

**Minutes of November 13, 2009 Meeting**

The meeting convened at 10:04 a.m. in room 817, Cathedral of Learning.

UPBC members present were: John Baker, Jerome Cochran, Angie Coldren, Richard Colwell, N. John Cooper, David DeJong, Jacqueline Dunbar-Jacob, Judith Erlen, Beverly Ann Gaddy, William Harbert, James Maher, Paul Munro, Arthur Ramicone, Jerry Samples, Sharon Smith, and Gwen Watkins. Also present were: Rich Henderson, Charlie McLaughlin, Albert Novak, Benoni Outerbridge, and Robert Pack.

Not present were: Chan Braithwaite, Diana Browning, Phil LaRue, Alan Lesgold, Arthur Levine, Michael Lotze, Jeffrey Masnick, Michael Pinsky, Paul Supowitz, Kathy Tosh, and Stephen Wisniewski.

**Minutes of April 30, 2009 Meeting**

There was a motion to approve the Minutes of the April 30, 2009 Meeting. The motion was seconded. There was no discussion. The Minutes were approved unanimously.

**Report of the Chair**

Maher reported that there was no state appropriation as of this time. He is holding back on projects, but otherwise operating as close to normal as possible with respect to teaching, learning, and research.

**SAC letter to the Chair of UPBC**

On May 21, 2009, the SAC sent a letter to Maher in his capacity as Chair of the UPBC. The letter made some recommendations to “realize cost savings for the University, increase staff morale and operating efficiency,” including an Early Retirement and Retirement Incentive Program and additional time off. Maher responded in a letter dated June 30, 2009, in which he stated that “the institution-wide planning done at the level of the UPBC has been grounded in the belief that the University’s staffing is lean and that preserving staff positions...should be a priority.” Maher then opened the floor for discussion of how the UPBC would like to handle the situation.

Watkins and Colwell apologized for the situation, and in particular for the fact that the “University Times” acquired a copy of the letter before Maher. Discussion then moved to the how the state of the economy has affected unemployment, furloughs at institutions of higher education, and the Pennsylvania state budget. Regarding SAC’s proposal for Early Retirement, it was noted that this is an expensive option, and it runs afoul of commitments to the Board of Trustees. Regarding additional time off, several members confirmed that their departments and schools are very lean and that their staff members have responded to the hiring freeze by increasing their responsibilities and rearranging workloads. The consensus was that in order to maintain the current quality of service, the University needs all of its current staff. There was a motion to accept Dr. Maher’s letter dated June 30, 2009 as an adequate response to the SAC letter. The motion was seconded. There were no objections to the motion and it passed.

**Revenue and Cost Attribution Methodology**

Maher said that the Revenue and Cost Attribution Methodology was developed by the UPBC as a working tool to get some sense of the budget, and one of its benefits has been to provide

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some transparency. However, cost accounting is extraordinarily hard to do, and it is expensive to produce. Furthermore it is not useful for making good management decisions. Ramicone pointed out that document attributes costs over which people have neither control nor responsibility, and that there is no clear way to attribute costs such as public safety or library services. Smith said that she had seen similar documents cause divisiveness among units at other institutions. Maher said that a lot of what has gone right at the University is because the Deans and Campus Presidents have gotten sophisticated and learned how to work with and for the University. Smith also said that the Revenue and Cost Attribution Methodology was not useful in her budgetary decisions. Dunbar-Jacobs and Cooper concurred. Colwell said that he uses it to make salary decisions. Baker said that the Senate Budget Policies Committee (SBPC) has oversight of the Planning and Budgeting System, and to fulfill that responsibility it needs certain budgetary information. In the past, the Revenue and Cost Attribution Methodology has been one of the documents that met this need, but he would be happy to entertain alternatives. It was suggested that the SBPC consider what budgetary information they need and that Ramicone consider what his office can provide within reasonable time and cost constraints. Further discussion was tabled until it was determined what was needed and what could be easily produced.

The meeting adjourned at 11:37 a.m.