

# 2009/2010 RCM Review ▾

## 2009/2010 Review of RCM at UNH

The University of New Hampshire (UNH) implemented Responsibility Center Management (RCM) in FY01 to improve the incentives for sound fiscal management and to help all levels of University management make informed financial decisions about activities in support of the University's mission. UNH conducted a comprehensive review of RCM in FY06 to ensure that RCM was working as intended and that refinements were made in areas that would enhance the effectiveness of RCM. The major conclusion of that review was that campus-wide support for decentralized budgeting existed at the University of New Hampshire and that there was no quantitative or qualitative evidence to suggest that RCM had impacted academic quality.

The refinements approved by President Hart upon recommendation of the Central Budget Committee focused on creating appropriate incentives for revenue generation and cost efficiency in support of UNH's mission and academic plan. Since the review was completed, UNH has experienced a number of major changes in leadership at the cabinet, decanal and institute level. We have also seen restructuring within intercollegiate athletics and COLSA, lower volume of federal funding for research, flat funding from the state, challenges in financial aid and a decline in endowment value and payout.

In addition, UNH is finalizing a strategic plan for the University and has recently commissioned several studies including the Blue Ribbon Panel on Research, the President's Panel on Intercollegiate Athletics, Healthy UNH, NEASC accreditation, UNH/Franklin Pierce Law Center merger, development of an Information Technology strategic plan and enhancing the fundraising enterprise.

With all of the change that UNH has experienced and a strategic plan implementation on the horizon, it is appropriate to review and perhaps refine RCM to ensure that our financial resources are aligned to fully support the vision and goals of our strategic plan.

## UNH COMMUNITY MEMBERS - RCM SURVEY

As part of the 2009/2010 RCM Review, members of the UNH Community were invited to complete an on-line survey. Their input will help the Central Budget Committee focus its review of RCM at UNH.

## RCM Review Committee

The review will be co-chaired by John Aber, Provost and Vice President for Academic Affairs and Dick Cannon, Vice President for Finance and Administration. The review will be conducted by the Central Budget Committee (CBC). The CBC will develop recommendations to President Huddleston and he will make final decisions on all recommendations brought forward by the CBC.

Membership:

**John Aber** (co-chair) – Provost and Vice President for Academic Affairs

**Dick Cannon** (co-chair) – Vice President for Finance and Administration

**Deb Bronson** – Director of Finance of Information Technology (staff representative)  
**Lindsay Fanning** - Chair of the Student Fee Oversight Committee  
**Dan Innis** - Dean of the Whittemore School of Business and Economics  
**Michael Middleton** – Associate Professor of Education and Department Chair  
**Jennifer Murray** – Vice President for University Communications and Marketing  
**Jan Nisbet** – Senior Vice Provost for Research  
**Brian O'Donnell** - Treasurer of the Graduate Student Fee Oversight Committee  
**Peter Pekins** - Professor of Natural Resources  
**Mark Rubinstein** - Vice President for Student and Academic Services and Interim VP for Advancement  
**Paula Salvio** - Chair of the Faculty Senate and Professor of Education  
**Marty Scarano** – Director of Intercollegiate Athletics  
**Bill Stine** - Chair of the Faculty Senate Finance Committee  
**Joanna Young** - Associate VP/CIO Computing and Information Services  
**David Proulx** and **Leigh Anne Melanson** will serve as staff to the committee

### **Process and Timeline**

The CBC will begin discussions on the RCM review at its September 21st meeting to review process, timeline, roles and responsibilities. The CBC will solicit input from the University community through a combination of electronic methods and discussions with the Faculty Senate, staff councils, Dean's Council, the Budget and Financial Planning Group and student leadership. The CBC will provide status reports periodically throughout the process.

9/21 – Central Budget Committee meeting to discuss and recommend process, timeline, roles and responsibilities.

9/27 - Campus wide communication regarding review

9/22-11/15– Information gathering and analysis (internal and external sources) and findings

11/15-1/31 – Modeling, testing and analysis of ideas for variations of RCM

2/1 – 2/28 – Development of draft recommendations and report

3/1 – Final report of CBC developed and presented to President Huddleston

3/15 – President Huddleston decision

### [Proposed Changes to RCM - PowerPoint Presentation](#)

### **Preliminary List of Areas for Review**

- Undergraduate net tuition allocation (credit hour weighting, financial aid, two-year averaging)
- Graduate net tuition allocation (graduate school “tax”, center for graduate and professional studies, basis of allocation – unit of matriculation vs. credit hour taught)
- Summer tuition allocation (graduate vs. undergraduate weighting)
- January term tuition allocation
- State Appropriations (basis for allocation – weighted faculty/grad salaries vs. another basis, proportion used for strategic initiatives or subvention)
- Facilities and Administrative Cost Recovery (allocation proportions)
- Grants (incentives/disincentives for grant activity)

- General Assessment (basis for allocation – revenue/personnel vs. other methods, exclusions and discounts, proceed distribution)
- Facilities Allocation (basis of allocation – net square foot vs. direct charge, R&R funds, exceptions)
- Reserves (policy on use of reserves, minimum/maximum reserve levels)
- Governance (role of Central Budget Committee, reporting and communication)

[Central Budget Committee Recommendations to President Huddleston](#)

[FY12 Approved Changes to Responsibility Centered Management](#)