

**MINUTES OF THE RC MANAGERS MEETING
February 13, 2014
9:00 a.m. – Noon, 107/108 Eagle Commons**

Present: B. Bailey, L. Campbell, P. Fackler, J. Foster, P. Frese, J. Geiger, D. Hartley, D. Katis, T. Latour, R. Nowaczyk, R. Puller, S. Puleio, C. Reber, D. Sobina, H. Tripp, T. Varsek, and K. Whitney.

Minutes

The minutes of the RC Managers' Meetings of the January 24, 2014, were approved as drafted.

Agenda Items

1. Comments on Governor's Proposed 2014-2015 Budget

K. Whitney noted that the 2014-2015 Commonwealth budget proposed by Governor Corbett had contained flat funding for higher education and some modest increases for basic education. She indicated that the approach of Chancellor Frank Brogan to requesting additional state funding for PASSHE would be to suggest a special set aside of \$18 million to fund proposals of an additive nature. She noted that she and her colleague PASSHE presidents had pointed out that the PASSHE currently had no legislative agenda. She asked RC Managers to think about initiatives that might be proposed by Clarion University if additional funding became available.

K. Whitney also reported on staffing changes in the Chancellor's Office. She noted that Vice Chancellor for Academic and Student Affairs Jim Moran would be leaving the System while Vice Chancellor for External Relations Karen Ball was retiring. She also noted that Mr. Randy Goin, Jr. had joined the Chancellor's Office as Chief of Staff.

Addressing legislation of concern to Clarion and the PASSHE, K. Whitney reported on SB 1000, a bill proposed by Senator Joe Scarnati, who helped to form the Educational Consortium of the Upper Allegheny (ECUA), to create a community college structure to serve rural counties in PA. Instead, K. Whitney noted that she had proposed to Chancellor Brogan that three PASSHE universities including Clarion form a consortium to provide courses on ground in the target counties. Under her proposed structure, K. Whitney noted that the state would allocate grants to target counties and allow Clarion and the other PASSHE schools to charge for their courses at the regular rates. She asked the RC Managers to inform her if they heard anything further about SB1000.

Finally, K. Whitney briefed the RC Managers on the Board of Governor's approval for a two-year pilot program that would provide Clarion University with the flexibility to charge differential tuition for high-cost, high-demand programs. She discussed that under

the program, Clarion would introduce in fall 2015 increased tuition for Nursing and Communication Sciences and Disorders courses that would be ramped up over a three-year period to realize the full cost of this more expensive instruction. She noted that currently, the tuition paid by Nursing students covers only 70% of the instructional costs.

ACTION: RC Managers will consider new initiatives that Clarion University might propose if Commonwealth funding becomes available through a special set aside.

ACTION: RC Managers will inform K. Whitney if they hear anything about SB 1000.

2. Update on the Work of the University Budget Review and Implementation Committee (BRIC)

D. Sobina, co-chair of the BRIC, distributed copies of a handout outlining that group's work since September 2013. She noted that the committee had organized into subcommittees to address issues identified for its attention. She further noted some of the challenges facing the group included difficulties in holding monthly meetings during semester and other breaks and in developing recommendations given the ongoing academic re-organization. K. Whitney indicated that BRIC recommendations included in the committee's draft report to the President due March 10 could be considered for implementation next year but recommendations submitted after that date would have to wait until the following fiscal year. K. Whitney also stressed that BRIC recommendations would have to be reviewed and approved by the RC Managers and PEC.

P. Frese noted the importance of educating the university community about how funds were spent. He suggested the use of a bar or pie chart. K. Whitney noted the need to also explain the value of university investments, such as the 50.5% assessment. She asked for suggestions on areas of RCM that were particularly troublesome and might be addressed by the BRIC. D. Sobina mentioned Summer School and the interest in returning to a model with some incentives. P. Frese noted that if RC Managers fulfilled their fixed costs (Assessment) during the regular academic year, they could consider offering something new during Winter Intersession or Summer School. He shared his plans to offer two new programs online for which faculty from all over the country would provide instruction. K. Whitney cautioned that units would have to fulfill required costs for Fall and Spring and protect the university's base labor agreements before they considered any add-ons, such as new on-line programs. T. Latour noted issues with Libraries funding in Winter and Summer. He indicated that a faculty librarian was required to be on duty during those periods, a cost that had formerly been covered out of Summer School revenue. He noted his understanding that under RCM, the costs would be covered by the Provost's Office but that, as yet, the costs had not been paid.

P. Frese asked why fixed costs could not be included in tuition charges. P. Fackler indicated that the PASSHE Board of Governors not only sets tuition but also narrowly defines it.

3. Update on Budget Planning

T. Varsek updated RC Managers on the new Position Budget Management (PBM) system designed to replace Excel spreadsheets formerly used by units to budget personnel costs. She noted that F&A staff would be meeting the financial staff of each RC to review the new system and its potential. In response to a question from D. Sobina about the treatment of temporary faculty lines in PBM, T. Varsek noted that they would be part of a pool developed in consultation with the deans. K. Whitney noted her hope that the changes would help RCs come to a better understanding of what their units collectively needed to produce.

H. Tripp expressed concerns about the impact of more online courses on on-ground operations. K. Whitney noted that while the university had a commitment to have 5,000 students on the ground at its Clarion campus, it also needed to look at experiences such as Athletics and determine what additional services/access could be provided electronically as part of a revised fee structure.

Noting the current openness of PASSHE to creating more flexible policies and structures, K. Whitney asked all RC Managers to forward to her any PASSHE policies that, from their perspectives, had been obstacles to university operations. S. Puleio asked about the enrollment impact of cost increases that Clarion might pass on to students. P. Facker indicated that while Clarion's housing fee was below the PASSHE average, its other fees were higher. K. Whitney asked if the marketing of tuition and fees to students could be done differently and cautioned against positioning the university as being cheap. P. Fackler suggested the need to re-position the university to attract more students able to pay full costs. K. Whitney indicated her hopes that the university's branding initiative would help it build a more diverse student body. B. Bailey agreed that the new brand would help but that recruiting also needed to include new markets, such as students in private boarding schools.

P. Fackler reported his work on developing three-year budget projections, noting that multiple-year projections would be a first for Clarion. He explained that he planned to prepare three years' worth of top-down budgets to facilitate a longer-term look that could be extrapolated out to the individual RCs. He noted that his assumptions would be built on enrollment figures from R. Nowaczyk and data on the Auxiliaries from D. Allio. In response to a question from C. Reber about whether or not the models would be designed around the restructured RCs, P. Facker indicated they would be. Members discussed the distribution of the projections. L. Campbell agreed to check with Legal Counsel on whether or not such information could be accompanied by a statement indicating that any review, retransmission, or dissemination of the information to persons or entities other than the intended recipients was prohibited.

K. Whitney noted a series March meetings of herself, R. Nowaczyk, and current/future deans with units affected by academic re-organization. She indicated her plans to walk through the re-organization and stress enrollment at each session. R. Nowaczyk indicated that his office would schedule a Pre-Meet involving K. Whitney, R. Nowaczyk, J.

Geiger, and the deans involved in re-organization to prepare for the March meetings. Members noted issues that could be expected to come up, including department chair elections and rollover accounts within certain departments.

ACTION: RC Managers will forward to K. Whitney examples of PASSHE policies that have been obstacles to university operations in their areas.

ACTION: L. Campbell will check with Legal Counsel on the inclusion of cautionary statement within budget projections regarding their dissemination.

ACTION: R. Nowaczyk's Office will scheduled a Pre-Meet involving K. Whitney, R. Nowaczyk, J. Geiger, and the deans involved in re-organization to prepare for the March meetings with affected units.