

**Indiana University East
Budgetary Affairs Committee
2010-2011 Year-End Report**

Members of the Committee

Jerome Mahaffey (Chair, HSS, '11)

Sue McFadden (LIB, '11)

Mort Seddighin (NSM, '11)

Judy Batdraw (EDUC, '12)

John Stager (BUSE, '12)

Diana Stanforth (NURS, '12)

Meeting Dates

- September 7, 2010 12:00pm
- September 21, 2010 10:30am meet with Chancellor Paydar
- October 5, 2010 8:30am
- October 26, 2010 10:30am
- February 3, 2011 email discussion: Health plan (from UFC)
- February 24, 2011 email discussion: Feedback on Health plan (from UFC)
- March 4, 2011 email discussion: Early retirement (from UFC)
- April 11, 2011 9:30am meet with Chancellor Paydar
- May 15, 2011 email discussion: RCM feedback

Original Charges to the Committee (with responses of committee activity)

- *In keeping with the faculty's recommending and consultative authority over campus facilities and budgets, BAC is charged with assisting faculty in understanding the budget, especially as RCM is implemented. BAC is also charged with conducting an initial gathering of questions and suggestions on RCM to present to the appropriate campus administrative officials.*
- *Consider the recommendations listed in the 2009-2010 BAC year-end report, including the issue of what falls under faculty authority.*
- *Continue to build knowledge of Responsibility Center Management (RCM) and how it works. Consider whether conducting a brief informative presentation to faculty would be useful.*
See below
- *As RCM continues to be implemented, gather questions, initial suggestions and feedback on RCM from faculty and School deans. Compile the major questions, suggestions and feedback into a synopsis that emphasizes a few key items. This should be a brief report rather than a comprehensive review.*
- *Briefly present the report to faculty.*
See that these initial questions, suggestions and feedback elicit responses from relevant campus administrative officials. Report to the faculty on the responses. This is in keeping with the Constitution's statement that "The Faculty

Senate may recommend action, and the campus administrative officials should consult with the faculty concerning Allocations of the University's resources among competing demands, including campus facilities and budgets."

Report of the Committee's Activities

- Met two times with Chancellor Nasser Paydar and Vice Chancellor for Administration and Finance Dan Dooley, who reviewed current and future budgets with BAC.
- On Sept 21, 2010, hosted an open informational session on RCM that was well attended.
- Discussed RCM with School Deans and/or faculty members.
- Held various electronic discussions to generate questions and feedback about RCM, health plans, and early retirement.
- The BAC Chair drafted Report on RCM, and BAC's responses to the recommendations of the 2009-2010 BAC, solicited feedback and editorial comments from the committee members, then distributed them for approval by the committee.

Recommended Charges for 2011-2012

- Verify that RCM incentives align with University goals, especially in light of School of Education budget shortfalls.
- Verify that of state tuition by weighing of credit hours among Schools is indeed part of RCM's structure.
- Include budget incentives for securing outside grants.
- Determine the extent to which salary compression may be occurring among faculty.
- The committee recommends clarification of the budget policy on whether academic units may "bail out" those units not covering their own costs.
- In general, the committee recommends that practices need to be committed to policy as much as possible, especially as we move forward. Ideally, policy should dictate how surplus and deficits are handled in at least a framework beyond discoveries of verbal requirements.
- In light of the increasing workload demands upon full-time faculty, the committee recommends allocation RCM funding for additional temporary faculty from academic unit surpluses.

BAC's 2010-2011 Report on RCM will be available on the Senate website.

BAC's 2010-2011 responses to the recommendations on RCM from the 2009-2010 BAC will be available on the Senate website.

Respectfully Submitted by Jerome Mahaffey