Council on University Planning and Budget
April 4, 2014
2:00 p.m.
Booth Library 4440

Minutes

Voting Members Present:	Jonathan Blitz, Ann Brownson, Mona Davenport, Patrick Early, Christine Edwards, Dave Emmerich, Melissa Gordon, Assege HaileMariam, Mayhar Izadi, Allen Lanham, Gloria Leitschuh, Pamela Narragon, Cynthia Nichols, Darlene Riedemann, Zach Samples, Kathlene Shank, Anita Shelton, Jennifer Sipes, Grant Sterling, Vance Woods, Tim Zimmer
Absent:	Christina Lauff, Debby Sharp,
Non-Voting Members Present:	Judy Gorrell, Blair Lord, Michael Maurer, Dan Nadler, William Perry, William Weber

1. **Call to order & introductions**
   Dean Lanham called the meeting to order at approximately 2 p.m.

2. **Approval of minutes for March 21, 2014**
   The minutes were approved as written.

3. **Old Business**

   a. **Business Affairs, President's area, and University Advancement Subcommittee Report**

CUPB Program Analysis Subcommittee on
President's Office, VPBA, and VPUA
Recommendations

Committee Members
Kathlene Shank – Convener, David Emmerich – Minutes, Tim Zimmer, Cynthia Nichols, Melissa Gordon, Pamela Naragon, Pat Early

Review the way technology services are provided on campus and consolidate under 1 department.

- **Potential savings a minimum of $500,000**

It is recommended that during FY15 a review of the way technology services are provided and funded on campus be performed with the intent to consolidate into one department. Depending upon how the final structure is implemented, EIU conservatively would save at least $500,000. These savings would be realized in licensing savings, hardware and server/system savings, possible personnel duplications

reduced, and efficiencies gained by having all technology personnel under 1 management and supervising structure.

Currently, most EIU think of technology as ITS and CATS. However, there are a lot more technology positions and expenditures than in just those areas. In FY 13, all VP areas combined spent approximately $16million on technology expenditures, including personnel, licensing, software, and hardware. Of that $16million, approximately $3.4 million were from CATS appropriated and $5.3 million were ITS appropriated dollars.

Additionally, there are approximately 126 full-time technology staff on campus. In addition to that, CATS and ITS have a combined 60+ student-worker positions. There are additional technology student worker positions at the university, but that number is unknown. All of these positions could be considered as "technically" larger groups that include pockets of system administrators, IT operations, help desk, desktop support, programming, web site development, project management, training, report writing, and more.

There are also 2 separate governance bodies, ITAC and ATAC; and multiple smaller subcommittees that are completely separate from these 2 bodies. These committees and sub-committees are in place to attempt to make sure all of the different area technology personnel might have input into decisions for campus. Because of this, there is a lot of time lost in meetings and waiting for meetings of meetings to make decisions, thus losing time and efficiency.

Source:

EIU Technology Dashboard www.eiu.edu/technologydashboard

ITS Program Analysis report

CATS Program Analysis report

- **Review, centralize, and standardize computer purchase and surplus life-cycle and review computer maintenance fee structure**
    - **Identified savings of $25,000 minimum with more potentials savings possible with a detailed review**

Currently, computer life-cycles at EIU are determined within each department. What has been found over the years is there is no real consistent determination of which areas have the funding needed to purchase up-to-date technology, what the life-cycle is of a computer within a department, and how long before a computer is sent to university surplus. Some examples of differences:

Department A has a life-cycle standard that replaces faculty and/or staff machines on a 3 year cycle. The old machines are then trickled to student workers. The student worker old machines are then trickled to a departmental extra or surplus. The departmental extra or surplus are then trickled to EIU surplus.

Department B has an attempted life-cycle of 4 year…or 5 years. Well, it really just depends if end of year money comes through that allows them to replace the computer. The oldest computer(s) are then cycled to EIU surplus.

Department C has money set aside for computer purchases. They give the managers or supervisors of the different areas a maximum dollar amount for each computer they can purchase. The managers or supervisors of those areas then go and find a computer that is as close to that maximum dollar amount without going over…even if they don't need all the extra "stuff".

Some of these inconsistencies have been reduced with the recent utilization of bulk ordering and an update to IGP 103 in August 2013, which restricts computer models to a standard defined by procurement and ITS. A committee with campus technology representatives has been formed to maintain these standards. Anything requested not on the standard list is to be approved by ITS.

Some issues that could be addressed with this change:

Computer over-spend would be reduced if EIU staff that only used the Windows operating system did not purchase Apple hardware, which is known to be more costly. Rough estimates are that an average overspend of $500 per machine happen in these instances. Looking at recent computer purchases since approximately FY10, if the estimates are true, EIU has spent an extra $25,000 per year because of this practice. These estimates would have to be reviewed for better accuracy of expectations. We understand there are areas where Apple hardware is required for student classroom and education needs, and that would need to be considered in setting these standards.

Another concern is the maintenance fee attached to computer purchases. There is a $105 yearly maintenance fee charged on computers purchased with non-appropriated funds. The charge depends on which ORG it was purchased out of. If departments are holding onto old machines as extra's "just in case" and they are never used, they are still charged the fee. If computers that weren't in use were sent to surplus or a "shared inventory" then other areas that might need the computer would have more of a pool to choose from and EIU would realize longer use out of computers that are "old" but not "too old" to continue using. This could result in saving costs to departments on the maintenance fees for unused computers and costs to the university on "extra" computer purchases that may not have been necessary.

Source:

Review of FY 10 -14 computer purchases

IGP 103

- **Review the discounting of tuition and perform modeling to find the most effective way of competitively recruiting students and strategically using financial resources**
    - **Possible savings would be found after modeling is done**

It is recommended that modeling is done to look at the effectiveness and ROI of Panther Promise, Commitment to Excellence, and other non-endowed scholarships to determine their impact on gross enrollment numbers.

In FY 12 we discounted at a rate of $10.5 million. The forecast for FY 15 is $19.5 million (waivers, scholarships, and awards). These numbers will continue increasing as the programs fully mature and more awards are given.

Source:

Program Analysis reports

Interviews

Budget sheets provided by VPBA

Information provided by financial aid

- **Modeling should be completed to examine the value of lowering tuition and fees for all EIU students versus discounting for select students.**
    - **Possible savings would only known after modeling is completed**

We recommend considering using the savings in reducing select scholarships to reduce tuition for all students to make us more competitive producing a potential overall increase in enrollment.

Source:

Program Analysis reports

Interviews

Budget sheets provided by VPBA

Information provided by financial aid

- **Review and demonstrate that the amount of discounting is within budgetary constraints**
    - **Possible savings would only be known after review and demonstration**

EIU provides a significant number of discounts in the environment of declining financial resources. Financial consideration needs to be given to the strategies being used to rebuild enrollment.

Source:

Program Analysis reports

Interviews

Budget sheets provided by VPBA

Information provided by financial aid

- **Review of ledger 2 and 3 funding to ensure departments are living within the constraints of the funding sources and for sources of cost savings.**

As Budget is constituted by Ledger 1, 2, and 3 accounts savings/cuts need to be made across the 3 ledgers not just in Ledger 1 (appropriated/tuition). While Ledger 2 & 3 may not actually be cut these need to be used fully so as to not use appropriated/tuition monies to cover expenses for which the ledgers should be fully responsible. Ledger 2 & 3 need to live fully within their means and Ledger 3 needs to be used within "audit guidelines" as fully as possible and in ways legally appropriate to help offset budget shortfalls.

As Program Analysis focused on entities that submitted program analysis and the University has facts that were not studied Vice-Presidents should be charged to carefully review all activities within their purview to assure all entities are operating efficiently and within budgetary constraints with this close review to result in savings across areas.

Source:

Program Analysis

Interviews

Budget sheets provided by VPBA

- **Allocate resources to unfunded mandates considering the constraints of University resources and in the context of the University mission.**

All unfunded state/national mandates need to be examined and whenever possible the least expensive yet legally defensible means of addressing the mandates need to be implemented. (eg. Staffing ½ vs full-time, absorption of tasks by already existing entities).

Source:

Interviews and discussions

- **Evaluate Carmen Hall, and any other future buildings that go off-line (not being utilized) for alternative uses.**

There are costs for utilities and minimum maintenance even when a building is not in use.

Source:

Interviews and discussions

- **Analyze outsourcing or consolidation of services provided across campus (including trades)**

A review of any potential savings that could be realized by outsourcing one or more services with understanding that prevailing wage and existing contracts will be observed.

Source:

Program Analysis Reports

Interviews and discussions

- **Examine formulas used to determine rates charged for renovations and alterations.**

Formulas currently being used have not been reviewed in several years. A review of calculations would allow for a fair distribution of costs across ledgers 1, 2, and 3.

Source:

Program Analysis Reports

Interviews and discussions

- **Examine fee structure formulas used to charge campus units for services, utilities, and fixed costs to ensure all entities are paying their fair share.**

Fee formula structure has not been examined in recent years and may be outdated given current practices, efficiencies, and costs. As a result, ledger 1 funds may be paying a disproportionate share of the costs.

Source:

Program analysis documents

Interviews

Budget documents provided by VPBA

- **Institute a hiring freeze of a minimum of 1 year and examine hiring employee profile in the context of University mission and critical need.**

With declining resources, the hiring of all employees, including administrators, faculty, staff, temporary, and temporary-extra need to be carefully considered with exceptions made only in the most mission critical areas.

For example, currently there are approximately the equivalent of more than 50 faculty FTE associated with non-instructional service credit. There are similar examples across the university. With the upcoming changes in the retirement system, a bubble of additional retirees is expected. We need to ensure that we are careful by only replacing mission critical employees across the university. This consideration needs to be continued should the University implement retirement incentives in the future

Source:

Interviews and discussions

- **Continue to aggressively pursue assuring the Renewable Energy Center and the University's energy conservation measures realize target goals.**

In FY 13, $12.6 million was dedicated to utilities across all campus ledgers. The Renewable Energy Center was built with projected savings. These savings are essential given our current financial constraints. The measurement and valuation of the Energy Conservation Measures are continuing and need to be pursued aggressively.

Source:

Program Analysis Reports

Interviews and discussions

Honeywell reports

- **Improve existing processes for more efficient use of surplus furniture and equipment.**

While there are processes in place for utilization of surplus items, these are not pursued consistently across university entities. Given declining resources, purchase of new furniture and other equipment should be scrutinized based on the usability of surplus items.

Source:

Interviews

Budget data provided by VPBA

- **Travel across all University entities regardless of funding source should be scrutinized to ensure good stewardship of resources**

FY 15 budget projections reflect a planned 30% reduction in travel for ledger 1. All funding areas should implement similar targeted reductions.

Source:

FY budget forecasting spreadsheet

- **Exercise caution in dedication of resources in the implementation of strategic plan goals**

The Presidents' Program Analysis reflects $1,555,000 for various initiatives to address Presidential goals, many of which are in the University Strategic Plan. Many of these goals involve study of various ideas, outside consultants or speakers. There could be potential savings of $500,000 to $1 million by delaying or revising implementation of these action plans.

Source:

President Office Program Analysis

Strategic Plan

- **Continue judicious use of equipment reserves funded by appropriated and non-appropriated ledgers**

The FY 15 budget request reflects zero dedication of new appropriated dollars to equipment purchases, basically saying we are not adding any new funding to equipment reserves. Purchase of equipment essential to programmatic needs and to ensure efficiencies must come from existing equipment reserves.

Source:

FY 15 budget request

Equipment Reserve Status Spreadsheet as of 11/30/13

- **Careful consideration should be taken in the use of non-indentured reserves and unrestricted cash assets to off-set structural deficits.**

An example is using the release of the non-indentured reserve of the Science Building.

Source:

Non-indentured reserve in BOT Minutes

- **Recommend review all university maintenance agreements by procurement and corresponding departments to verify they are all still needed**

Many departments have yearly agreements they pay vendors for their services. Occasionally, a maintenance agreement has come through that a department did not know why they still paid it, however they had kept paying it because "they always had it".

Although there is likely to be very little savings that could be found it, there should be a review of all maintenance agreements paid by departments to ensure that they are actually still needed. If the agreement is not needed, it should be discontinued.

Source:

Program Analysis

Interviews

- **Recommend a review of all PCard transcations for "like" purchases to find where bulk savings could be realized.**

There were over 89,000 purchases for EIU done via the PCard in the last fiscal year. It is possible that some savings could be found for the university if:

a) Purchases were reviewed university-wide to see common product purchases to look for savings
b) Some departments are paying more for a product than other departments resulting in overspend because the purchases are only made at the departmental level

Savings here would likely be minimal, but with 89,000 purchases there is likely to be some relevant data to help reduce expenses.

Source:

Program Analysis Reports

Interviews and discussions

- **Explore the efficiency of the 4.5 day work week during the summer sessions.**

When the 4.5 day week was instituted, utility costs were significantly higher. Current reported savings are based on an old model.

Source:

Interviews and discussions

- **Explore the possible efficiencies of a 4 day work week during summer sessions or possible increased usage of facilities with a 5 day work week.**

A 4 day work week could result in improved efficiencies and savings and more creative use to attract students. A 5 day work week would provide opportunities for more use of facilities.

Source:

Interviews and discussions

Resource Reductions Explored But Found To Not Result In Significant Cost Savings:

- Utilizing VOIP and removing all University land lines (excluding Housing as we do not pay for these).
- Lowering temperatures 1-2 degrees in winter and raising temperatures 1-2 in summer.
- Increasing PCard limits.
- Reduction or elimination of University "fleet."

Presentation/Reactions/discussion

Kathlene Shank presented the report using a slide presentation. She commented that the most positive thing from this process is that the committee members became friends. Also, any suggestion that came forward was written into the report.

The suggestion was made to check into software licensing because there are many open source versions of software available.

b. Student Affairs Subcommittee Report

Program Analysis Recommendations
Division of Student Affairs
Presented to CUPB on April 4, 2014

Subcommittee Members:

Ann Brownson	Jennifer Sipes
Mona Davenport	Grant Sterling
Christine Edwards	Vance Woods
Zach Samples	

In FY13, EIU's total income fund (appropriated funds and tuition) was $108,033,000. The Division of Student Affairs was allocated **4% of the income fund** ($4,517,549). Attachment 2 (titled "Income Fund Budgets FY13") indicates the amount of appropriated funding received by each Student Affairs department in FY13.

Our subcommittee noted that the following departments within Student Affairs **do not receive any appropriated funding:**

- Fraternity and Sorority Programs
- Student Health Insurance
- Housing and Dining Services
- Health Service
- Textbook Rental Service
- Student Standards
- Student Legal Service
- University Union

*Because the University's goal is to cut $7 million in appropriated expenditures, our subcommittee did not discuss these areas. (Cutting or eliminating these departments would have no effect on the income fund.)

The Division of Student Affairs relies heavily on revenue generated by student fees. As Eastern's enrollment has steadily declined since FY10, the amount of student fee income has likewise declined. Attachment 3 (titled "History of Student Affairs Fee Income") outlines Student Affairs' **cumulative loss of $9,464,095 in student fee income from FY10 to FY13**. (This figure does not include the amount of revenue that has been lost as income for services – e.g., sweatshirts in the Bookstore, coffee at Java B&B, etc.) In order to remain operational, departments have been cutting expenditures since the beginning of the enrollment decline. **The following number of positions in Student Affairs were not filled: FY11 – 64 positions, FY12 – 46 positions, FY13 – 55 positions, and FY14 – 79 positions.** (For further detail, please see Attachment 3.) Until enrollment begins to increase again, Student Affairs will continue to lose student fee income and continue to be forced to make additional cuts accordingly.

Our committee reviewed the departments in Student Affairs that receive appropriated funding. They were the following:

- Campus Recreation
- Career Services
- Counseling Center
- Intercollegiate Athletics
- Military Student Assistance Center (reports to Director, New Student Programs)
- New Student Programs
- Student Community Service
- Student Life
- University Police Department

VPSA Operations

After review, our committee offers the following recommendations to reduce expenditures:

Because the Division of Student Affairs receives 4% of the University's appropriated funding, we used 4% of the total $8 million in appropriated cuts ($320,000) as a guide for determining specific recommendations.

1. Explore contract length reductions for counselors in the Counseling Center (9, 10, or 11 month contracts).

Contract Period	1 Counselor	2 Counselors	3 Counselors
11 months	$3,634	$7,268	$10,902
10 months	$7,268	$14,536	$21,804
9 months	$10,902	$21,804	$32,706

2. Look across Student Affairs for other departments in which employee contract lengths may be shortened to 9, 10, or 11 month contracts (rather than 12 month contracts). Also consider shorter contract lengths as new staff are hired.
3. Reduce the appropriated budget of Intercollegiate Athletics by 10% ($188,943). This includes Intercollegiate Athletics and Sports Information.
4. The estimated balance of approximately $100,000 shall be taken from the budgets of Student Affairs departments in whatever way the Vice President for Student Affairs deems to be best.

In an effort to enhance recruitment and retention, our committee also offers the following recommendations:

1. Career Services – Add an additional 10 month position that will focus on building relationships with large businesses and facilitate internship opportunities for students. This staff member would also be tasked with offering one-on-one career counseling sessions for students, which would reduce the wait time for a career counseling appointment. (Currently, the wait time for a career counseling appointment is approximately 2-3 weeks.)
2. Student Life – Increase funding for programming so that more activities can be offered for students. These programs should especially focus on leadership development through training and applied learning opportunities.

Other thoughts from the committee:

1. The University Police Department should proceed with filling the four vacant officer positions.
2. As enrollment increases and revenue allows, our committee acknowledges the need for enhancement in the Division of Student Affairs.

Presentation/Reactions/discussion

Mona Davenport presented the report. The subcommittee tried to provide 1, 2, or 3 options for each area within Student Affairs. Decisions about what to include in the report were not all unanimous. Dr. Nadler and Ms. Lynette Drake attended most of the subcommittee meetings and provided information when asked.

Jonathan Blitz asked what percentage the $188,000 from Athletics was of the 6.7M.

c. Academic Affairs Subcommittee Report

CUPB Academic Affairs Program Analysis Subcommittee Recommendations. April 4, 2014.

In accordance with the charge from Eastern Illinois University President William Perry to identify areas for possible monetary reductions and reallocations using the University Mission Statement as a guide, the Council on University Planning and Budget Academic Affairs Subcommittee submits the following recommendations for review by the President and the Board of Trustees.

General recommendations:

1. Conduct a careful analysis of administrative staff positions. Analysis should include comparison to peer institutions.
2. Investigate the possible savings of future retirements and departures. A cost analysis should include possible savings derived from retirement incentive options or early buy-out programs.
3. Clarify EIU enrollment goals and establish an optimal faculty/student ratio prior to reducing any faculty positions. In addition, administrator/student and support staff/student ratios should be reviewed for possible reductions.
4. Review possible duplication of services among academic course offerings.
5. Provide each unit being recommended (below) for closer analysis a collective opportunity to review its own area for possible reductions.
6. Reallocate additional funds to programs that can demonstrate they have more qualified applicants for admissions than they can handle with current levels of support. The University Strategic Enrollment Plan should be consulted in this process.
7. Review all reassigned faculty time.
8. Increase online offerings where appropriate, including for online licensure programs with demonstrated potential to draw enrollment.

Specific areas recommended for closer analysis:

1. The efficiency of and possible duplication of services among the Student Success Center and all student academic support offices.
2. The structure of CATS/ITS and technology support staff. Analysis should include comparison to peer institutions, possible overlap of services, and staff/student ratios.
3. The staff and structure of CASA. Analysis should include possible overlap of services, and staff/student ratios.
4. The current level of support for and activity of Faculty Development.
5. The BOT degree: its benefit to students and its administrative cost.
6. The efficiency of the Study Abroad office.
7. The efficiency of the Minority Affairs office.
8. The staffing in dean's offices.
9. The staffing in departmental offices.
10. The financial viability of low-enrolled graduate programs, taking into account the academic mission of the university.
11. Costs of assigning multiple staff in University Foundations courses.
12. The possible reduction of some service staff from 12 to 11 or 10 month contracts.

Presentation/Reactions/discussion

Gloria Leitschuh presented the report for Academic Affairs. There was as much consensus within the subcommittee as possible.

The question was raised about including undergraduate programs with low enrollment in one of the recommendations. Anita Shelton responded that there are programs with low enrollment but have high student credit hours.

Motion (Shank/Zimmer) to accept the subcommittee reports with the modifications from the floor. A friendly amendment (Shank/Zimmer) was made to simply accept the reports. The vote was tabled until the meeting on April 18.

d. Two Resolutions

Motion (Sterling/Blitz): In keeping with President Perry's affirmation to the Board of Trustees that academics is the "central core" of EIU's mission, we the members of CUPB affirm that the EIU mission statement places comprehensive instruction provided by outstanding faculty at the foundation of the University's mission. Yes: Blitz, Shank, Shelton, Sterling; No: Brownson, Davenport, Early, Edwards, Emmerich, Gordon, Izadi, Lanham, Leitschuh, Naragon, Riedemann, Samples, Sipes, Woods, Zimmer; Left before the vote was taken: HaileMariam, Nichols.

Grant Sterling withdrew Resolution No. 2.

4. New Business

a. **Opportunities for Enhanced Programs**

This item will be discussed at the meeting on April 18.

b. Agenda for meeting on April 18

Dean Lanham asked about agenda items and/or expectations for the meeting on April 18.

5. Other

President Perry reported on the budget process in Springfield. Eastern will testify before the House Appropriation Committee next week, and the President stated that flat funding is critical.

6. Adjournment

The meeting was adjourned at approximately 4:00 p.m.

7.