSA for all individual meals with no receipts required and that airfare rules are focused on reasonableness not cost. JP Morgan Chase will provide the new Travel Card. Please keep posted on new policy and Townhall sessions.

D. Faculty Hiring Process – Rita Gordon

Rita voiced her concerns as a fairly new employee that there is no check list procedure with timelines on hiring faculty. She suggested a mentoring plan with some volunteers in the group where procedures on hiring tenure and non tenure can be documented. The Provost website only provides faculty hiring templates. Per Bob Harris, Isabel Gutierrez has been working with Margaret Winters to review documentation provided by the

Human Resource user group. Bob Harris also mention that he will take back to Margaret Winters the idea of doing electronic hiring packages versus binders.

E. FMLA Management – Arthurine Turner

Arthurine provided the BAO group members with a FMLA excel template that has been helpful to their units for FMLA employees. She would like the input from the group on use of this form.

F. Strategic Sourcing Updates

The strategic sourcing updates included issuing three contracts - Office Max, Corrigan, and Utley Brothers. Ken is presently working on a RFP for copier/managed print and furniture.

Open Items Schedule

Good and Welfare

The meeting was adjourned at 3:45 P.M.