

## **Responsibility Center Management Committee Minutes**

July 21, 2008, 4:00 pm

HR Building, 903 W. University Avenue, VP Conference Room 203

Introduction Meeting

Attendees - Members: Russell Armistead, John Kraft, Steve Dorman, Kathleen Long, Robert Jerry, Pramod Khargonekar, Catherine Emihovich, Andy McCullough, Frank Bova, Dave Kratzer, Joe Joyce, Via teleconference: William H. Riffie and Glen Hoffsis.

Attendees - Others: Mike Conlon, Kyle Cavanaugh, Debra Walker-King, James Ferrer, Barbara Wingo and Chris Williams recording.

- I. Matt Fajack welcomed the committee members and guests. Introductions were made and President Machen was asked to provide the charge for the committee.
- II. President Machen introduced the Responsibility Center Management (RCM) financial model to the committee. He asked for the members' advocacy of the model and understanding of how it works. He emphasized that the budget, at first, will not be any different, but with the RCM comes the hope of transparency, a long-term strategy that is promising and rewarding for the entrepreneur. President Machen announced the Ohio State site visit scheduled for August 19-20 welcoming committee member participation.
- III. Barbara Wingo, Associate Vice President and Deputy General Counsel, gave a brief overview of the Sunshine Laws and how it pertains to the RCM budget meetings. There are two requirements: 1) Notice of meeting, 2) Minutes taken, transcribed and made available. Minutes to consist of decisions made by the committee. A word of caution was given against discussing items outside of the meeting setting and "personal notes" become public record once shared.
- IV. Matt Fajack began the business portion of the meeting with a slide presentation on "Why Not Responsibility Centered Management Budgeting?" A printed version is located in the RCM book (provided at the meeting) under Tab #3 and electronically posted at \_\_\_\_\_. Institutional models will be reviewed. Comparatively, Ohio State is the most similar to UF in that it is a land grant institution and has a decline in state revenue.

V. Questions:

- What is the average implementation time? Is most of the time spent on deciding what to do? The average implementation time is 2 – 3 years. Most time is spent on training managers.
- Who has done the best to achieve objectives? Indiana and Ohio; however, Indiana is not a land grant school and Ohio is similar to UF.
- Can we measure and/or look at Ohio? Yes, the site visit is scheduled to assess/evaluate Ohio's RCM model. Questions (Tab#4) were forwarded to William Shkurti at Ohio State in preparation of the site visit. Please forward additional questions to [mfajack@ufl.edu](mailto:mfajack@ufl.edu).
- What are we trying to change? Transparency, rules, and incentives to people that are doing. There will be a financial award, but with a risk.
- Should the RCM group divide into subgroups? A decision was made to meet as a group every 2 weeks.

VI. For the next RCM meeting, Mr. Fajack will present to the committee members five or six ways to allocate revenues/overhead costs.

VII. The next RCM meeting will be held on Monday, August 4, 2008, 11:30 – 1:00 pm. Lunch will be provided.

Meeting adjourned: 4:55 pm