Enclosed are the SBPC recommendations for the FY12 budget, including the following:

- Overview of the process followed by the SBPC in formulating recommendations.
- A word-document summary of the top tier of priorities for funding consideration with a very brief summary statement rationale for each.

**Overview of Process in Developing Budget Recommendations**

The Council received a charge from President Dooley to provide a new, transparent, and inclusive process for the planning, budgeting and assessment of university strategic directions, investments, and facilities. The SBPC’s role is to ensure that the University’s strategic plan guides resource allocations and investments, ensuring financial recommendations are thoughtfully advancing the university’s strategic priorities. As part of the charge, the President stipulated that the university’s Academic Plan, coupled with complementary divisional/athletics plans, would constitute the University’s overall strategic plan.

Toward achieving this overall strategic goal, the Council reviewed and revised a document entitled Principles for a Strategic and Sustainable Budget Process at the University of Rhode Island (see SBPC website). Although still in draft form, there was consensus support of the elements of the document. Presentations on the budget process and enrollment management were made to the Council. A Guide for Budget Requests was distributed to divisions and units. The Guide indicated that budget requests should reflect the division/unit’s mission, strategic priorities/goals, and contributions to the University’s Academic Plan. Each division or unit was asked to provide a mission statement, description of plans and priorities specifically related to
the Academic Plan, progress over the past 12-15 months, and a description and justification for new resource needs for FY12.

Early work of the Council focused on ensuring that members understood the University and State budget processes, streams of revenue, and fundamental cost structures. The Council did not review or comment on the current service level for the various divisions. The overall understanding of these issues provided a very good fundamental context for the thoughtful consideration of requests and the ultimate recommendations that emerged later.

The budgetary requests from divisions and units considered by the Council this year included only new budgetary requests from general fund and overhead sources of University revenue. In future years, the Council plans to include other funding sources and requests. The Council reviewed the written budget requests of each of the President and the Vice Presidents for new requests their divisions as well as the Athletics Director for the area of Athletics. Budget hearings were held in which each division/unit made a 30-minute presentation to the Council and addressed questions in a 30-minute follow up. Several meetings were held immediately following for the Council to consider, discuss, and debate the merits and strategic importance of the requests. Following some combining and sorting, a total of 34 new budget item requests were generated among all the divisions/areas.

In order to evaluate budgetary requests, the Council adopted a rubric that considered strategic alignment to the Academic Plan, and the cost/benefit, both financial and otherwise, of each item requested to the institution. Council members rated each budgetary request via computer using the rubric. These ratings were tabulated and budget requests were sorted according to various components of the rubric and discussed. Council members then ranked each budget request in the top third, middle third, or bottom third, using the previous rankings to inform their decisions. It is noteworthy, that there was strong consensus among Council members in the grouping of priorities. That is, there was little variation within the top third and bottom third priorities. Council members were also asked to consider funding sources (e.g., general funds, overhead, auxiliaries, gifts, grants, RICAP, etc.) most appropriate to provide support for each item requested.

**Budget Priority Recommendations**

The following were determined by the Council to be the top tier of priority items in order of ranked priority:

1. Student Aid
2. Faculty Tenure Track (8) Lectures (4)
3. Chief Diversity Officer
4. Graduate Res. Tuition Differential Program
5. Advancement Division 2 Full Time Web Developer Positions
6. Roosevelt Hall Rehab >50% non general revenue funds
7. Additional housekeepers over 3 years/New Bldg
8. IRB Coordinator –Office of Research Compliance (Overhead Funds)
9. Strength & Conditioning head position
10. Personnel/Operating – Roger Williams Fitness Center
11. Summer School/Special Programs
12. Replacement for GAP grant >50% non general revenue funds

**Description of Top Budget Priority Items**

The following are brief statements about the rationale for the Council’s priority ranking for these items. The Excel spreadsheets contain all of the specific comments generated by individual Council members in the priority ranking process as well as other pertinent information about the funding requested and potential funding sources for each item.

**1. Student Aid**
Increasing student aid is essential to remaining competitive and reaching strategic enrollment and quality goals, which impact every area of the University. This financial investment is expected to return significant financial, quality, and reputation gains in FY 2013 and beyond as well as other nonfinancial benefits. Council members commented on the need for increased Foundation funding to support scholarships and the demonstrated return on investment linking specific increases of financial aid funding strategies to enrollment/yield.

Other Comments from Excel spreadsheet:
The need for increased Foundation funding to support scholarships and the need for demonstrated return on investment linking specific increases of financial aid funding strategies to enrollment/yield.

**2. Faculty Tenure Track (8) Lectures (4)**
New faculty lines are critical to achieving goals of the Academic Plan with respect to academic quality, the student learning experience, retention, and more. The specific allocation of such lines will be accomplished via the Academic Affairs Strategic Budget process and will be based on priority, productivity, cost effectiveness, and innovation.

**3. Chief Diversity Officer**
This position is important to URI’s ability to advance diversity, equity, and community and making these values intrinsic to education and campus community, as emphasized in the Academic Plan.
Other Comments from Excel spreadsheet:
Questions as to whether resources should be reallocated to address the needs and the hesitation about new resources being utilized.

4. Graduate Res. Tuition Differential Program
This continued modest investment is critical to graduate education and research as well as important in achieving experiential and inquiry based learning opportunities. A significant return on investment is expected with regard to grant success, availability of matching funds, and recruitment of high quality graduate students from around the world.

5. Advancement Division 2 Full Time Web Developer Positions
Expanding web development and marketing efforts are critically important to achieving our strategic goals. Our website is our primary means of communication with prospective students and families.

Other Comments from Excel spreadsheet:
The possibility of reorganizing institutional services related to information technology, and new media responsibilities and whether the need for two positions vs. one is warranted.

6. Roosevelt Hall Rehab
The Council recognizes that campus appearance and cleanliness is an important tool for enrollment and retention and agreed that the proposed renovation of this important historical academic building should be a priority. See the Excel spreadsheet for specific recommendations for funds to support this work.

Other Comments from Excel spreadsheet:
Questions about the appropriate source of potential funding to achieve this rehabilitation and the rehabilitation of other historical buildings.

7. Additional housekeepers over 3 years/New Bldg
URI has insufficient housekeepers to maintain an acceptable level of cleanliness: we currently fall between casual inattention and dinginess on standardized evaluations. Additional housekeepers will allow us to better provide a beautiful site for learning.

Other Comments from Excel spreadsheet:
Whether outsourcing or reallocation from departments where work functions or demand for services has evolved to allow for reallocation to fulfill this need.

8. IRB Coordinator
Comments pertain to the importance of this item to faculty research and meeting mandates, the request was made for overhead funds, which would seem to be an appropriate source of funds for this item.

9. **Strength & Conditioning head position**
   This position is important in order to allow student athletes to achieve their competitive potentials.

   Other comments from Excel spreadsheet:
   Whether grant writing has been explored as a potential mechanism for funding.

10. **Personnel /Operating**
    Potential positive impact on the student experience in the RW Wellness Center is noted. Access to this wellness center is expected to contribute to student satisfaction and consequently student retention.

    Other Comments from Excel spreadsheet:
    Whether grant writing has been explored as a potential mechanism for funding.

11. **Summer School/Special Programs**
    The Council agreed with the importance of a well-developed and marketed summer school program that takes advantage of the appeal of our campus during the summer months. It was anticipated that this position would increase revenue from summer programs and courses and, more than pay for itself.

    Other Comments from Excel spreadsheet:
    Investments in this position needing to be proven with net revenues exceeding the investment.

12. **Replacement for GAP grant**
    The GAP has been a grant-funded program that provides the opportunity for area high school students to have guaranteed admission to URI if they achieve goals. It benefits us in recruiting the best and brightest from underperforming schools and serves an important community outreach function.

    Other Comments from Excel spreadsheet:
    The potential of other funding sources such as grants from Foundations and other grant sources.

The Council realizes these twelve highest priorities likely exceed what will be the available new funding for FY 12. Further, on all/each of these items, it is our understanding that the President may choose to fund a proportion of one or more items or fully fund a subset of them. Importantly, the Council also considered potential funding sources that would be most suitable for several items, recognizing that the
general fund may not be the appropriate funding sources for some of these items. Finally, the Council recommends that reallocation within and across Divisions and units should be an initial consideration rather than an after thought in any such strategic investments. We anticipate being able to make fuller recommendations on such issues in subsequent budget years.

We look forward to our upcoming August meeting to learn from the President about his final budget allocations. We appreciate the opportunity to play an integral role in the University’s strategic budgeting process.