

MINUTES OF THE RC MANAGERS MEETING
March 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. Puller, S. Puleio, C. Reber, D. Sobina, H. Tripp, T. Varsek, and K. Whitney.

Minutes

The minutes of the RC Managers' Meetings of the February 13, 2014, were approved as drafted.

Agenda Items

1. Website Timeline

J. Geiger reviewed a proposed timeline for migrating the university's current web site to a new one. He noted the need for web content to be engaging and consistent and distributed to each RC Manager a listing of the current content managers (CMs) for their web pages. He noted that J. Strohm would be working with CMs on the transition.

T. Latour noted problems that had occurred during a former cutover period between old and new university websites. He further noted that the current content management system had not provided the flexibility that the Libraries needed. B. Bailey noted that a balance between functional and promotional content would be critical. J. Geiger indicated that those issues had been identified for attention as part of the migration.

Also discussed was a new design for the university's homepage. J. Geiger indicated that the homepage would not feature the swoosh eagle logo; he noted that the eagle logo would likely be used by Athletics. He added that the homepage would have no date and would include the new branded tag line of "Courageous, Confident, Clarion."

In response to T. Latour's question about the level of flexibility individual units would have with their web pages, J. Geiger noted the importance of reinforcing the university brand. He added that based on Mind over Media analysis, the current Clarion brand had very low name recognition. H. Tripp agreed that building name recognition would take work and the support of all units. K. Whitney noted that the university's budget for marketing would be increasing from \$100,000 per year to between \$400,000 and \$500,000 per year.

2. Proposed Changes to Responsibility Center Budgeting Manual from the University Budget Review and Implementation Committee (BRIC)

D. Sobina highlighted changes to the university's RC Budgeting Manual proposed by the BRIC as outlined in her 3/10/14 memo to K. Whitney. She noted that the 90/10 split in tuition had been the most problematic issue reviewed by the group, which was recommending the split's elimination in favor of distributing all tuition revenue to the RC absorbing the cost of the course offering. She further noted the BRIC's belief that eliminating the tuition revenue split would reduce labor-intensive manual processing currently required. She added that BRIC members wanted to look at the numbers again once academic re-organization was finalized.

K. Whitney asked for confirmation that the BRIC was endorsing the use of RCM going forward. D. Sobina indicated that BRIC had agreed to the continued use of RCM as long as changes were made to the methodology for the distribution of Infrastructure expenses. D. Sobina advised that RC Managers pay close attention to the proposed revisions to the process for determining the funding needs of Infrastructure RCs and distributing assessments (Page 9 in proposed revised manual).

P. Fackler asked how BRIC had proposed to handle situations in which an Academic RC's expenses declined due to a number of retirements. D. Sobina indicated that under that scenario, the Academic RC would keep the extra revenue. H. Tripp asked about opportunities for Infrastructure RCs to grow, while T. Latour suggested that the BRIC's proposed approach would be a return to the "use it or lose it" model. P. Frese noted under the proposed RCM changes, it was in the best interest of RCs to spend less. D. Sobina again advised RC Managers to review Page 9 in the proposed revisions.

K. Whitney asked about the BRIC's thoughts on the processing of their proposed changes to RC budgeting. P. Fackler reminded the group that a process had been identified for the review and discussion of the BRIC's proposal. He shared copies of a timeline for the process to include review by Accounting and Budgeting (March 11-25), review and discussion by PEC (March 26), review and comment by the RCs (April 3), and a meeting of K. Whitney and BRIC (April 21).

P. Frese suggested that, in the aftermath of academic re-organization, the review process needed to involve communicating a sense of "university." K. Whitney agreed and noted the need for clarity in communicating to colleagues about the timing for when funds would be transferred and under what circumstances. After some discussion, RC Managers agreed that the chairs of the BRIC Subcommittees would be invited to the April 3 RC Managers meeting to make a 30 minute presentation followed by a Q&A.

P. Fackler suggested that RC Managers read the entire RC Budgeting Manual rather than just the proposed changes submitted by BRIC. L. Campbell suggested marking the proposed revised document as a "draft." D. Hartley noted the need to incentivize Academic RCs to generate more revenue and Infrastructure RCs to achieve savings. H. Tripp noted that the university had neither a contingency fund nor sufficient reserves. K. Whitney said RC Managers would need to consider how long Version 2 of the RC

Budgeting Manual should be expected to serve the university.

ACTION: RC Managers will review the entire RC Budgeting Manual and the proposed changes submitted by the BRIC.

ACTION: The chairs of the BRIC Subcommittees will be invited to the April 3 RC Managers meeting to make a 30 minute presentation followed by a Q&A.

3. Budget Development Process and Changes in Accounting and Budgeting

T. Varsek reported that Accounting and Budgeting continued to work on Position Budget Management (PBM). She noted that PBM would be used to create RC compensation budgets for FY14-15 and that RCs would receive a form to use in proposing any changes to those budgets. She indicated her expectation that her office would be able to provide RCs with old and new versions of their budgets down to the fund center level.

P. Fackler shared some changes underway in Accounting and Budgeting, including the cross training of staff. He also noted that accounting changes would be made to show Foundation transfers to E&G as gift support.

In follow up to a question from P. Frese at the February 2014 RC Managers meeting about funds taken off the top of Clarion's budget to support PASSHE services, P. Fackler distributed several handouts, including a spreadsheet that compared FY13-14 appropriation allocation with that for FY12-13. RC Managers discussed the "Economies of Scale Adjustment," (aka "Small School Adjustment"), with K. Whitney noting that in light of criticisms that the adjustment was artificial support for PASSHE universities who received it, the Board of Governors was considering changes. K. Whitney further noted that she and her colleague PASSHE Presidents had been trying to advance a stabilizing vs. enrollment model approach to appropriation distribution.

Pointing to copies of the *BOG Policy 1984-06-A, Allocation Formula*, P. Fackler noted that the original intent of Act 188 had been that the PASSHE central office would stay small in contrast to its current size and budget.