



Date:	4/1/2020
Time:	12:00 p.m. – 01:00 p.m.
Facilitators:	Committee Chairs Kristie Harris and Paul Jarley, and Huron Consulting
Attendees:	Hina Behal, Paige Borden, Danny Cavallo, Maribeth Ehasz, Sheila Amin Guitiérrez de Piñeres, Elizabeth Hamilton, Chris Ingersoll, Mike Johnson, Elizabeth Klonoff, Kathy Mitchell, Shawn Putnam, Rebeca Richards, Jeff Jones, Donna DuBuc, Joe Trubacz, Lynn Gonzalez, Misty Shepherd, Derek Horton
Absent:	Rhonda Bishop, Kyler Gray, Sejal Barden
Invitees:	Huron Consulting Group: Greg Bedell, Michael Lee, Adam Meyer, and Jaime Ontiveros
Minutes:	Michael Lee

Meeting Agenda

Baseline Allocation Model Feedback

Meeting #2: Weighted Space and Space Step-Down

Facilities Management Allocation Options: The Cost of Space

The committee discussed the options of how to allocate the facilities management expense across campus using allocation methods related to space under the proposed budget model. Currently, the Facilities Management Central Support Unit allocation metric is assigned square footage to each revenue generating unit, where each unit pays the same rate on every square foot, regardless of the type of space (e.g. lab, conference room, classroom, etc.). Huron introduced alternative approaches to compare:

- A. (Current Method) Formula allocation based on share of net assignable square footage
- B. Implementing a weight system that recognizes the different types and cost requirements of space across campus (e.g. lab, classroom, parking structure, etc.)
- C. Allocating costs to central support units for space assigned, reducing the formula allocation to revenue units and increasing the allocated cost of the central support units
- D. Directly billing based on fee-for-service for select units

Discussion

- There was conversation around historical practices of Facilities Management charging units for maintenance of space and whether or not these charges would be **in addition to** the allocations described above. Huron explained that in most models, there are service level expectations/agreements

outlining the base level of service and the majority of chargebacks do not continue.

- Several Steering Committee members asked if any of the options helped encourage efficiency within the facilities management operation. While no one option would help advantage or disadvantage this request, the new budget model is designed to help start the dialogue between central support units on campus as to how to best meet university needs.
- There were questions around whether or not any of the options created an increased a level of complexity that was not met with a corresponding benefit. Several Steering Committee members stated a desire to be able to benchmark the cost of a square foot on campus with other campuses and non-campus solutions and complexity that would enable this comparison would be worthwhile.

Recommendation

The SC recommended option C for the allocating the costs to the central support units and the operating units. The Executive Sponsors will review this recommendation and determine if any adjustments need to be made to the self-supporting and auxiliary unit facilities management allocations.