

Budget Reallocation Committee Report  
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## University Budget Reallocation Committee

Last Name	First Name	Department
Adams	James	School of Social Work
Barger	Sara	Capstone College of Nursing
Bonner	Judy	College of Human Environmental Sciences
Clark	E.	College of Communication & Information Sciences
Curry	William	College of Community Health Services
Dahl	Carolyn	College of Continuing Studies
Dolly	John	College of Education
Greene	Timothy	College of Engineering
Lawrence	Molly	Student Affairs
Mason	Barry	"Interim President, The University of Alabama"
Mason	John	Culverhouse School of Accountancy
McNeill	Jeff	University Advancement
Misiolek	Walt	College of Commerce & Business Admn.
Olin	Robert	College of Arts and Sciences
Pitschmann	Louis	University Libraries
Pruitt	Samory	Community and Corporate Relations
Randall	Ken	School of Law
Rogers	Ron	Graduate School
Wright	Robert	Financial Affairs
Price	Harry	College of Arts and Sciences
Sigler	Bob	College of Arts and Sciences

Suggestion	<i>Range of allocation possibility</i>	
1a Look at Service Units to become self-supporting	<i>Public Service FY03 State \$---\$5,419,000;Benefits FY02---\$976,000</i>	
1b reduce centralized funding for museums	<i>AI Museum FY 03 State \$---\$641,000;Benefits FY02---\$181,000 Bryant Museum FY03 State \$---\$225,000;Benefits FY02---\$57,000 (Museums are included in the Public Service amounts for item 1a)</i>	
1c reduce centralized funding for non-degree education and for units that do not offer a discipline major or degree such as the external degree program	<i>Continuing Studies:</i> <i>Gadsden Center FY03 State \$---\$137,000;Benefits FY02---\$88,000</i> <i>Professional and Management Development FY03 \$---\$2,000;Benefits FY02---\$136,000</i> <i>Environmental and Industrial Programs FY03 State \$---\$13,000;Benefits FY02---\$30,000</i> <i>Administrative Services FY03 State \$---\$434,000;Benefits FY02---\$100,000</i> <i>Academic Programs FY03 State \$---\$98,000;Benefits FY02---\$201,000</i> <i>Distance Education FY03 State \$---\$215,000;Benefits FY02---\$240,000</i> <i>(Additional Continuing Studies areas included in Public Service listing)</i>	
1d Combine all of the career related activities, co-op, and internships into one administrative structure.	<i>Career Center FY03 permanent budget---\$546,000;Benefits FY02---\$98,000</i> <i>Engineering Co-Op FY03 permanent budget---\$123,000;Benefits FY02---\$24,000</i> <i>Engineering Placement FY03 permanent budget---\$86,000;Benefits FY02---\$15,000</i> <i>Career Services Satellite C&amp;BA FY03 permanent budget--\$20,000;Benefits FY02 \$4,000</i>	
2 Out source auxiliaries or increase their payment to central administration	<i>1% increase in administrative overhead---\$319,000</i>	
3 Privatize advancement and alumni	<i>FY03 permanent budget---\$4,107,000; Benefits FY02---\$857,000</i>	
4 Tax on all tickets sold to all events on campus	<i>General Ticket Price and # Tickets</i> <i>Football \$30 522,000 Tickets</i> <i>Basketball \$15 125,000 Tickets</i> <i>Baseball \$5 148,000 Tickets</i> <i>Gymnastics \$7 34,000 tickets</i>	<i>Athletic Ticket Sales FY02</i> <i>Football \$10,507,000</i> <i>Basketball \$1,268,000</i> <i>Baseball \$298,000</i> <i>Gymnastics \$129,000</i>

5	Early retirement buyout	\$1,500,000 to \$3,500,000
6a	Differential tuition and fee structure.	
6b	Review tuition structure to consider lowering the maximum full-time student credit hours credit hours (for billing purposes) from 18 hours to 17 or 16.	Reduce full-time tuition to 16 hours---\$1,933,000 Reduce full-time tuition to 17 hours---\$644,000
7	Discontinue allocating interest to restricted and loan fund balances	Amounts including scholarship accounts: Restricted funds---\$1,500,000 Loan funds---\$52,000  Amounts excluding scholarship accounts: Restricted funds---\$1,173,000 Loan funds---\$52,000
8a	Eliminate the office of continuous quality improvement	FY03 Permanent Budget---\$89,000(Salary only. No permanently budgeted operating funds FY02 Benefits---\$19,000
8b	Combine small colleges.	
8c	Combine research centers with colleges or other centers	
9	increase enrollments One suggestion was to bring in 870 more students	100 new students (81 in-state and 19 out-of-state)---\$380,000
10	Increase parking costs--variable depending on location and salary	Faculty/Staff FY02---Green hang tags;\$45 each;3,683 sold;\$165,000 ---Controlled lot hang tags;\$100 each;146 sold;\$146,000
11	System efforts to economize on energy medical and other costs. System wide efforts to economize on administrative costs	Blue Cross medical expense UA General Funds FY02---\$8,600,000
12	Review of faculty release time--implement post-tenure review with view of faculty productivity	
13	Reduce state allocations to the professional staff category	

14a Be more restrictive giving out-of-state tuition waivers in our charges for classes

*Out of State Tuition Waivers FY03 permanent budget---\$3,842,000*

14b Be more restrictive giving out-of-state tuition waivers to designated programs

15 Across the board percentage costs to all units

*1% FY03 permanently budgeted expenditures---\$2,126,000*



## REALLOCATION TASK FORCE COMMITTEE

### VOTING

Please return your form to Bob Olin by 5:00 pm., Wednesday December 18 in Clark Hall, Box 870268. I will tally the results and include in our report to the President. You will receive a copy of the report and tally.

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#### Items 1a, 1b, 1c:

Reduce funding for service and other units up to 20% .

Savings total (from sheet dated 11/13/02) is \$2,886,291.

Items 1a, 1b, and 1c listed on the excel sheet passed out at the 12/10/02 meeting are just a part of the category.

Strongly recommend    Recommend    Neutral    Do not recommend    Strongly do not recommend

Comments:

#### Item 1d:

Combine the entire career related activities, co-op and internships into one administrative structure.

Strongly recommend    Recommend    Neutral    Do not recommend    Strongly do not recommend

Comments:

#### Item 2:

Outsource auxiliaries or increase their payment to central administration.

Strongly recommend    Recommend    Neutral    Do not recommend    Strongly do not recommend

Comments:

**Item 3:**

Privatize advancement and/or alumni

Strongly recommend    Recommend    Neutral    Do not recommend    Strongly do not recommend

Comments:

**Item 4:**

Tax on all tickets sold to public events given on campus

Strongly recommend    Recommend    Neutral    Do not recommend    Strongly do not recommend

Comments:

**Item 5:**

Early retirement buyout.

Strongly recommend    Recommend    Neutral    Do not recommend    Strongly do not recommend

Comments:

**Item 6a:**

Differential tuition and fee structure for various courses. Committee recommendation is to form a committee to study how this would work and its feasibility.

Strongly recommend    Recommend    Neutral    Do not recommend    Strongly do not recommend

Comments:



**Item 6b:**

Review tuition structure to consider lowering the maximum fulltime credit hours to 17 or 16.

Strongly recommend    Recommend    Neutral    Do not recommend    Strongly do not recommend

Comments:

**Item 7:**

Discontinue allocating interest to restricted or loan fund balances.

Strongly recommend    Recommend    Neutral    Do not recommend    Strongly do not recommend

Comments:

**Item 8a:**

Eliminate the office of continuous quality improvement.

Strongly recommend    Recommend    Neutral    Do not recommend    Strongly do not recommend

Comments:

**Item 8b:**

Combine small colleges.

Strongly recommend    Recommend    Neutral    Do not recommend    Strongly do not recommend

Comments:

**Item 8c:**

Combine research centers with colleges or other research centers.

Strongly recommend    Recommend    Neutral    Do not recommend    Strongly do not recommend

Comments:

**Item 9:**

Increase enrollments

Strongly recommend    Recommend    Neutral    Do not recommend    Strongly do not recommend

Comments:

**Item 10:**

Increase parking costs.

Strongly recommend    Recommend    Neutral    Do not recommend    Strongly do not recommend

Comments:

**Item 11:**

Reduce energy and medical costs.

Strongly recommend    Recommend    Neutral    Do not recommend    Strongly do not recommend

Comments:

**Item 12:**

Review faculty release time. Implement post-tenure review.

Strongly recommend    Recommend    Neutral    Do not recommend    Strongly do not recommend

Comments:

**Item 13:**

Reduce state allocations to the professional staff category.

Strongly recommend    Recommend    Neutral    Do not recommend    Strongly do not recommend

Comments:

**Item 14a:**

Be more restrictive in giving out-of-state tuition waivers.

Strongly recommend    Recommend    Neutral    Do not recommend    Strongly do not recommend

Comments:

**Item 14b:**

Be more restrictive in giving out-of-state tuition waivers to designated programs.

Strongly recommend    Recommend    Neutral    Do not recommend    Strongly do not recommend

Comments:

**Item 15:**

Across the board percentage cuts to all units.

Strongly recommend    Recommend    Neutral    Do not recommend    Strongly do not recommend

Comments:

-----Vote Totals-----  
 (See legend below)

Allocation Item	SR	R	N	D	SD
Item #1abc	7	9	3	0	1
Item #1d	5	9	5	1	0
Item #2	10	5	3	2	0
Item #3	8	8	1	2	1
Item #4	7	5	1	6	1
Item #5	2	7	4	6	1
Item #6a	4	7	6	3	0
Item #6b	2	5	5	4	4
Item #7	5	5	3	4	3
Item #8a	2	3	3	8	4
Item #8b	3	4	3	4	6
Item #8c	6	5	5	3	1
Item #9	14	4	2	0	0
Item #10	4	4	4	5	3
Item #11	4	10	4	1	1
Item #12	6	6	5	2	1
Item #13	2	1	6	7	4
Item #14a	0	6	2	6	6
Item #14b	2	7	4	5	2
Item #15	2	5	4	5	4

SR = Strongly Recommend  
 R = Recommend  
 N = Neutral  
 D = Disagree  
 SD = Strongly Disagree

## REALLOCATION TASK FORCE COMMITTEE

### VOTING

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#### Items 1a, 1b, 1c:

Reduce funding for service and other units up to 20%.

Savings total (from sheet dated 11/13/02) is \$2,886,291.

Items 1a, 1b, and 1c listed on the excel sheet passed out at the 12/10/02 meeting are just a part of the category.

Strongly recommend      Recommend      Neutral      Do not recommend      Strongly do not recommend

#### Comments:

- It will be impossible to cut every item on the list by 20%. Making such a decision without looking at the consequences of the decision is irresponsible.
- I don't recommend 20% from each service and other units but careful review of impact of each situation. Total dollar amount might be less than \$2.8 million.
- I believe we should reduce the centralized funding for both degree and non-degree education offered off campus. At the current time, a graduate student out of state can take graduate courses for a lower cost at the Gadsden Center than an Alabama resident in Tuscaloosa can take the same course here on campus.
- Although there is "pain" associated with this approach, it does appear to affect other divisions in addition to Academic Affairs.
- Phased in with clear plan and expectations.
- I do not believe an across the board, 20% is the solution. Management needs to look at each unit, case by case and assess the merits. Some may/should take less, some more.
- This seems logical, in so much as possible. This concept also needs to consider each service unit's centrality to the University mission. For instance, while it is good to have a University Press, it is not essential or while RISE provides many benefits, the fact that no one pays tuition when parents of children this age would at least pay for childcare should be considered.
- I'd ask all units to review all data.
- Recognize that some service units have important public service roles for the University, and that we have a responsibility to the state in this regard.
- Focus most on services without a direct relationship to the academic and research missions; e.g. Alabama Heritage Magazine.
- The examples listed on the document "DRAFT 11-03-02" and listed as 1a, 1b, and 1c cannot be in the same category. They differ greatly in mission and income.
- Most service and other non-academic units, except those that generate revenues in excess of direct costs, should be weaned from the University's budget. Also, I am of the opinion that the

Committee should take the position that in the future, if the State of Alabama appropriates funds for a public service or non-academic unit at the University, as a minimum the cost of that unit's faculty/staff benefits should come off the top of those state appropriations.

**Item 1d:**

Combine the entire career related activities, co-op and internships into one administrative structure.

Strongly recommend      Recommend      Neutral      Do not recommend      Strongly do not recommend

Comments:

- The career center as it now exists primarily serves students in Business and Engineering. Rather than bring their units into the career center, I would leave the units in Business and Engineering a close the central career center. This is one area where having a decentralized unit may work better. The current one certainly is not working.
- This might not immediately have any cost savings but over time, greater efficiency will be gained. Student's usage will improve and studies have shown that one-stop shopping is a student-oriented practice that is much appreciated by student body.
- Not clear how much money can be recovered, but would hope that services could be more broadly available across campus to students of all colleges.
- Not related to my area, but makes sense as a management principle.
- This is a cut that will impart the College of Engineering the most. Given that Engineering receive over \$500,000 per year in corporate gifts because they like our students and access to them, the combining needs to be done right. If combined, it needs to be moved back under OAA.
- There does not seem to be much savings to be realized here, especially if it is at the cost of quality of service. If these are similar enough to result in an economy of scale, then it is worth pursuing.
- There are different requirements across disciplines which must be met if these activities are centralized.
- The combined cost of these activities total almost \$1,000,000 a year. If a 10% to 20% cost reduction could be achieved by combining these activities, then the cost reallocation would be approximately \$100,000 to \$200,000 per year. Although relatively small, that amount of cost reallocation is not insignificant. However, combining these activities should be done only if it can be accomplished without significantly compromising the quality of these services.

**Item 2:**

Outsource auxiliaries or increase their payment to central administration.

Strongly recommend      Recommend      Neutral      Do not recommend      Strongly do not recommend

Comments:

- We do not have sufficient information about this in order to make an informed decision but in theory, it makes sense.
- We need to be aware that auxiliaries must make revenue to cover expenses. If the indirect cost is increased, another service or produce price will increase. This could be a greater cost to individuals.

departments. Further review is warranted. Consultants have looked at various maintenance and auxiliary services in the past. Some universities who have gone to outsourced custodians have not been pleased with the results (Montevallo).

- I totally agree. We should outsource most of our auxiliaries and increase the percentage of cut for the University. We should look at the motor pool, bookstore, and any and all food services. We should outsource our payroll. There are a number of areas where we don't seem to be very efficient, and we may be significantly better off outsourcing all these operations with them paying us a fee to use our name and to work on campus.
- Let's consider greater use of outsourcing with significant (15 %?) commissions to the University.
- This needs to be considered on a case by case basis. Quality of service must be maintained while reducing costs.
- Outsourcing or privatizing is sensible. The fact that any area (namely athletics) pays a far smaller rate than any other is troubling. I believe their share should be brought up to expectations of other units. Also, some auxiliaries are more basic to our mission and leaner and this needs to be taken into account.
- Has worked well at other institutions with lots of planning.
- Most auxiliary units appear to be barely breaking even. An increase in payment would mean increase costs, which would imply a reduction in quality or an increase in prices to students in some situations.
- I am in favor of outsourcing if it can save us money but to determine that would require a more detailed analysis.
- I am of the opinion that the University should outsource most auxiliaries except those (if any) that are inextricably entwined with specific academic programs. Moreover, the University should conduct a feasibility study of outsourcing landscaping, maintenance, janitorial, bidding & purchasing, benefits, car pool, etc. These are not germane to the University's mission of teaching and research and might well be handled better and at a lower cost by private enterprise.

### Item 3:

Privatize advancement and/or alumni

Strongly recommend      Recommend      Neutral      Do not recommend      Strongly do not recommend

Comments:

- We need a better definition of what is meant by privatize advancement/alumni. If this means outsourcing, then I do not recommend. If this means that a percent of gifts and fund raising activities goes to covering administrative overhead, then I do recommend. To the best of my knowledge, Alumni covers its own cost through gifts, dues, and fund raising.
- In principal, I am in favor of this. I think we need to see what it means in terms of actual costs. I am not sure I would want to do the same thing with Alumni Affairs since this is a PR organization and is essential in maintaining our relationships with the State of Alabama and our graduates.
- I thought we were making progress on this already?
- The dollars we invest in Advancement need to be increased to prepare for a capitol campaign.
- This would work, especially with built in incentives for advancement.



- I oppose this idea not in its concept but because (a) it will reduce the interest returned to the corpus and thus actually will reduce future earning for academic purposes; (b) central advancement's need first to restore its infrastructure and to support academics. It would take interest from fundraising units and reduce impetus for units to fundraise. It should not be used to shift reporting from units to central advancement.
- Leadership must be clearer to deans as to what this means. Privatize means using existing endowments to pay for operations. We appear unwilling to do that.
- Advancement should be centrally funded in the same way as other essential services.
- We do not have enough information to know the financial impact.
- Both of these are privatized at many universities across the country and continue to thrive.
- This is an area where the University might save as much as \$5 million a year (including benefits) perhaps 50% or more of the required amount of budget reallocation over the next five years. On a different topic, I would prefer to see an emphasis placed on fundraising for chairs and professorship especially for colleges like Arts & Sciences that have not been as successful as Law and C&BA in raising monies for named professorships, rather than for buildings.

#### Item 4:

Tax on all tickets sold to public events given on campus

Strongly recommend      Recommend      Neutral      Do not recommend      Strongly do not recommend

#### Comments:

- If those who buy tickets know that the money is going to create a scholarship endowment for students or whatever the priority is, I do not think they would mind paying an "academic tax".
- I would recommend this for football tickets only. Other events are not sell-outs. Many students, with limited budgets, would be impacted – either through attending events required by class enrollment or possible reduction of social/entertainment activities, which are limited on this campus.
- I agree. Let's tax everything on campus.
- Makes theoretical sense, but not politically feasible.
- The only way to make this work is if it is sold as a contribution to an endowed scholarship fund, with a tax to cover operating costs.
- This should include all university and non-university functions, including concerts or any gathering of non-university organizations that charge admission or "contributions". Rather than call this a ticket tax, it might be more palatable to call it a scholarship support fee and these moneys could replace current state funds used for scholarships, which could then be reallocated to salaries. A benefit plus for this item is that it would realize funds immediately and would have an impact on this fiscal year.
- This does not represent any cutting.
- While it is clear that this tax would generate revenue, politically it just is not likely to happen.
- A modest tax should not lead to a decrease in sales. Many buyers would be pleased to know that a specified percentage is being reinvested in the University and not just used to recover costs.
- The implementation of this item would provide both a substantial and an immediate source of funds. Rather than call it a ticket tax, however, I would prefer a euphemism such as scholarship contribution/donation. The funds generated could replace current state appropriations that are used

for scholarships. As a result, the freed-up state monies would be available immediately for increasing faculty salaries.

**Item 5:**

Early retirement buyout.

Strongly recommend      Recommend      Neutral      Do not recommend      Strongly do not recommend

Comments:

- We have had two early buyouts. Our college has never recovered from the positions that we lost in those buyouts. I dread the thought of having to go through that again.
- I would recommend lobbying for no age limit for the DROP plan instead but this is a good alternative.
- I am opposed to an early retirement buyout. The last time we had one, it was a disaster for my college. I lost 15% of my faculty.
- These kinds of programs don't always pay off, particularly if new hires cost more in terms of salary and start-up costs.
- Too much a blunt instrument where delicate surgery is better.
- This may cause us to lose some of our most productive faculty and staff. We will not see cost savings until after the buy-out is complete which will be two to five years out.
- First, my presumption is that this would be for both faculty and staff. The only reason I am neutral is that for this to be effective it would need to be used for faculty positions elimination or redistribution across divisions. Given the history of this institution, I am not optimistic that this would be approached in this way, since there is no constituency to fight for this. On the plus side, over time there could be considerable savings.
- Consider early-retirement options, but with majority of money in retired lines back to units.
- Can we prove savings?
- Benefits would not be realized for several years. Early retirement buyouts have a very uneven impact across administrative units.
- While it does generate dollars, it is several years before those dollars are realized and this approach can cost the University some of its best people.
- Oppose for faculty. Limited use with staff that are being paid above their grade.
- If an early retirement buyout will generate a reallocation of \$1.5 to \$3 million per year as suggested by Bob Wright, then I am in favor. However, great care needs to be taken to prevent critical programs/departments from being harmed by an exodus of faculty, even if it means hiring replacements. If 50% of the positions freed up by early retirement are filled with replacements (as was true with previous early buyout programs), this would provide both the University and its colleges with an opportunity to reallocate resources between programs. This I strongly recommend.

**Item 6a:**

Differential tuition and fee structure for various courses. Committee recommendation is to form a committee to study how this would work and its feasibility.

Strongly recommend    Recommend    Neutral    Do not recommend    Strongly do not recommend

Comments:

- I concur that this needs to be reviewed further.
- I support only if the increased tuition comes back directly to the units/programs affected.
- My response depends on how it is implemented. Interestingly this was presented with an eye towards a business rather than education model of cost per student hour. If this were the case, we could just eliminate the most expensive programs and divisions and that would likely take care of reallocation; however, we would then not be a university. If we were to move in this direction, the zero-based budgeting is the logical extension. Again, centrality to and diversity within a flagship university needs to be an issue. Another perspective on differential fees is to use faculty SUG market value salaries by division or subdivision as a factor in determining differential tuition, since this is the rationale being used to salary reallocation (SUG 50%).
- Already have it.
- We do not have enough information to make an informed recommendation.
- The committee needs to develop (or have developed) cost data on the faculty cost per credit hour (including fringe benefits) in each major course and major elective in the various programs. The cost per credit hour would be a function of the salaries of faculty in a program, teaching load, average number of students in a course, etc. Until the data are available, I think that it is foolhardy to have differential tuition. The only basis for differential tuition would be demand. Moreover, to base tuition on demand might lessen diversity in the higher tuition programs at the University.

**Item 6b:**

Review tuition structure to consider lowering the maximum fulltime credit hours to 17 or 16.

Strongly recommend    Recommend    Neutral    Do not recommend    Strongly do not recommend

Comments:

- I recommend this needs to be reviewed.
- I am totally opposed to this. We have programs in our college where it is necessary for students to take 18-19 hours in given semesters to complete the program.
- This is a dis-incentive for good students. Many of our curriculum require students to take 17 hours.
- This is an interesting idea. The biggest down side would be for programs over 128 hours (16 hours X 8 semesters). Indeed, UA has programs that are over 136 (17 X 8), so we would not be able to call many programs four-year degrees.
- This would provide disincentives for students to take an 18-hour load, which is contrary to encouraging students to progress rapidly toward degree completion.
- This discriminates against students who are in programs of study greater than 128 hours.
- The University needs to obtain information about the experiences of other universities that have tried this before proceeding further in this area.

**Item 7:**

Discontinue allocating interest to restricted or loan fund balances.

Strongly recommend      Recommend      Neutral      Do not recommend      Strongly do not recommend

Comments:

- The interest is vital for small endowments. We can give some scholarships only every other year because the endowment is small. It is also important for accounts that are waiting to be endowed. I would be in favor of looking at this IF it were a way to reallocate the funding required to operate the Office for Advancement.
- I am apposed to taxing scholarship accounts, but I am not opposed to restricting interest on other fund balances.
- After permission is received from current MOU's and future MOU's reworded to make this plan clear to donors.
- Need to treat academics the same as you treat athletics.
- If I understand this, these are continuing funds that could be reallocated to salaries or other enterprises/centers, that currently are funded with state monies. This would seem a relatively painless way to enhance salaries and not affect academics.
- Stealing interest: Illegal; Unwise; Unethical. Unfair to fundraisers and to units not having foundations. As with carry over funds and reserves, interest accounts often are conserved by wise managers for optimal usage over time.
- Wise method to help fund campaigns.
- The legal opinion on whether this can or cannot be done continues to waiver. The legality of this option needs to be resolved once and for all.
- May be perceived as unethical by future donors.
- Common practice at many universities.
- I am in favor of this only if the donors are given an opportunity to veto it. Without the approval of donors, such an approach would be unethical in my opinion.

**Item 8a:**

Eliminate the office of continuous quality improvement.

Strongly recommend      Recommend      Neutral      Do not recommend      Strongly do not recommend

Comments:

- The next SACS accreditation will be tied to a continuous quality improvement plan!
- My understanding is that this office has saved UA considerable \$\$ and improved services through efficiencies. This needs to be carefully reviewed.
- My organization gets a lot of value from this office, as could all units.
- A low cost for expert facilitation and conflict resolution. I suggest changing the name of the office however, to something about "Planning".
- There are precious little savings here and there is a need for someone like John Dew to help with issues around campus. Even if the office is eliminated, the work would need to be done elsewhere and possibly a position would need to be created resulting in no net gain.

- To eliminate this office now seems ill timed when SACS and other accreditation bodies are moving toward a CQI approach.
- In my opinion, this office performs a valuable service. The work would need to be done in some other entity and possibly a position might have to be created. The end result likely would be that the cost savings, if any, would be minimal.

**Item 8b:**

Combine small colleges.

Strongly recommend      Recommend      Neutral      Do not recommend      Strongly do not recommend

Comments:

- You will not save money by combining small colleges. While you may have fewer deans, you will still have to have a director or head of the unit. And, you will create a morale problem in the colleges you want to combine. There is NO way UA will really “combine small colleges”. UA WILL NOT put the Law School and the College of Community Health Sciences together under one dean just because they are small. This makes the assumption that the “big colleges” are more efficient or in some way doing better than the “small” colleges. Maybe we should test that assumption – if anyone believes it.
- If not totally combine small colleges, consider at least combining some services.
- Combining small colleges, research centers with colleges or other centers is something that would take a lot of thought. I do think that any research center that exists on the campus should have an academic home within a college for oversight and monitoring.
- Counterproductive and virtually no cost savings!
- I don’t know enough to evaluate this or even to recommend that it be studied further.
- Would save little money and raise many accreditation issues, not to mention the political drag at a time when we need everybody on the team.
- This would only be worth pursuing if there were significant monies realized as a result to compensate for the turmoil. It might be a worthwhile economy of scale; however, this has yet to be demonstrated. Scenarios would need to be created with commensurate budgetary impacts provided. Besides the moneys saved, this could streamline decision-making processes.
- Deserves comprehensive discussion and this should not be on laundry list of cut items.
- Little to be gained financially. Could seriously undermine collegiality and the culture at the University.
- This approach generates little if any revenue. In addition, (1) it will alienate the faculty from these colleges and make it more difficult to recruit new faculty, (2) it will create the perception of disparate impact on college where deans are women or minority and where there are the highest percentage of women and minority students.
- The combined 2002-2003 budgets for HES, Social Work, and Nursing are a little over \$7.5 million. Including fringe benefits, the amount escalates to almost \$9 million a year. A 5% cost reduction from combining small colleges would generate almost \$1/2 million a year in budget reallocation. It would be in favor of combining the small colleges only if a cost reduction of 5% or more could be achieved. Such cost reductions would make the process worthwhile. Otherwise, there would be a lot of pain with relatively little gain.

### Item 8c:

Combine research centers with colleges or other research centers.

Strongly recommend      Recommend      Neutral      Do not recommend      Strongly do not recommend

#### Comments:

- I cannot imagine that this will save any money. If it needs to be done, do it. But, don't do it because of reallocation unless it will save some money.
- I think this might be advantageous with outreach units also.
- Not clear this would save significant amounts and it would confuse reporting channels.
- Only if research centers are integrated under colleges and not established or maintained as freestanding or independent units.
- Include SOMED and AIME. Consider closing some research centers that are no longer of priority importance.
- It is not clear to me how this will save dollars. A number of these centers are already in colleges.
- Care should be taken to avoid eliminating structures that facilitate the productivity of specific groups of faculty.
- If a unit is a research center, then it should be related to some discipline at the University. From both a cost allocation and a control standpoint, it only makes sense that a research center should be part of the college in which the related discipline resides. If a research center is not related to a discipline at the University, then that research center should be self-supporting, including its fringe benefits.

### Item 9:

Increase enrollments

Strongly recommend      Recommend      Neutral      Do not recommend      Strongly do not recommend

#### Comments:

- This is vital!
- Need to invest in the increase in enrollments.
- Of course, but some added resources might be needed. University-wide enrollment management, which I know is being examined, would have to be addressed (possibly for the first time) for this to be educationally sound. A&S has often borne the brunt of weight for enrollment increases without commensurate added permanent resources.
- Increasing enrollments implies an increase in costs for recruiting the students, instruction, and student services. Capacity limitations in university and college core courses could result in significant class registration problems if capacity is not increased.
- This is a "no brainer" but there will also be additional costs in doing so.
- Need to improve the University's image to effectively increase enrollment.
- This assumes no added costs.

- Although this sounds like a no-brainer, I am concerned about the effects that increased enrollment might have on classes that are already at maximum capacity. To continue to admit students and then hire part-time instructors literally off the street might provide significant marginal in come to the University, but would come at the cost of reduced quality of the University's undergraduate programs.

**Item 10:**

Increase parking costs.

Strongly recommend    Recommend    Neutral    Do not recommend    Strongly do not recommend

Comments:

- Suggest service improvement along with increased costs, more dedicated parking.
- I totally support increasing parking costs. We have very low parking costs on this campus. We should tie parking to people's salary and we should tie parking to the location of the lot. We should look at a 50% increase in parking costs, perhaps even and 100% increase.
- A small increase would not be unreasonable.
- OK to tie this to parking and transportation expenses, but not as a way to increase general revenue. Thus, handle it like an auxiliary and let it fund itself.
- This is a salary reduction for faculty and staff and is antithetical to the whole concept of this committee, besides it is a trivial amount of money in the scale of the University budget, unless student parking fees are driven up considerably. If it were pursued, then student parking needs to be included, plus a multi-tiered faculty/staff fee structure that is related to salaries would need to be created. It seems inappropriate to charge a \$14,000 staff person the same as a \$100,000+ faculty member. If these areas were examined, this might be worth pursuing.
- Not cost cutting. Too little money.
- Current parking fees appear to cover costs including capital costs. Effectively taxes faculty and staff for the budgetary shortfall.
- Faculty and staff will see this as taking their raises and is regressive on the lower paid staff.
- Increase in fees reduces income of faculty and staff.
- This takes unfair advantage of faculty and staff in a community that has no public transportation.
- This is an example where the University gives with one hand (e.g., increased salaries) and takes away with the other (e.g., increased fees. I can live with the increased cost of a parking permit. I would like to see at least a two-tiered system, much like our health care system, where those whose salaries are below \$26,000 to \$30,000 pay less than those whose salaries are above that. Moreover if the cost of parking permits is increased for faculty and staff, the cost should also be increased for students.

**Item 11:**

Reduce energy and medical costs.

Strongly recommend    Recommend    Neutral    Do not recommend    Strongly do not recommend

Comments:

- I am certainly in favor of reducing costs when it doesn't impact quality. If there are ways to reduce energy costs that are humane, I am in favor of it.
- Of course, but strategy is unpredictable and subject to market conditions. I wouldn't want to rely on this strategy.
- If savings would be available for use as salaries, programs, research and student support, rather than added to O&M reserves.
- Explore more choices for employees and especially limit growth in prescription drug costs through good formulary management. Good Benefit Managers could help us here, and a relatively small consultant fee could pay dividends.
- Economies of scale are worth pursuing in this area, provided there is no reduction in benefits, which would be the equivalent of a salary reduction.
- At times of not many pay raises, shouldn't hurt benefits too.
- Protect current benefit programs, especially Blue Cross Blue Shield.
- "No brainer" but needs to be through more efficient/effective use, not taking away a benefit.

**Item 12:**

Review faculty release time. Implement post-tenure review.

Strongly recommend    Recommend    Neutral    Do not recommend    Strongly do not recommend

Comments:

- The best way to do this is to create some incentives for teaching 12 hour loads and for advising students. Right now the incentive is for doing research. Everyone wants research time because merit raises are tied to research productivity. Those who teach 12 hours are "second class citizens." We need to realize that some people can contribute more to the institution by teaching full time.
- This is something that needs to be done by deans and colleges. On the other hand, the idea of post-tenure review, I support. I was at a university that implemented post-tenure review and it was successful.
- We need post-tenure review for broader reasons than reallocation.
- Would show good faith with the taxpaying public, and increase productivity, thus saving money.
- Review of faculty release time is worth considering, but in light of reallocation, post-tenure review is not a cost savings. What I proposed, an equalization of loads across departments and divisions and increased load for tenured faculty who are not full members of the graduate faculty could provide savings by reducing numbers of teaching faculty. However, I would hasten to add that we would need to encourage these faculty by putting merit fully behind their teaching.
- This is a management issue regarding effective use of resources within the colleges. Faculty assignments (made by administration) and merit evaluations (also made by administration) accomplish the same thing.
- Review of faculty and staff should be continuous throughout career. If used as club may decrease not increase productivity and should not be considered as cost saving measure.
- Including a post-tenure review in the Committee's Budget Reallocation report will send a message to the faculty that funds will be reallocated by terminating faculty. Thus, many faculty will view



post-tenure review as a hidden agenda item for terminating faculty. Such a stance will create an atmosphere of distrust and animosity between the administration and the faculty. If the administration attempts to establish a post-tenure review unilaterally, such action will likely spark confrontation between the administration and the Faculty Senate. I am of the opinion that release time should be provided only for faculty who are actively publishing or who are conducting value service activities for their colleges or the University. In addition, perhaps some undergraduate students will benefit from having more classes taught by full-time faculty rather than by part-time hired off the street.

**Item 13:**

Reduce state allocations to the professional staff category.

Strongly recommend      Recommend      Neutral      Do not recommend      Strongly do not recommend

Comments:

- I do not see how you do this across the board. You have got to figure out where the problems / abuses are and correct them.
- I don't understand this suggestion.
- I haven't got a clue what people are talking about, and therefore, I vote no on whatever it is.
- Data doesn't suggest that we are out-of-line. The work of universities has become increasingly complex, resulting in many more roles needing a variety of skills. Some of this should be supported by the state allocation.
- Only in areas where not externally funded and where overstaffed.
- It appears that these need to be examined at the divisional level to provide justifications for how they bring funds to the University in other ways, e.g., recruiting more students.
- Should discuss professional staff further and this should not be on laundry list of cut items.
- The professional staff expansion in recent years was consistent with expanded reliance in technology and improved student services and development activities.
- This "across the board" approach could reduce organizational effectiveness. The analysis done at the colleges showed most increases were just reclassifications from classified staff anyway.
- Decisions about reduction in staff should be undertaken only after careful review of the services that state provides.
- Too many technology positions fall into this category.
- Obviously, I would prefer fewer professional staff than more, but not if fewer means our students would have a diminished exposure to computer technology or there would be lessened support for faculty research.

**Item 14a:**

Be more restrictive in giving out-of-state tuition waivers.

Strongly recommend      Recommend      Neutral      Do not recommend      Strongly do not recommend

Comments:

- Graduate programs will not be competitive without tuition scholarships for graduate assistants. Guess a question needs to be asked regarding how many graduate research assistantships a top 50 research university should need. In the ideal world, graduate research assistantships would come from contract and grant activity.
- I agree we need to look very carefully at who we are allowing to have out-of-state tuition waivers particularly at our off-campus sites where virtually everyone comes in and takes graduate courses paying in-state tuition.
- The in-state/out-of-state distinction isn't relevant here. We do need to optimize revenue from the programs, but this isn't the way to do it.
- This will negatively affect our graduate programs.
- Campus already is conservative on resident-tuition designation.
- This is needed for quality recruitment both academically and athletically.
- Eliminating out-of-state tuition grants for graduate assistantships would significantly hurt our efforts to attract out-of-state students to our graduate programs.
- Would cause severe problems to our graduate programs.
- Appears to jeopardize graduate programs.
- I am strongly opposed to NOT providing out-of-state tuition waivers for graduate students who are on assistantships. Not providing out-of-state tuition waivers to nonresident graduate students on assistantship would likely cause a significant drop in graduate enrollment.

**Item 14b:**

Be more restrictive in giving out-of-state tuition waivers to designated programs.

Strongly recommend    Recommend    Neutral    Do not recommend    Strongly do not recommend

**Comments:**

- You have to look at these programs in relation to their competition. Some programs may be able to charge more while others can't. Requiring out-of-state tuition for distance courses when the major competitors don't charge it, will simply kill the distance programs. AND, the services offered to students taking courses virtually are pretty thin. If you are going to charge a premium price, you are going to have to gear up and provide the services that other institutions provide.
- Designation of "in-state" versus "out-of-state" will have negative impact on distance education courses. I support increasing fees to maximize revenue, but not in-state versus out-of-state designation.
- Need to weigh the cost of enrollment against the increase of income.
- The University should consider an "in-between" tuition rate: more than in-state but less than out-of-state.
- I would be in favor of increasing tuition for online programs and for students enrolled in the Gadsden center as long as such a tuition increase would result in an increase in cash flow and not decrease in cash flow from possible reduced enrollment.

**Item 15:**

Across the board percentage cuts to all units.

Strongly recommend

Recommend

Neutral

Do not recommend

Strongly do not recommend

Comments:

- Most of what we have looked at are ways to reallocate money within academic affairs. Since other areas were only looked at superficially (if at all), it is imperative that cuts be to all units or academic affairs will shoulder the burden.
- Recommend not as the total answer but a small percentage of the total amount.
- I support this if we can't come up with the money needed to meet our budget shortfall. I believe then we do need to look at an across-the-board percentage, but I would urge that if this is going to be done by President Mason, it be done quickly so we know what our tax is going to be and we have the money available to give back.
- As we have said in our meetings, I view this as a "default" strategy.
- After all non-academic sources have been tapped.
- Is it possible that reallocation, for salary improvement specifically; actually costs more if you do it centrally than if each unit took care of its own needs internally according to a common set of guidelines? What is the "overhead" associated with "globalizing" the process?
- Would confirm the skeptics' view that reallocation is just proration by another name.
- "Across the board" means all units are equally deserving or not deserving. Need to decide what is important and protect them against cuts.
- This is among the items that are most objectionable. It is business as usual. The idea of just giving each division a bill is unorganized and based on "that's the way we've always done it."
- Cutting units should depend on reductions from other items. Overall far too much burden on academic units. Our process has not considered particularized academic excellence niches. If campus takes interest, state money, and endowment revenue, performance and ranking obviously will falter.
- While I don't particularly like this approach, it seems preferable to many of the approaches listed here.
- This is a purely reactive and not a proactive or long-term solution.
- This should be an item of last resort and used only if the other recommendations do not provide sufficient funds for meeting the goal of budget reallocation. Across the board percentage cuts would penalize those colleges, such as Communications, that have made efforts to reallocate part of their budgets in order to bring faculty salaries near to market. It would reward those colleges that have added faculty positions but have made no effort to bring existing faculty salaries near to market. I and most faculty (according to the faculty survey on reallocation) are strongly opposed to meeting the goal of budget reallocation through elimination of unfilled positions. If college budgets must be cut in order to meet the goal of budget reallocation, then the cuts should be based on an elimination of programs that have low enrollment and that contribute little to the University's reputation and national/regional visibility. This University seems to

add programs like it adds buildings. Both are easy to add but most difficult to eliminate, even when the programs and buildings have outlived their usefulness. Faculty in terminated programs might be offered the following options: Early buyout, continued teaching of services courses in their disciplines, retooling to teach undergraduate courses in related disciplines while conducting research in their disciplines. If I recall correctly, Carole Garrison eliminated the College of Applied Sciences, eliminated a number of programs/majors, and combined some programs/majors while Provost at the University of Louisville. This was accomplished with the support of the faculty (obviously not all faculty) and without a single grievance or lawsuit being filed. According to the faculty survey on reallocation, a majority (albeit slim) of the Alabama faculty favor the elimination of low enrollment programs and courses and the offering of fewer sections of low enrollment classes.

IMPORTANT POINT FOR UNDERSTANDING  
COMMITTEE vote on item (1a, 1b, 1c)

The next document was generated in March 2002 in OAA. This is the document that the reallocation committee talks about in the voting ballot (1a, 1b, 1c) when it says there is a possibility of \$2,812,000 for reallocation. The committee's vote for 1a, 1b, and 1c is about this next document.

One committee member in their (sic) comments made the point that the items on the committee list for 1a, 1b and 1c generated by Bob Wright and Reba Essary are included in this next list, but, the next list includes a lot of items that are much different in their scope and purpose. I don't think there would be any disagree from the committee on that point.

**PUBLIC SERVICE BY DIVISION**

March 18, 2002

<b>Division</b>	<b>Account Number</b>	<b>Total State \$ Amount</b>	
<b>President's Office</b>			
Michael Figures	2-01016	247,645	247,645
<b>Division of Academic Affairs</b>			
AITC	2-10181	72,082	72,082
AITC	2-10184	53,207	53,207
Alabama Heritage	210600	123,055	40,970
Program for Rural Services	2-10760	140,461	140,461
SOMED	2-29000	221,757	221,757
SOMED	2-29001	401,985	401,985
Museum	2-30000	712,633	508,733
Bryant Museum	2-30070	255,168	215,168
Sponsored Programs/C&G	2-10353	114,000	114,000
<b>A&amp;S</b>			
English Symposium	2-11332	14,900	14,900
Alabama Shakespeare Festival	2-11722	186,440	186,440
Theatre/Dance--ABTO	2-11727	5,814	5,814
<b>C&amp;BA</b>			
CBER	2-12020	460,748	460,748
Alabama Productivity Center	2-12041	86,499	86,499
C&BA SOMED	2-29500	121,777	121,777
<b>HES</b>			
RISE	2-16040	318,546	318,546
<b>Law School</b>			
ADAP		28,862	28,862
Bureau of Legal Research		55,081	55,081
Clinical Program		327,290	327,290
<b>Continuing Studies</b>			
Bryant Conference Center	2-24360	717,184	186,449
Dean, CCS	2-24390	297,030	297,030
Safe State	2-24880	344,896	204,896
Safe State	2-24885	246,202	246,202

**Communication**

Center for Public Television	2-27300	570,801	570,801
Center for Creative Media	2-27303	93,110	93,110
WUAL	2-27350	234,973	234,973

**Advancement**

IIMTP Adv. Communication	2-50052	2,551	2,551
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**Student Affairs**

Comm Services & Volunteers	2-52190	<u>75,500</u>	<u>75,500</u>
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**Total****6,530,197**      **5,533,477**

## OTHER ACCOUNTS FOR CONSIDERATION

<b>Division</b>	<b>Account Number</b>	<b>State \$ Amount</b>
<b>OAA (Office of Academic Affairs)</b>		
University Press	2-10500	501,661
Brewer Porch**	2-11590	604,769
Brewer Porch**	2-11593	71,731
Univ Child Care Services	2-16150	32,105
Archaeological Services	2-30090	302,607
Japan Saturday School	2-10054	9,878
Japan Program	2-10055	67,983
Distance Education	2-24500	501,473
Montgomery Office	2-01100	143,037
ISSR	2-11560	387,219
University Test Services	2-10700	<u>189,778</u>
<b>Total</b>		<b>2,812,241</b>
<b>OFA</b>		
Bryant Center Marketing		100,000



## PUBLIC SERVICE BY DIVISION (2003 Data)

<u>Division</u>	<u>FY03</u> <u>State \$</u>	<u>FY02</u> <u>Benefits</u>	<u>Total UOA</u> <u>Annual</u> <u>Support</u>
<b>President's Office</b>			
Michael Figures	250,146	137	250,283
<b>Division of Academic Affairs</b>			
AITC	72,082	1,366	73,448
AITC	53,207	76	53,283
Alabama Heritage	44,202	28,408	72,610
Program for Rural Services	103,796	34,190	137,986
SOMED	224,716	21,957	246,673
SOMED	401,985	-	401,985
Museum	641,649	181,026	822,675
Bryant Museum	225,782	57,419	283,201
Sponsored Programs/C&G	114,000	-	114,000
<b>A&amp;S</b>			
English Symposium	14,900	-	14,900
Alabama Shakespeare Festiva	192,040	-	192,040
Theatre/Dance--ABTO	5,814	-	5,814
<b>C&amp;BA</b>			
CBER	480,690	97,327	578,017
Alabama Productivity Center	86,499	-	86,499
Ala Pro Center Transfer	111,350	-	111,350
C&BA SOMED	126,302	25,595	151,897
<b>HES</b>			
RISE	319,212	71,749	390,961
<b>Continuing Studies</b>			
Bryant Conference Center	189,450	122,526	311,976
Dean, CCS	312,474	53,311	365,785
Safe State	449,730	83,730	533,460
<b>Communication</b>			
Center for Public Television	601,528	135,495	737,023
Center for Creative Media**	93,110	-	93,110
WUAL	245,659	50,643	296,302

**Advancement**

IIMTP Adv. Communication	2,551	-	2,551
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**Student Affairs**

Comm Services & Volunteers	<u>56,340</u>	<u>11,594</u>	<u>67,934</u>
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<b>Total</b>	<b><u>5,419,214</u></b>	<b><u>976,549</u></b>	<b><u>6,395,763</u></b>
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## OTHER ACCOUNTS FOR CONSIDERATION

<b>Division</b>	<b>FY03 <u>State \$</u></b>	<b>FY02 <u>Benefits</u></b>	<b>Total UOA Annual <u>Support</u></b>
<b>OAA</b>			
University Press	529,413	142,670	672,083
Brewer Porch	701,237	106,898	808,135
Univ Child Care Services	43,011	56,693	99,704
Archaeological Services	170,013	10,512	180,525
Japan Saturday School	10,122	2,022	12,144
Japan Program	69,410	11,960	81,370
Continuing Studies	902,445	797,354	1,699,799
ISSR	409,152	61,000	470,152
University Test Services	201,555	41,915	243,470
Continuing Legal Education	16,594	-	16,594
Resident Stipends	492,878	268,260	761,138
Research Grants Committee (Transfer)	<u>149,498</u>	<u>-</u>	<u>149,498</u>
<b>Total</b>	<b>3,695,328</b>	<b>1,499,284</b>	<b>5,194,612</b>
<b>OFA</b>			
Bryant Center Marketing	100,000	-	100,000
Bevill Center Cost Sharing	<u>135,000</u>	<u>-</u>	<u>135,000</u>
<b>Total</b>	<b>235,000</b>	<b>0</b>	<b>235,000</b>

## RECAP OF POSSIBLE FUNDS AVAILABLE

	<b>FY03</b>	<b>FY02</b>	<b>Total UOA</b>	
	<b><u>State \$</u></b>	<b><u>Benefits</u></b>	<b><u>Annual</u></b>	<b><u>20%</u></b>
			<b><u>Support</u></b>	
Public Service Accounts	5,419,214	976,549	6,395,763	1,279,153
Other Budgets - OAA	3,695,328	1,499,284	5,194,612	1,038,922
Other Budgets - OFA	235,000	-	235,000	47,000
System Office	2,430,880	-	2,430,880	486,176
Montgomery Office	<u>150,178</u>	<u>25,025</u>	<u>175,203</u>	<u>35,041</u>
<b>Totals</b>	11,930,600	2,500,858	14,431,458	2,886,292