

May 8, 2017

TO: Executive Cabinet and F. Dominic Dottavio

FROM: University Budget Council:

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RE: University Budget Council Charge 1 Recommendations to the Executive Cabinet: Review the university budgeting process and propose improvements which specifically consider the best way to allocate funds across the divisions and colleges.

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We are pleased to make the following recommendations pertaining to Charge 1, based on a review of over 100 pages of reports and background materials in ten meetings between October 2016 and April 2017.

1. Disseminate a university finance primer to all budget managers to improve the general understanding of national and local trends that impact our institution. The primer should include explanations of important financial concepts as well as Tarleton specific budget processes and account information, updated annually.
2. Produce annually a contribution margin analysis of programs for use by college deans to further enable strategic growth planning.
3. Publish the Annual Financial Report (AFR) and Discussion Notes on the Tarleton website to improve transparency and the understanding of the annual financial statements across the campus community.

4. Review university contracts, starting with a pilot effort in UPMC for software contracts coming up for renewal, to assure that cost escalations are reasonable and that any overlap of services is understood.
5. Provide annual forums to discuss university budget and trends to provide everyone an opportunity to get an overview of the university budget and ask questions.
6. Publish a FAQs regarding common budget questions on the Tarleton website to use as many methods as possible to increase transparency.
7. Present an annual budget update to Faculty Senate and Staff Council to further improve transparency and knowledge about university finances and trends.
8. Create a more strategic budget process by a) strengthening the budget process explanation, b) adding the explanation to the university finance primer, and c) better connecting the budgeting process to the long-term strategic plan.
9. Charge the credit card fee back to tuition payers using credit cards, with appropriate advance communication.
10. Review the method for the calculation of the student-faculty ratio and disseminate.
11. Establish service level agreements for Finance and Administration activities to aid in the discussion of appropriate levels of service and cost.

Although these recommendations do not all pertain directly to the budgeting process or allocations, we believe that they provide the necessary background or further understanding needed to consider process and allocations.

We understand that a fuller context may be required for some recommendations and we would be happy to meet with the Cabinet to discuss.

We expect to complete a response to Charge 2 by the end of June. At this time, we'd like to recognize the excellent staff support of Lori Beaty and Taylor Keith as well as the setup support (and lunches) by Stephanie Sperry.