Administrative Excellence Advisory Committee

Date: Thursday, November 3, 2011
Start/End Time: 10 am to 11:30 am
Location: 260 Bascom Hall

Present: Members: Brad Barham (Chair), Aaron Crandall, July Underwood, Irwin Goldman, JoBeth Dudley, Anne Mekschun, Jeff Shokler, Mark Bugher, Nicholas Brigham Schmuhl
Ex Officio: Don Miner, Kim Moreland, Alan Fish, Bruce Maas, John Krogman
Staff: Alice Gustafson (Project Manager), Scott Hildebrand, Eden Inoway-Ronnie, Maury Cotter
Huron Consultants: Scott Friedman, Adam Fennel, Chris Slatter

Unable to attend: Bethany Pluymers, Bob Lavigna

----- MEETING NOTES-----

Update – Resource Allocation

Brad Barham asked Huron to provide an update on resource allocation. Adam Fennel of Huron guided the Advisory Committee through a hand-out on resource allocation. He said a set of draft principles guided Huron’s analysis. Adam said the most interesting were aligning revenues with costs that generate them, establishing a balance between budget stability and “growth by substitution” to ensure incremental funding goes to the university’s most important strategic priorities, and ensuring resource allocation continues to provide sufficient funding so all organizations can carry out their core missions. He also said a theme they heard repeatedly is that budgeting is impacted by data availability, accuracy and accessibility issues.

Adam said Huron’s review found that the current environment creates incentives for the collection of resources at the departmental level without considering whether those funds may be more optimally used elsewhere across the university. He suggested moving incentives so there are opportunities for departmental efficiency and optimization as well as institutional optimization. Considering the level of constituent involvement in the budget process, Adam said there are opportunities for increased transparency. He also said UW-Madison used few explicit metrics to inform the budget process. Greater focus in this area will provide a basis for improved understanding, he said.

Adam also reviewed select benchmarking components with peer institutions. He said the size and structure of a centralized office for budgeting and resource management is dictated by each institution’s philosophy toward revenue collection and allocation. UW-Madison's budget office provides support to the budget process, but a majority of analyses and forecasts are developed by the control points and are reviewed centrally. The benchmarking found that budget office staffing levels, organizational responsibilities and structure vary across the peer institutions, with the staffing for UW-Madison’s budget office at the lower end. UW-Madison’s budget office may require additional FTE in order to effectively manage a change in resource allocation methodology, Adam said.
Phase II
Alice indicated that feedback from the Oct. 27 forum will be posted and shared on the website. The feedback will provide information to the work teams of issues they need to be aware of. There is support from the Steering Committee to move to Phase II.

Aaron Crandall said people at the forum were expecting to see more data and more of a rationale for how the 5 projects were selected.

Alice indicated that work has begun to identify members to serve on the various work teams. The target size will be 6-8 people per team, with the recognition that others may need to be consulted throughout the process. While difficult to predict, the team members should expect to work at least 8 hours per week. The timeline is a 3-5-month effort to reach a decision point.

Alice said she would like to know if people want to be involved with a particular team, as she believes it would be helpful to have some members involved. Brad indicated that the Advisory Committee would see results after the work teams have dealt with issues at the very detailed level. Brad indicated that some of the governance representation will not necessarily be present in the next phase of work on the work teams. There was discussion about the meetings of the work teams being open meetings. Alice indicated that rosters of work teams will be posted.

Alice indicated the communication plan for November includes presentations to the Chairs & Directors Breakfast, and the Leadership Council, as well as meetings with MTAG, ITC, and ASM.

NEXT MEETING WILL BE:
10 a.m. Thursday, December 1 Room 260 Bascom