



Wednesday April 6, 2011

Call to Order at 1:05 PM

*Chief Operating Officer Updates (Monica Rimai)*

1. Introductions:

- Budget – Tim Leiber
- General Counsel – Bill Howard. Thanks to Marti Ellermann for transitional leadership

2. Procurement Relief

This is viewed as a “victory”. Most significant impact will be for SUCF. OSC looking for us to make a “mistake”. Need to be sure our processes are good. Each campus should do a self assessment to review policies and procedures. Are we ready to engage in a process that doesn’t include pre audit? Four key elements.

- Training – is it effective? Monica would like to hear from us.
- Contract documentation. Institute a self certification process.
- Review of internal control processes
- OUA – will institute a process to post audit.

**Action. For SUBOA back at campus-** reach out to procurement officers. They will need to support from senior leadership.

3. Strategic Sourcing. DOB understands that we will not participate if it costs us money, forces us to buy things we don’t need, or buy things that won’t serve our purpose.

Accenture is very aware of our requirements for MBE/WBE and will include these requirements in their processes. Hippchen has initiated discussions with preferred sources as to impact of the strategic sourcing initiative. Belief that this may bring to light the extensive and often conflicting regulations. **Action: Invite Accenture to next SUBOA meeting. Action: Establish guidelines for “opting” out of this program. Ken Levison will assist through June 30.**

4. Scenarios from Allocating Budget Cuts

Rimai is optimistic that we will get some tuition relief, with the possibility for 11-12. What was presented (April 4) is likely the worst case scenario.

**ACTION: MR looking for a recommendation from SUBOA about allocation of cuts.**

Hospital – of the total hospital cut of \$154M - \$86M back in budget, \$54M for the hospitals to cover and \$14M has been allocated to be cut from all other campuses.

**ACTION: MR requests a recommendation from SUBOA of how to fund system administration.** System is undergoing an effort study so that they can tell us what services they provide to the campus. It is likely that Strategic initiatives will not require funding for 2011-12. Other questions that might/should be considered:

- What service is provided to the community colleges and who will pay for these services?
- What is the transitional funding? Represents funding for “priorities of the board”.



- Possibility of putting high needs, SCAP, AER, into base? What are the political ramifications of “eliminating” the line? EOC/EOP – should they be cut? Empire Innovations funding?

Other:

- Enrollment cap still in place.
- Supplemental SUTRA – depends on availability of appropriation
- Wendy will send the history of how the cuts have been allocated in the past 3 years.

#### 5. Tuition

- Conversation is not over. The governor has left this for post budget conversation. It has been made clear to SUNY leadership that this conversation is still “alive”.
- UB2020 Summit is also still “alive”. MR – we need a rational tuition policy for all. Four university centers want the same as UB. What this comes down to is differential tuition – which is a non starter. Western delegation has kept us “in the game”

#### 6. Reserves & Fee Policy

BOT is starting to raise questions about reserves. BOT will not be inclined to give fee increases. MR believes that it will be difficult to get year 2 of increase of graduate tuition. We need to “defend” cash balances. Give Monica the data to defend.

#### *Reserve Policy Implementation (Jeff McGrath)*

Determination of unrestricted/restricted cash balances. Use the accounting system to provide the reporting to support this. Currently have 3 reserve account classifications. Accounting system currently accounts for everything as unrestricted. We will need to be able defend the restrictions. Hoping to make the accounting system changes will be made next week (April 13, 2011). Identify restricted accounts by the end of May – system will evaluate at June. There will be three new reserve categories in addition to the new ability to “tag” accounts as restricted in use.

#### *Revised Fee Policy (Wendy Gilman)*

Revised, revised fee policy to be sent out next week. New fee requests will be subject to the BOT approval of the Fee Policy – will go to the Board in June. The policy will stand and not allow covering the cost of personnel from course fees, although there may be special circumstances for non resident, overload and online participants. These are not included in the fee policy. Wendy Gilman acknowledges that these need to be addressed. **ACTION ITEM: SUBOA could/should gather relevant information.** Small group at system looking at scenarios – Gilman, Englebride

#### *Resource Allocation (Wendy Gilman)*

Moving along really well. Will not be used for 11-12.

#### *Legal (Marti Ellermann/Bill Howard)*

Three Items actively being working on.

1. Procurement legislation.



2. FOIL - UB Foundation won a case that indicates that the Fdn was not subject to FOIL.
3. Out of state tuition for students that graduated from NYS high schools. ~ 100 students (last 3 years) that might be impacted. In court April 20 – strong case for statute of limitations for 3 years.

*IT Transformation and Shared Services (Dave Powalyk)*

1. Transformation Team Recommendations:
  - Expanding technology contracting efforts (licensing) - \$500,000 in savings
  - Standardization of banner software
  - Expansion of existing business into the department level (work flow)
  - Centralized transactions processing centers.
2. Pilot VDI (virtual desktop) – 2 campuses piloting. Might eliminate the need for desktop replacements - could represent significant energy savings.
3. P 20 initiatives. Includes degree audit/planning for SUNY. Solution is Degree Work from SUNGARD – five campuses currently use.
4. SPSS Agreement. It appears that concurrent use of license agreement is the only solution. IBM claims that they have accepted this solution. Answer by end of week.
5. Blackboard/Angel agreement – more info coming.
6. Expanding existing software on google and software license agreement. Expansion of free software on those agreements. Be careful as campuses are being approached individually.

Audit (Mike Abbot) – Report attached.

Adjourn 4:17.



**Thursday April 7, 2011**

**Call to order 8:00**

*SUCF and OCF Updates (Bob Haelen)*

Good News: increased bond caps for Res Hall and Community Colleges – made room in cap at the expense of Economic Development. Res Hall's still included in bond cap. Private Use Survey – complete as accurately as possible. Making presentation tomorrow (4/8/11) at DOB – opportunity to promote bond cap increase. Next PIT Bond Sale June 2011.

Procurement Flexibility: “OSC thinks that this is a mistake”. Bob believes that we need to do more work on our end. Concerns about campus let practices. Saves 2 months in the project timeline. Additional internal audit activity with in SUCF.

*DIFR/Res Hall Advisory Committee (Karren Donohoe)*

Got \$331M. Some funding availability for this year. Next year – no room. Capital plan request coming soon. New information and tools to help project cash flow projections.

Bond Sale – July 2011, by then will be close to running out of cash in June and/or July. There are \$30M in bonds that are unspent will work with campuses to get these funds spent.

DIFR/Res Hall Committee. Looking for a SUBOA representative to co-chair the committee. Will define roles and responsibilities. **ACTION ITEM: Attend meeting in June and see what its like if you have an interest.**

Working on a reserve policy for the Res Halls.

Energy – EMBS. Want to issue RFP. Will have 2 campus representatives. Short list to 3 firms. Albany presentations and also a webinar for the campuses to demonstrate what the program will provide. Service may be a chargeback – estimated cost \$85K.

Concern – campus lets. Karen has staff member starting specializing in facilities procurements. “We’re here to help”.

*President’s Report (Brian Hutzley)*

Two Recommendations requested from MR –allocation of cuts and how to fund system admin.

**Campus Allocations of Cuts - thoughts for recommendation to system**

- Data Request - look at the history of percentage cuts. Start 07-08 to 10-11.
- Run this model through the proposed Peer Based Model?
- What is the impact/availability of All Funds? Are there other resources - philanthropy/RF indirect cost recovery, over enrollment - that should be considered?
- If scenario A was deployed – it should set the stage for differential tuition and “special” needs of certain campuses - forestry, medical centers. There will never be a scenario that adequately funds certain campuses – forestry is the perfect example.



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- Setting a dangerous precedence by funding \$14M cut from the hospitals. This is a draw on academic funding for non academic programs. Point of clarification -hospitals kicked in one time funding of \$40M in the past.
- Leif Hartmark requested an additional scenario – raise cap for most; but address outliers. Wendy Gilman agreed to run this fifth scenario.
- Impact of these cuts will be “devastating” - we need to articulate/document these impacts.
- Evaluate cash balances on the current year – to review from fall 10 to fall 09 does not provide an adequate metric – need current year comparisons.
- Develop impacts of the different scenarios – pro’s and con’s of each.
- Run a model that would take into account differential tuition – while it is a “non-starter” the group believes that we need to let system know that we support differential tuition.
- Calculate the difference between the best case scenario and pledge reserves for the difference. Problem – these are one time resources. Is there a way to leverage cash balances and not “sweep”.
- Is there a balance in transitional funding? And what are the details? How can they take a cut if these are all committed? When do the commitments end? Who decides on the commitment of transitional funding?
- Scenario D – how did the UWides not achieve 4.9%?

Vote. A – 10; B – 4; C- 8; D- 2

What are the key principles/assumptions as we move forward and revise resource allocation?

What are the key concepts that we need the politicians and system to understand? Share this with system along with a “preference” for one of the scenarios.

### **How Do We Pay for System?**

Possibilities. 1. College Fee. 2. Overhead assessment

What do they need?

Community Colleges need to contribute.

**ACTION:** members of the RAT/Budget Task Force will work on a response to SUNY – lead by Leif Hartmark.

### *Hutzley/President’s Updates:*

- IT transformation – sub committee that will be evaluating pro’s and con’s to share with SUBOA.
- Revised Cross Registration Policy – SUBOA responded. Many unanswered questions.

*Secretary’s Report (Jackie DiStefano) Moved and Seconded to accept February Minutes.  
Unanimous vote to accept as written.*

### *Treasurer’s Report (Judy Nolan)*

- Current Cash Balance \$17K
- June 2011 will be paid for from cash balance brings cash balance to \$14K



- Proposal for 2 \$1,000 awards to cover professional development for staff of business officers. Will develop a proposal on how to select and award. Motion to set aside \$2000 for scholarships – awarding process to be developed. Seconded and unanimous vote to accept.
- Dues Increase from \$450 to \$500 for 11-12. Increase moved and seconded. Unanimous vote to accept.

“Annual” Meeting - June in Cortland. Possible May 31, June 1; June 1, 2; June 14, 15 or June 15, 16? **ACTION Bill will send** an email to determine dates. Val Nixon will assist.

*Power of SUNY Meeting Friday April 8.*

Resource Allocation Presentation (*Leif, Paul, Sean*)

- Progress Report that will be delivered – Handout.
- Recommendation – needs a deadline for completion. None set as of today.
- Recommendation will be made to the Budget Task Force when a recommendation is made.

*ABB Update - Cash Policy (Charlene Deno)*

- Cash Reporting Committee – Presentation will be sent out.
- Three new reserve allocations – definitions are forthcoming. These provide more definition for the existing stabilization reserve – scholarship, research/economic development, program
- Kudos to system admin controller’s office – McGrath and staff for their efforts supporting this initiative?

**Adjourn 11:18**