

CUIBO-Minutes for March 26, 2009

Budget Reorganization- Jack Morris

Jack Morris joined the group to give an update on the budget reorganization and discuss the purpose and vision of the University Budget Advisory Committee. He explained that the goal of the University Budget Advisory Committee (UBAC) is to create a model for the allocation of our resources that coincides with our strategic plan. In order to achieve this we must identify the relationship between revenue generation and cost, in order to maximize resources. At this point we are aware of the origin of the revenue, but the allocation of our revenue needs to be more strategic. The purpose of the UBAC is to focus on the allocation of the resources in a way that we achieve the goals of our strategic plan.

The Ad hoc committee will be about a dozen people made up of department faculty, staff, and deans. The phases that have been determined are phase 1: information gathering, presentations, analysis of best practices and other similar cases, phase 2: workshops and development of a model, phase 3: A recommendation for an integration of the University Budget Advisory Committee and the University Budget and Finance Committee, phase 4: feedback. Throughout the reorganization process there will be many opportunities for feedback.

Operations for the budget office including; location, reporting, and responsibilities, will continue as usual until the report from the UBAC comes out and the plan is implemented.

FY2010 Budget Updates

Budget reductions for higher education presently are about 42 million, but federal stimulus monies will be given by the state to offset the cuts. We are modeling a 1% increase in enrollment, and there are a number of fixed items that we know will increase. These cuts and increases have been built into the budget scenarios. Things are constantly shifting, but multiple scenarios have been modeled for all possibilities.

The 3% across the board personnel cuts were not addressed during the budget session, but there has been a unified response from the presidents of the Universities requesting flexibility in these cuts.

The majority of the questions brought to Jana by the group could not be answered at this time because the details of the cuts have not yet been solidified.

FY2011 Line Item Budget Preparation

There will be no templates for this year's Line Item Budget requests. Instead, the budget office will be distributing the exact documentation that is sent to the state on our line item budgets. These are high level requests including; equipment, personnel, and changes in a program. For those who would like to get into the pool for line item requests to the legislature there will be an opportunity to fill those out in the near future.

Contracting and Sole Source Exceptions-

At the University of Idaho there is an unusually large number of Sole Source Procurements, which is a concern. It has been and will be a main objective of purchasing to correct this problem. Soon purchasing will be the only ones to determine whether a service or product qualifies as a sole source. The theme for purchasing this year is fair, open, and competitive. In regards to remaining fair the University must ensure a level playing field through monitoring nepotism and other conflicts of interest. To stay open vagueness needs to be removed. There needs to be more specific wording to improve the quality of contracting but not so much that it limits the competition. It is always important to have a clear statement to communicate what you are expecting from the vendor. Communication also needs to be open allowing all vendors to

have the same information. Competition needs to be both in the procurement of services and products. The more open and inviting we are to competition the more potential we have to save money. It is important to always look at all options and alternatives. When the University accepts stimulus monies from the government one of the requirements is that the organization is practicing an open and fair competitive bid process. There are also ethical issues that accompany this policy. It is important, especially in these times, that we give all businesses an equal opportunity to provide us with their services. Jana ended this discussion reiterating that the University can only benefit from competitively bidding for services and products.

Update on HR Reboot

The beginning of this process began in February with consulting meetings with SunGard. Right now the meetings are focused on evaluating the entire module determining the discrepancy between what Banner is capable of doing and what it is doing currently. A lot of the process is looking at what Banner was originally intended to do and bringing it back to that configuration.

The first step in this reboot is getting the position classes and employee classes put together to remove redundancies. The next big part in this reboot will be the time entry modifications. The main change that will be that time entry will move to Vandal Web. There will be more updates to follow, but the group is moving forward.

On another note an issue involving classification of student employees was addressed. If student employees are not classified as students they will have FICA/unemployment taken out of their paychecks. This creates a major problem, so there must be greater care taken to ensure that students are classified correctly when creating student EPAF's. There were many questions asked about what this meant for summer employment of students that could not be answered at this time. Jana said she would find out more about the summer institutions.

Chart of Accounts and Program Codes

There is a new committee that has been formed to review requests for changes to the Chart of Account. The committee's duty is to ensure that the change is properly classified. The committee meets every Wednesday to review the requests for additions and changes to Program Codes.

Unrelated Business Income Tax (UBIT)

Right now the federal government has added a large amount of auditors to start auditing these tax returns from Universities. So it is very important that the UBIT's are completed. This process is a lot of work, but it is necessary to remain compliant.

Service Center Project

This committee is attempting to correctly classify Service Centers around the University. They will also be investigating budgets where they find that the revenues and expenses do not match. This committee is investigating all budgets, and finding problems with both potential service centers and non-service centers. The issues with non-service centers will be transferred to Jana and the Chart of Accounts committee.