JOURNAL OF THE FACULTY SENATE
The University of Oklahoma (Norman campus)
Regular session – February 8, 2016 – 3:30 p.m. – Jacobson Faculty Hall, Room 102

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Note: The remarks of the Senators and others are summarized and not verbatim. A recording of this meeting is available in the Faculty Senate office.

The Faculty Senate was called to order by Professor Tassie Hirschfeld, Chair.

PRESENT: Asprey, Barker, Bemben, Bergey, Bisel, Bradshaw, Brede, Burke, Burstein, Cifelli, Coleman, Crain, Davidson, Ellis, Elwood Madden, Fiedler, Forman, Gutierrez, Halterman, Harm, Hart, Hirschfeld, Irvine, B. Johnson, E. Johnson, Koch, Kong, Kozadayev, Lawson, Livingood, Markham, Merchan-Merchan, Miller, Mortimer, Raman, Riggs, Rodriquez, Safiejko-Mroczka, Schmeltzer, Scrivener, Sharma, Sikavitsas, Sims, Stock, Swinkin, Terry, Volz, Weaver

Provost's Representative: Provost Harper
ISA representative(s): Chris Cook, Dan Hough
SGA Representative(s): ---
Others: Nick Hathaway, Les Hoven

ABSENT: Anderson, Ayres, Cracknell, Kornelson, Laubach, Moxley,

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APPROVAL OF JOURNAL

The Faculty Senate Journal for the regular session of December 14, 2015 was approved.

ANNOUNCEMENTS

The following faculty members were recently elected to the Faculty Senate:

> Paul Sims (Chemistry & Biochemistry), completing the 2013-16 term of Wayne Elisens (Microbiology & Plant Biology) and representing the College of Arts & Sciences.

> Amy Bradshaw (Educational Psychology), completing the 2014-17 term of Cal Stoltenberg (Educational Psychology) and representing the College of Education.

The Faculty Senate is sad to report the death of retired faculty members Robert O. Fay (Oklahoma Geological Survey) on November 1, 2015 and Charles C. Carpenter (Zoology) on January 10, 2016.

The call for volunteers for councils, committees, and boards was sent to faculty, chairs/directors, and deans on February 8, 2016. Nominations are due to the Faculty Senate office by Friday, February 19, 2016.

Due to illness, Loretta Early from IT is unable to be here. Thus, we will delay consideration of the ITC password policy until a future meeting.

REMARKS BY NICK HATHAWAY, EXECUTIVE VP AND VICE PRESIDENT FOR ADMINISTRATION & FINANCE

Prof. Hirschfeld introduced VP Hathaway. (His handouts are attached.) He said this year is the earliest he has discussed the budget during an academic year. He said there are rough seas ahead and we need to plan for them, which is why the President announced the incentivized retirement plan.

VP Hathaway said that the budget problems we are seeing at OU are a function of the state's economic outlook. The impact of falling oil prices combined with business tax breaks and income tax cuts has resulted in an approximately $1 billion shortfall. OU makes up about 15% of the higher education budget for the state. Thus, if that is cut $100 million, that will mean a cut for OU of $15 million. Currently, 15.5% of OU's budget comes from the state and 32.4% comes from tuition. Together, there is almost 50% of the budget that is in flux, which makes budget forecasting difficult.

Salaries and fringe make up about 50% of our spending. About 5% is spent on utilities and about 10% on scholarships/waivers. That leaves about 35% and some of the components of that spending would be almost impossible to cut, such as maintenance, depreciation, debt service, etc. We also have increases in some costs due to inflation.

The administration has received some cost-cutting ideas and has also looked at suggestions from the Education Advisory Board and the University Business magazine. (https://www.eab.com/research-and-insights/business-affairs-forum/resources/infographics/labor-savings-playbook) There are two things to think about when comparing this budget situation to the one we faced in 2008. In 2008, OU engaged a private partner to operate our utility system and has been using income from that to help operate the budget. Also in 2008, there was federal stimulus money available at the time and that is when we did the Corex transaction. OU is looking for creative ways to help us level-off the impact of the state funding cuts. VP Hathaway stated that everyone he has worked with has been intentional in trying to make the university as efficient as possible. OU has done some things to identify savings that are national, such as the Digital initiatives, noting we are one of the pioneers as using data analytics to help identify savings.

In terms of the voluntary retirement incentive program, this is advanced planning to be part of an ultimate solution. One positive of this solution is that there is the positive benefit to the retiree while it is a way to reduce OU salary/benefits costs. VP Hathaway noted that these retirements will not be strategic and the numbers released to the press are our best guess based on what has happened at other peer institutions. VP Hathaway mentioned that while we may think of our salaries at OU as relatively low compared to peers, we do have very rich retirement benefits.

VP Hathaway presented a chart that shows OU's administrative costs having gone from 9.4% of the budget in FY 95 down to 4.5% in FY16. OU is looking for the optimal combination of efficiency and excellence. One way to be more efficient would be to increase class sizes and reduce the number of students per advisor. However, neither of those options increases our excellence.

One final thought is that the single-minded pursuit of efficiency is the situation that occurred at The University of Texas. We are engaged in a competition for excellence both nationally and internationally. It was a failure on our state's part when we did not invest in education during the oil boom. Over half the research universities in the world are in the US and one of those is OU. VP Hathaway stated that he did not want to get overly bogged down in a conversation about efficiency because there is inefficiency in higher education, but it's inefficiency in the name or the pursuit of excellence and he believe that the administration is a strong partner with the faculty in achieving that academic excellence.

Prof. Barker thanked VP Hathaway for his remarks. He asked how much consultation was done with faculty on the initiation of the voluntary retirement incentive, expressing concerns about the single lump sum payment. VP Hathaway said that the program had to be put together quite quickly and that did not allow much time for consultation with faculty and staff. The plan was presented to the Employee Benefits Committee as well as all the Deans. Overall, he thinks it is a good program. Prof. Barker suggested that even in an expedited timeline, there should be consultation with constituents. He then asked what 'plan B' is if the retirement program does not yield the expected financial results. VP Hathaway stated that 'plan B' is something that the administration was going to have to engage in as dialogue as a broad community.

Prof. Fiedler asked if there is a plan to go ahead and privatize OU. VP Hathaway said that they monitor progress in other states where that has been discussed. Prof. Fiedler said that as an example, at The University of Virginia, the state investment is less than 10% of the operating budget. (see http://www.virginia.edu/budget/operatingbudget.html) In Oklahoma, it is 15%.

Prof. Forman said it seems in the out-years we will have at best a flat budget from the state. How are we looking at dealing with that in the future? VP Hathaway said we are still looking at long-term options and he is optimistic that there are still beneficial solutions such as public-private partnerships out there. Prof. Forman asked is growing enrollment as a revenue source is a solution that is on the table. VP Hathaway said we would consider that, but there are some 'pinch points' such as introductory science lab space and growing enrollment is a decision that should not be taken lightly.

There were no other questions. Prof. Hirschfeld thanked VP Hathaway for addressing the Senate and for the data which he provided.

SENATE CHAIR'S REPORT, by Prof. Tassie Hirschfeld

"I would like to thank everyone that came to our reception last month that allowed senators to discuss issues of interest with administrators.

"On December 17, the Faculty Senate Chair met with the newly elected leadership of the Student Government Association to discuss various campus issues, including the possibility of amending the

pre-finals week policy. The SGA administered a survey to over 1,000 students in December 2015. They will present qualitative and qualitative data from the survey together with a revised pre-finals policy proposal to the FSEC on February 29.

"On January 5, the Faculty Senate Chair attended a meeting of the Faculty Advisory Council to the State Regents for Higher Education in Oklahoma City. The meeting included a presentation about various Learning Management Systems (LMS) and discussion of standardizing LMS across all public universities in the state. This would make it easier for faculty who teach at multiple institutions, and could potentially result in reduced costs for software licenses since it would allow for a single contract with all state institutions. The FAC also agreed it would be useful to redesign the annual survey of faculty opinion so that the data provide more insight into faculty concerns. Dr. Ryan Chung from the Office of Academic Assessment has generously volunteered advice and guidance to the Faculty Senate Chair for improving the design of the FAC questionnaire. A revised copy of the survey will be presented to the FAC at the upcoming February 9 meeting.

"On January 22, President Boren convened a special meeting of the Dean's Council to discuss the current budget situation. Various estimates were provided of the anticipated budgetary shortfall, and some immediate measures were announced. These included significant reductions in purchasing and travel for the current fiscal year as well as an early retirement incentive program for faculty and staff. The President also emphasized that one of the major construction projects currently in progress (the new Physics building) was privately funded, and that the planned residential colleges will ultimately generate income for the University. He noted that plans for the stadium expansion and renovation have been scaled back in order to lower projected costs.

"On February 1, the Faculty Senate Executive Committee met with Nick Hathaway, Executive Vice President for Administration and Finance. Vice President Hathaway provided some additional details about the early retirement incentive plans, as well as various projections of different budget scenarios.

"On February 3, the Faculty Senate Chair attended the Dean's Council and was delighted to learn that an early retirement plan has also been created for the Ozone software system. Ozone is scheduled to phase out during the summer of 2016, and this transition should be effortless and user-friendly for faculty, staff, and students. More good news arrived in the form of presentations from Kathleen Shea Smith, Associate Provost for Academic Advising, and Dr. Mark Morvant, Executive Director of the Center for Teaching Excellence. Dr. Smith described ongoing efforts to professionalize academic advising to improve student retention. Dr. Morvant presented a robust plan to improve the process of course scheduling so that classroom space is used more efficiently and in ways that will also increase student and faculty satisfaction.
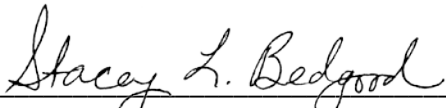
"On February 3, the Faculty Senate Executive Committee met with President Boren to discuss the current budget outlook. The FSEC was pleased to learn that OU compares quite favorably with peer institutions in areas of administrative costs and executive compensation. There was additional discussion of other dimensions of the current budget crisis, including the possible need for tuition increase and the ongoing effects of the decline in oil and gas revenues on the state and local economies. The President shared some recollections from the budget crisis of the 1980s and expressed optimism that the current situation would resolve more favorably. Several members of the FSEC also expressed appreciation for the President's recent efforts to improve the lobby area of the Dale Hall Tower office building. The final topic discussed was the possible addition of informational materials to the Faculty Senate Speaker Service so that speakers could incorporate outreach efforts into their speaker service presentations."

NEW BUSINESS

Prof. Riggs said that he does not have a recollection of the Faculty Senate or the Executive Committee being consulted regarding the voluntary retirement program.

ADJOURNMENT

The meeting adjourned at 4:14 p.m. The next regular session of the Faculty Senate will be held at 3:30 p.m. on Monday, March 7, 2016, in Jacobson Faculty Hall, Room 102.

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Stacey L. Bedgood, Administrative Coordinator

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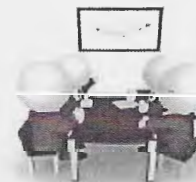Sarah Ellis, Faculty Senate Secretary

Annual Budget Process

Each institution of higher education presents a list of fixed costs and budget priorities to the State Regents in September.

Institutions submit student fee increase requests in January for consideration by the State Regents.

State Regents present higher education's funding request to the legislature in February based on consolidated system fixed costs and budget priorities.

The state legislature appropriates funds to various agencies. Adjournment is last Friday in May.

The University's internal budget process allows for review and update of the subsequent year's budget throughout the year.

Proposed legislation is monitored during the spring. Internal funding scenarios are compiled and updated throughout the legislative session.

State Regents allocate funds. In years with new funding available, this is based on the Regents performance funding model and other programmatic needs.

Budget Office finalizes departmental budgets and prepares summaries for executive staff, OU Regents, and State Regents.

OU Regents consider and approve budget at June meeting. State Regents meet in late June for final approval of budget along with any tuition and fee increases.

THE JOURNAL RECORD

Editorial: We can't afford more savings

By: Journal Record Staff   February 1, 2016   0

It's time for the reckoning.

Legislators have been telling Oklahomans that more business incentives and tax cuts would create jobs and bolster the economy. That if only government can be smaller, Oklahomans would have more money to spend, a better job and a nice, thick slice of the American dream.

That was an easy sell when booming oil prices were propping up the state's economy. Tax breaks for businesses more than doubled between 2010 and 2014, taking an estimated $760 million from state coffers. The income tax cuts enacted since 2005, lowering the top rate from 6.65 percent to 5 percent, have taken an estimated $1 billion per year away from the state budget.

On June 20, 2014, West Texas Intermediate crude sold for $107.95 per barrel. At that price, Oklahoma drillers were starting more wells and hiring people to do the work. Gross production tax revenue was flowing despite numerous incentives, and that effectively masked the ever-deepening hole being created by the Legislature.

On Monday, West Texas Intermediate crude was selling for $31.95 in midday trading. The oil and gas companies that hedged well have been able to keep the wolf from the door, but as those hedges run their course, employers are pushed to increasingly perilous positions. And Oklahomans are left with the bare truth of what "right-sizing" government really means.

It means fewer jobs. Oklahoma's population grew more than 3.4 percent between 2009 and 2014, but the state, excluding higher education, cut 3,000 jobs in that same period. Health and Human Services lost 1,614 employees, so we're doing a lot less for Oklahoma's most vulnerable: the old, the young and the sick. The Department of Corrections lost 783 jobs in that time frame, adding to the problems of a system woefully understaffed at about 65 percent while prisons exceed inmate capacity. The Department of Education is down 153 employees, which is a cut of more than one-third.

At last week's Chamber of Commerce legislative breakfast, state Senate Pro Tempore Brian Bingman opened a discussion on this year's $900 million gap by calling it "a great opportunity for the state of Oklahoma." What he meant was, "We can cut even more. We can have fewer teachers, fewer doctors, fewer corrections officers."

That failed approach is particularly apparent when the Legislature can't hide behind an oil boom. As legislators reconvene this week they must take one principle to heart: Oklahoma can't afford to save any more money.
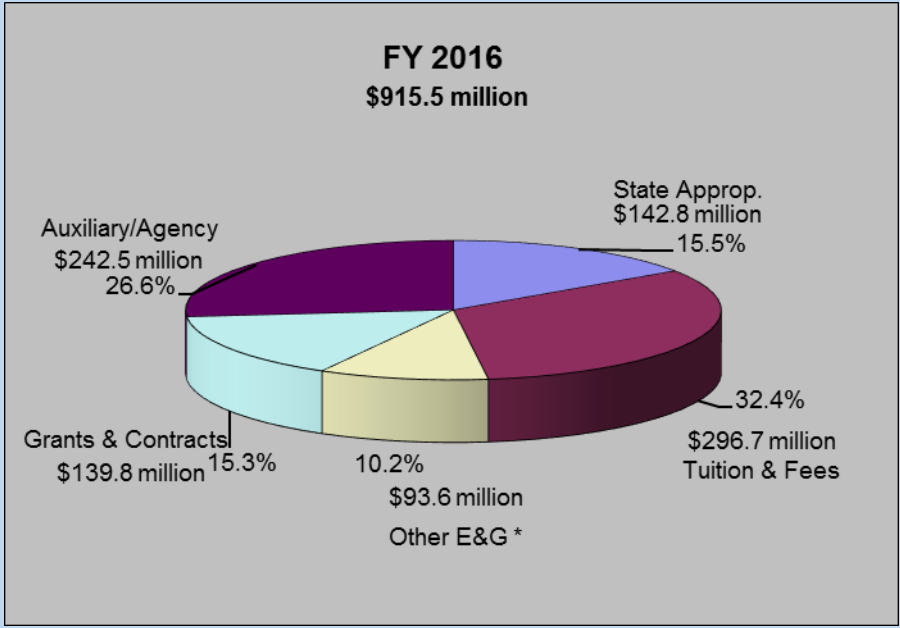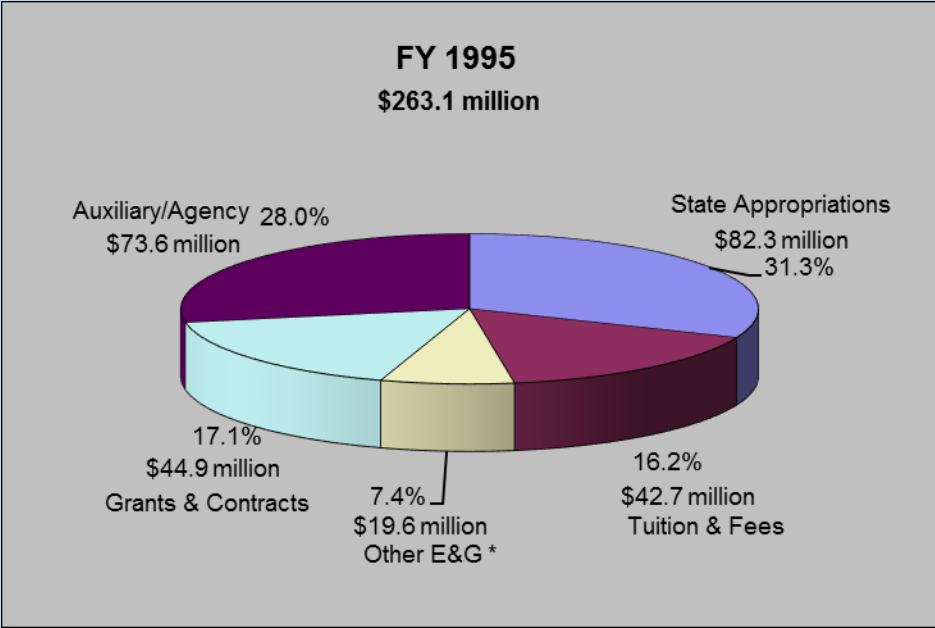
Tagged with: BRIAN BINGMAN   LEGISLATURE   TAXES

RELATED ARTICLES

Norman Transcript, 2/4/16

The University of Oklahoma
Norman Campus

Components of Total Operating Revenue Budget

* Other E&G includes continuing education income, overhead reimbursements, private gifts, and miscellaneous items.

The University of Oklahoma
Norman Campus

Components of FY16 Educational & General Revenue Budget

Auxiliary/Agency
27%

Grants &
Contracts
15%

Educational & General
58%

Tuition & Fees
$296.7 million
56%

Appropriations
$142.8 million
27%

Other *
$93.5 million
17%
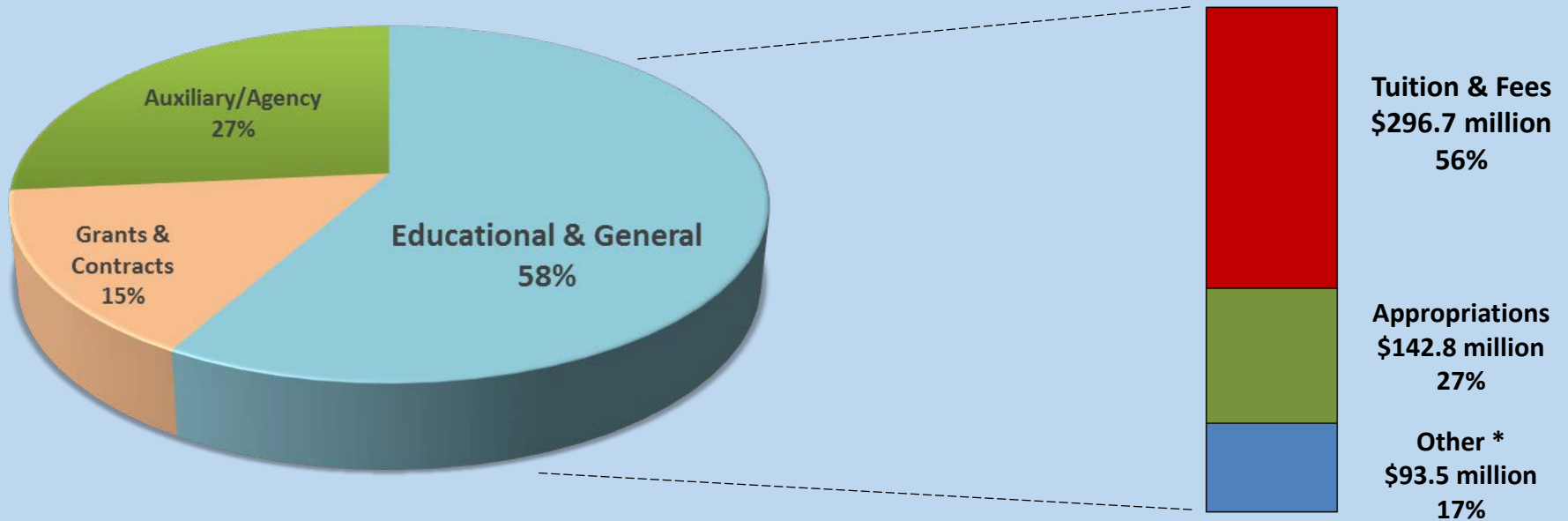
* Other includes continuing education income, overhead reimbursements, private gifts, and miscellaneous items.
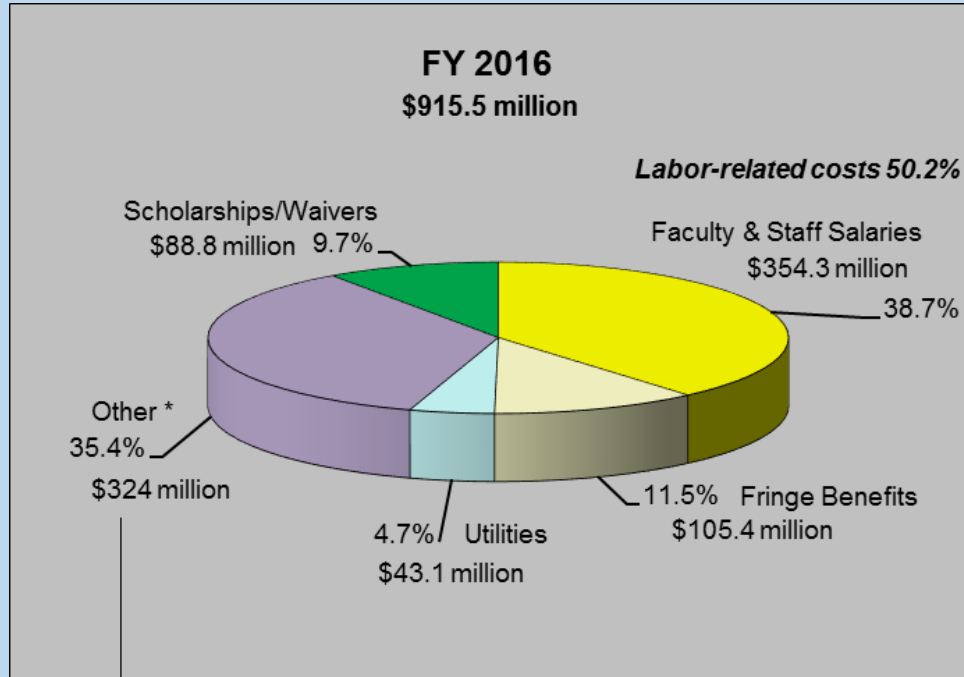
The University of Oklahoma
Norman Campus

Components of Total Operating Expenditure Budget

FY 2016
$915.5 million

Labor-related costs 50.2%

Scholarships/Waivers
$88.8 million 9.7%

Faculty & Staff Salaries
$354.3 million
38.7%

Other *
35.4%
$324 million

4.7% Utilities
$43.1 million

11.5% Fringe Benefits
$105.4 million

*Other

Communications	0.9%
Computing & Related Expenses	3.6%
Contractual & Other Expenses	2.8%
Debt Service	3.2%
Depreciation	2.1%
Equipment	0.5%
Library Books & Periodicals	1.2%
Maint & Repair of Facilities	3.1%
Merchandise Purchased for Resale	5.7%
Overhead charges	2.9%
Professional & Technical Fees	3.2%
Supplies	4.7%
Travel	1.3%

100 TACTICS
for Immediate Labor Savings

Finding Principled and Sustainable Ways to Reduce Costs

Because labor costs comprise 60% to 70% of operating budgets, few institutions can significantly impact costs without addressing labor. However, too many institutions have resorted to indiscriminate and often across-the-board labor cuts, which can hurt staff morale, disrupt work processes, and draw negative press. Moreover, labor cuts often backfire, as the scramble to repair self-inflicted damage causes costs to quickly rebound to previous levels.

Rather than enacting painful and ineffective cuts, institutions should pursue immediate savings through cost rebasing. Unlike labor cuts, this approach does not hinder work process or damage staff morale, so savings can be sustained over time.

This compendium offers 100 rebasing tactics across nine categories. Not every tactic is applicable for each institution because of unique logistical, cultural, or legal hurdles. So, to help executives evaluate and choose the tactics best suited for their institutions, each tactic is evaluated on three factors:

- Savings potential
- Employee tolerance
- Whether the tactic is outside the scope of most collective bargaining agreements (CBAs)

HEALTH BENEFITS

#	Tactic	Savings Potential	Employee Tolerance	Outside CBA
1	Raise deductibles	$$$	●●○○	☐
2	Raise out-of-pocket max	$$$	●●●○	☐
3	Raise coinsurance/copays	$$$	●●●○	☐
4	Switch copays to coinsurance	$$$	●●○○	☐
5	Raise premiums	$$$	●○○○	☐
6	Offer results-based discounts to offset premium increases	$$	●●●○	☑
7	Offer high-deductible plans	$$$	●●●●	☑
8	Incentivize high-deductible plans	$$$	●●●●	☑
9	Reduce the number of insurance plans	$$$	●●●○	☐
10	Eliminate Cadillac plans	$$$$	●●○○	☐
11	Shift employees to private insurance exchanges	$$$	●○○○	☐
12	Eliminate retiree health coverage	$$$$	●○○○	☐
13	Reduce retiree premium contributions	$$$	●●●○	☑
14	Offer retiree coverage only through Medicare Supplement plans	$$$	●●●○	☑
15	Offer insurance stipend instead of retiree health coverage	$$$	●●●○	☑
16	Close retiree plans to new entrants	$$$	●●●●	☐
17	Add surcharge for working spouses electing institutional health plan	$$	●●●○	☐
18	Incentivize spouses to leave health plan	$$	●●●○	☑
19	Offer only secondary spousal coverage	$$$	●●●○	☐
20	Require working spouses to use their employers' health plan	$$$$	●●○○	☐
21	Incentivize employees to use spousal health benefits	$$	●●●○	☑
22	Raise premiums for dependent/family coverage	$$	●●○○	☐
23	Audit and remove ineligible dependents	$$$	●●●●	☑
24	Limit health benefit eligibility based on employment status	$$	●●●○	☐
25	Mandate in-network pharmacy use	$$	●●●○	☑
26	Require mail-order pharmacy use	$$	●●●○	☑
27	Require generics for costly drugs	$$	●●●○	☑
28	Incent domestic utilization	$$	●●○○	☑
29	Reduce short-term disability benefits	$$	●●●○	☑
30	Reduce long-term disability benefits	$	●●●○	☑
31	Reduce duration of paid extended sick leave/short-term disability	$	●●●○	☑
32	Reduce duration of paid long-term disability	$	●●●○	☑
33	Switch to shared-cost/employee-funded disability plan	$	●●●○	☑
34	Add tobacco surcharge	$	●●●○	☑

FRINGE BENEFITS

#	Tactic	Savings Potential	Employee Tolerance	Outside CBA
35	Reduce PTO rollover	$$	●●●○	☐
36	End PTO rollover	$$$	●●●○	☐
37	End PTO cash-out	$$	●●●○	☑
38	End PTO payout	$$	●●●○	☐
39	Reduce PTO payout max	$$	●●●○	☐
40	Reduce PTO accrual	$$	●●●○	☐
41	Require PTO draw-down	$$	●●●○	☐
42	Offer higher PTO accrual rates for lower pay	$	●●●●	☑
43	Limit PTO/sick leave accrual for part-timers	$	●●●●	☑
44	Reduce tuition reimbursement	$	●●●○	☐
45	Shift to defined-contribution retirement plans for new hires	$$$$	●●●●	☐
46	Reduce employer contributions to retirement plan	$$$$	●●○○	☐
47	Reduce retirement contributions for employees with $0 self contributions	$$	●●●○	☐
48	Match retirement contributions only once per year	$	●●●○	☐
49	Introduce new-hire waiting period for retirement plan eligibility	$$	●●●●	☐
50	Limit income types eligible for retirement contributions	$	●●●○	☐

BENEFITS VENDOR MANAGEMENT

#	Tactic	Savings Potential	Employee Tolerance	Outside CBA
51	Renegotiate vendor premiums	$$	●●●●	☑
52	Rebid vendor contracts	$$	●●●●	☑
53	Assess pharmacy benefit managers	$$	●●●●	☑
54	Assess TPA/network discounts	$$	●●●○	☑
55	Raise stop-loss deductibles	$$	●●●○	☑
56	Negotiate shared savings agreements with insurers	$$	●●●○	☑

EMPLOYEE HEADCOUNT

#	Tactic	Savings Potential	Employee Tolerance	Outside CBA
57	Freeze hiring	$$$	●●●●	☑
58	Create hold period for vacancies	$$$	●●●●	☑
59	Enact targeted layoffs	$$$$	●○○○	☐
60	Consolidate management layers within departments	$$$	●●●○	☑
61	Expand management oversight to like departments	$$$	●●●○	☑
62	Allow temporary labor contracts to expire	$$$	●●●○	☑
63	Outcounsel underperformers	$	●●●○	☐
64	Incentivize early retirement	$$	●●●●	☑
65	Offer voluntary severance	$$$	●●●●	☑

COMPENSATION

#	Tactic	Savings Potential	Employee Tolerance	Outside CBA
66	Freeze pay raises	$$$$	●●●○	☐
67	Reduce pay for senior-level leaders	$	●●●●	☑
68	Tie manager incentives to enrollment targets	$	●●●○	☑
69	Eliminate manager incentive pay	$	●●●○	☑
70	Reduce staff merit pool	$$	●●○○	☑
71	End merit raises for underperformers	$	●●●●	☐
72	Offer lump-sum bonuses rather than merit raises	$$	●●●○	☐
73	Delay annual pay raises	$	●●●○	☑
74	Require online W-2s	$	●●●●	☑

OUTSOURCING

#	Tactic	Savings Potential	Employee Tolerance	Outside CBA
75	Outsource units or departments	$$	●○○○	☐
76	Outsource processes or functions	$$	●○○○	☑

SERVICE HOURS

#	Tactic	Savings Potential	Employee Tolerance	Outside CBA
77	Mandate management furloughs	$$	●●●○	☑
78	Mandate staff furloughs	$$$	●●○○	☐
79	Offer voluntary prescribed unpaid leave days	$$	●●●○	☑
80	Offer voluntary seasonal flextime	$$	●●●○	☑
81	Offer voluntary reduced hours in exchange for lower base pay	$$	●●●○	☑
82	Move select employees to seasonal contracts	$$	●●○○	☐
83	Shorten service window hours	$$	●●○○	☑
84	Shorten unit work week during off-peak periods	$$	●●○○	☐
85	Reduce task frequencies	$	●●○○	☐

EMPLOYEE STIPENDS AND PERKS

#	Tactic	Savings Potential	Employee Tolerance	Outside CBA
86	Freeze out-of-state travel	$	●●●○	☑
87	Cap travel expenses	$	●●●○	☑
88	Limit conference attendance	$	●●●○	☑
89	Limit staff events to on-campus/free spaces	$	●●●○	☑
90	Limit professional development spending	$	●●●○	☑
91	Freeze work station technology updates	$	●●●○	☑
92	Reduce dining subsidies	$	●●○○	☑
93	Charge employees for parking	$	●●○○	☑
94	Limit cell phone offerings	$	●●●○	☑
95	Limit entertainment/food budgets	$	●●●○	☑
96	Combine holiday celebrations	$	●●○○	☑

OVERTIME

#	Tactic	Savings Potential	Employee Tolerance	Outside CBA
97	Cap overtime	$$	●●○○	☐
98	Require "max-out" of after-hours shifts	$	●●●○	☑
99	Create off-schedule shifts	$	●●●●	☑
100	Target incremental overtime	$	●●●●	☑

101 Smart Revenue Generators (and Money-saving Ideas)

Digging out new revenue streams and discovering "Why didn't we think of this before?" ways to save can make all the difference as higher education leaders work to ensure they can keep investing in their core business of educating students. Today's budgets, of course, tend to leave little to no wiggle room. With that in mind, the editorial team at University Business has culled (from the magazine's recent archives as well as from conversations with institutional and industry leaders) 101 successful ways that colleges and universities have found to earn-and avoid burning-money. Which of these ideas could your institution implement tomorrow, next semester, or next year to do the same?

ADMINISTRATIVE SERVICES

1. Take a new look at the purchasing department. At the University of Pennsylvania, a retooled purchasing department with a Business Enterprise Network and an upgraded SciQuest eProcurement system saved $72.2 million in its first eight years. Maryville University (Mo.) created purchasing consistency by contracting with FedEx Kinkos for ordering stationery products. The three-year agreement will save more than $100,000-and help ensure a clear, concise, and consistent visual identity. Consolidating purchasing and accounts payable, as the University of Delaware has done, is another way to realize savings.

2. Use purchasing cards. Drexel University (Pa.) reined in out-of-control purchase costs by using purchasing cards from JPMorgan Chase (www.jpmorganchase.com). The cards have pre-assigned spending limits and there's no need for requisitions or check requests. Daily updates from the card issuer are fed directly into the financials database for near real-time cost control. Benefits include less paperwork, reduction of cash exposure, faster processing time, and consolidated invoicing, which saves time, stationery, checks, postage, and filing costs.

3. Eliminate the middleman. Hamilton College (N.Y.) took a different approach to furnishing its new Science Center Building project with its bidding process. While the architectural firm prepared the bid document, everything else-order placement, delivery coordination, installation, final inspection-was handled internally at a savings of several thousands of dollars. As a bonus, the coordination and communication between the school, contractor, and vendors was better because they worked with each other directly. Hamilton plans to replicate the procedure for its latest building project.

4. Join a purchasing consortium. The Wisconsin Association of Independent Colleges and Universities has a dedicated staff that does the research, finds the vendors, and handles the bidding for its members. Through WAICU, Beloit College saved about $100,000 per year on employee insurance.

5. Nix hard-copy billing processes. Indiana University-Purdue University Fort Wayne contracted with TouchNet Information Systems, a software provider of automated payment solutions, to switch to e-billing for tuition payments. The school saved an estimated $41,000 in annual printing and mailing costs. Additional savings came from being able to reduce temporary staff help during peak times. This helps offset the cost of offering credit card payment options.

6. Eliminate the paper trail. Maryville University in St. Louis saves money (and trees) by not printing things that can be as easily referenced online. Gone are the days of paper course registration, and of printing schedules and grades. Now, all this work is done electronically.

7. Invest in document management. Chapman University needed a reliable document management solution on a small scale. After realizing efficiencies and cost savings with a product from ImageNow, the school expanded the program to all its campuses located throughout California and Washington. The solution was quickly and cost-effectively expanded across various host applications and leveraged to meet a number of departmental needs.

8. Get a handle on printing. The average school of 1,000 spends about $3,000 to $4,000 a month on paper, ink, and toner alone. What makes costs grow exponentially, however, is the number of wasteful or nonacademic print jobs-from photos of pop stars and friends to entire books-that should never be printed or could be copied more economically. Winthrop University (S.C.) turned to Print Manager Plus, printer control software that tracks, quotas, and reports print usage and costs across the school network. Students got a $10 per semester printing allowance, after which they paid out of pocket for further printing. The result was an annual savings of about 50 percent.

9. Look within for training. Maryville College (Tenn.) saves money on its professional development program by tapping its internal expertise. Thirty-one workshops are offered, led mostly by Maryville staff members, with tracks on Customer Service, HR/Community Building, Computer Skills, Safety,

Supervisory, Wellness, and Personal Development. So far, the only associated costs have been for copying (handouts), $20 gift cards given to staff workshop leaders, and light refreshments for some workshops.

10. Turn to outsourcing-but not by bringing vendors on campus. Rather, consider supplying the labor. Rural Sourcing, a startup company, is working with at least five colleges to provide inexpensive IT help for U.S. businesses in rural areas. The company's goal is to keep jobs in the United States while giving students some real-world work experience and preventing brain-drain in rural areas. Kathy B. White, founder and president, started the company in her hometown of Jonesboro, Ark., also home to Arkansas State University.

11. Shop around for health insurance. Although Saint Mary's College (Ind.) officials had sought new bids for several years with limited success, last year they used a broker. Three carriers, including the school's current one, got involved in a pricing battle for the business. The result was a decrease in premium costs of 10.8 percent this year, plus a rate cap guarantee for the next two years.

CAMPUS CARDS/FINANCIAL SERVICES

12. Put a seal of approval on car insurance and life insurance carriers. University at Albany, part of the State University of New York system, has select insurance company partners that are allowed to market to alumni. The alumni association receives royalties.

13. Get credit. Bank of America (formerly MBNA) and Chase both offer school-branded cards to alumni. Each school negotiates its own contract, which can range from a one-time donation for a new account, to funds for each purchase. Funds are generally used to finance alumni department activities.

14. Draw up incentive programs that increase usage of campus cards. Consider services such as banking, shopping, and restaurants. The first year of Georgia Institute of Technology's incentive program, which rewards students for funding their one-card accounts at the start of the school year, deposits increased by a total of more than $1 million to $4 million. Students who deposit $500 in their BuzzCard accounts at the beginning of the year receive $50 for campus retail food operations and $50 to use during evening hours at two restaurants located in the student center. Students now put more money on their BuzzCards and spend more money on campus. The program has also attracted outside support, with Atlanta-based Coca-Cola joining in as a sponsor.

15. Link your campus card program with a national retail network. About 100 colleges and universities partner with Student Advantage, a national discount service, and, in turn, earn a portion of the student membership fees. Schools that partner with SA offer discount cards to students, or incorporate the SA logo and program into an existing campus card program. Students pay a minimum of $20 per year to enjoy such discounts as 15 percent off of Amtrak fares or 10 percent off of online Target purchases. (Multi-year programs have higher fees.) The IHE receives 20 percent of the student membership fee.

16. Streamline financial aid refund processing. Pace University (N.Y.) works with Higher One, a refund management and banking services company, to produce a weekly report on refunds. The disbursements, which were once issued by check only, are now available to students via a wire transfer to accounts that are linked to a debit card. Since the system is automated and electronic, Pace saves money on accounting, reconciliation of refund amounts, and mailing costs. The school receives a percentage of any purchase for which the debit card is used. Pace now processes its refund checks at less than half the cost it used to pay, and revenue generated from the debit cards has tripled over three years.

ONLINE/CONTINUING EDUCATION

17. Offer hybrid courses to increase revenue without risking a loss. Bentley College (Mass.) invested in the Centra Symposium system and now has a site license with the company so that several classrooms can serve in-class as well as distance learners. Since students are enrolled in the classes on campus anyway, revenue from enrolling distance learners becomes profit. Bentley's equation works well: $25,000 per classroom is put aside to retrofit for hybrid courses, and that money back-and more-has been made on online enrollment.

18. License your knowledge. Boston University has successfully been licensing its continuing ed programs to an independently developed 18-member affiliate network made up of academic institutions, consulting organizations, and computer IT training companies in the U.S. and abroad. The affiliates purchase BU's programs at an annual fee, the equivalent of $40 to $100 per student per day, depending on the program. The licensed programs are marketed as BU products. Boston University generates about $1.2 million a year from this licensing.

19. Expand the brand with licensing agreements. The UC Irvine Extension-the continuing education arm

of University of California, Irvine's campus-recently collaborated with the nonprofit Getulio Vargas Foundation, a Brazilian school and that country's largest provider of online education. The resulting new program will allow UC Irvine to teach project management online in another country. The deal follows similar arrangements, including the contract with Laureate International Universities, a for-profit enterprise. Through the contract, international students enrolled in various LIU programs can spend summers at UC Irvine, while UC Irvine Extension students have access to LIU programs the world over.

SIDE BUSINESSES/BUSINESS INCUBATION

20. Open a campus catering service. While boosting prestige in the public's eye, it can be quite lucrative. UMass Catering at the University of Massachusetts Amherst bills itself as the region's "premier caterer." From dinners for 600 to coffee breaks for 10, the team offers service for all types of events-mostly but not exclusively on campus. Its website provides information on event planning and popular menus (with prices noted), as well as mouthwatering photos from recent events. UMass Catering brings in $2.5 million annually through 500-plus events. In his book Catering on Campus: A Guide to Catering in Colleges and Universities (Colman Publishers, 2004), former Culinary Institute of America Dean Paul Fairbrook offers more ideas and inspiration by examining the catering programs at dozens of schools.

21. Keep fans tuned in after the big game ends. The University of Texas at Austin has partnered with Host Communications to post content on its interactive TexasSports.TV (linked through the athletic department's website, www.TexasSports.com). Annual subscribers pay $79.97 to access live or replayed games and matches; press conferences; and a highlights show, among other features. UT has also partnered with Time Warner Cable to launch a Video On Demand channel specifically for UT athletics. Viewers pay $3.95 a month for the digital channel, currently available in Austin, Waco, San Antonio, and Dallas, which boosts exposure. The university gets a cut of the revenue.

22. Drill for dollars. To paraphrase the Rolling Stones, the University of Akron's (Ohio) supplemental revenue plan is all right-in fact it's a gas. The university has been drilling natural gas wells around campus and selling the gas to local energy companies. The school predicts the gas wells will become a steady revenue source in a few years. Each well costs about $325,000 to drill but an annual profit of $60,000 to $120,000 is expected after three to six years.

23. Sell surplus goods on eBay. Oregon State, Penn State, Michigan State, and Washington State are just some of the schools selling items online. Penn has sold everything from pianos to doughnut

machines. The University of Wisconsin opted to eschew eBay and start its own auction site, which brought in $280,000 during its first year.

24. Get institutional researchers' intellectual property out there. Corporations are in the market for new products and technologies. One way to find them is through UTEK (www.utekcorp.com), a firm that helps schools set up patents for their discoveries and assists in finding public companies looking to purchase them. The company calls itself an intellectual property matchmaker. the University of Maryland patented a technology used for early detection of lung and other forms of cancer, while Emory University (Ga.) patented a receptacle designed to help safely transport sterile and used sharp instruments. Institutions may receive royalties from their patents as well as cash from UTEK's acquisition company.

25. Think spinoff. Ball State University's Digital Middletown Project is a wireless initiative designed to test the educational and social value of delivering high-bandwidth wireless technology to local elementary schools in Muncie, Ind., surrounding homes, and Ball State itself. The DMP generates $500,000 to $1 million in annual revenue through the Office of Wireless Research and Mapping, a business spun off from the wireless project. As a bonus, the Office of Wireless Research and Mapping provides an opportunity for Ball State students to get work experience to make them more marketable, and for faculty to do applied research in their areas of study.

26. Do research for area businesses. Catawba College (N.C.) conducts chemical analysis and research projects for area businesses and industries through its on-campus laboratory, CARL (Catawba Analytical Research Laboratory). Businesses pay a fee for students to conduct company research using state-of-the-art equipment and techniques. The students benefit also, earning money and getting exposure to work-world applications. Participating businesses can use an independent lab for objective analysis, have access to instrumentation and laboratory techniques without purchasing equipment, and have a pipeline for recruiting future employees.

MARKETING/BRANDING/ENROLLMENT

27. Use market research to provide direction on enrollment. For one client institution, Stamats Communications used a tuition-pricing study to help guide how much it could charge out-of-state students. The result was an almost immediate 25 percent increase in out-of-state tuition revenue, with no negative impact on the number of out-of-state students.

28. Run a "half-off" sale on tuition. Lebanon Valley College (Pa.) a liberal arts school, began a discount program 17 years ago, amid predictions that lowering tuition would lead to financial ruin. To the contrary, an internal study revealed that revenue rose 113 percent, while costs increased only 9.6 percent since launching the program. Known as the Presidential Scholarship Program, students in the top 10 percent of their high school graduating class receive a half-off tuition scholarship; those in the top 20 percent get one-third off tuition; and those in the top 30 percent receive one-quarter off.

29. Invest in your website. The web is considered the single most important tool in the college search process, according to Carnegie Communications, which conducted on online survey on e-communications among 5,400 college-bound students. Still, many IHEs have disjointed, poorly designed sites. Is it time to give pages housed in disparate departments a unified look? Are new graphics needed? Consider, also, a content management system or other software to help organize the process. The outlay may be well worth the boost in enrollment.

30. Use software to help in decision-making. The Admissions department at Auburn University (Ala.) saves time and money by using a program designed to enhance diversity among its accepted students. Called Applications Quest, it was created two years ago by a faculty member. The software is designed to do a "holistic" scan of applications. All aspects of the candidates in an applicant pool are compared, including GPA, race, gender, hometown, and other attributes. The software then makes recommendations.

31. Boost enrollment through a distance learning division. The Boston University Division of Extended Education serves nearly 3,000 enrolled students in undergraduate, graduate, and professional development programs. Its criminal justice master's degree is the most popular program of its kind in the world; enrollments grew from 45 to more than 400 in three years. The school's distance-learning programs are an important revenue source, grossing $15 million per year, more than making up for enrollment fall-off in part-time, on-campus night and weekend courses.

RETAILING

32. Partner with booksellers. Students who can't find a book at the library or who want their own copy can be directed elsewhere. The University Library of the University of Illinois at Urbana-Champaign launched its Buy a Book program in late June, providing students with links to local and online booksellers. Some sellers (including Amazon.com) pay a small percentage to the University Library for

each sale made through the links. (Caution: State and other requirements may mean it takes some time to launch a program, so get the school's legal team involved early.)

33. Open an e-store. The University of Oregon Bookstore, an independent bookstore owned and operated by students, faculty, and staff at this institution, was an early adopter in the online bookstore space. Selling everything from apparel to computers (Apple, Dell, and Sony laptops are available), the bookstore's online sales have increased 10 to 12 percent annually.

34. Get students in a diploma-framing frame of mind-and then take a cut. Campus stores can partner with a framing company, purchase frames wholesale, and then set their own retail prices. Another model-most suitable for small stores or alumni associations that don't have retail space-is commission-based, with orders going directly through the framing company. Cornell, one of Church Hill Classics' 650 partner institutions, purchases frames and then sells them at a 100 percent markup. The university's 2005-2006 gross margin was about $155,000. Schools can also have the company ship individual customer orders as needed, with stores supported by a link between their website and Church Hill's site, www.diplomaframe.com. Store-specific sales brochures, which reportedly increase frame sales by an average of 257 percent in the first year, are available.

35. Get sweet profits from local produce. The University of Vermont Bookstore says one of its big online sellers is Vermont Maple Syrup products. A half gallon of the locally produced condiment sells for $36.55. Annual sales increases of 10 to 15 percent are common, with more than $50,000 in sales over the last five years.

REAL ESTATE/SPACE ALLOCATION

36. Acquire real estate for endowment investments or as a hedge against future growth. In some cases institutions earn enough to maintain the property plus a little extra (often the value is in intangibles like community relations). The University of Illinois at Chicago rents retail space, which revitalized its neighborhood and gave students a place to shop. The University of Kansas owns land that's leased to operating farms.

37. Improve the neighborhood. The University of Pennsylvania spearheaded the revitalization of its Philadelphia neighborhood by investing in two retail complexes that house a supermarket, a Barnes &

Noble bookstore, restaurants, and other retailers. Gross sales revenues from the two developments have topped $200 million annually.

38. Rent off-campus housing. For the past three years, Hamilton College has rented college-owned apartments in Washington, D.C., and New York during the summer to students and recent grads. It brings in extra income to offset the costs of school programs, and it provides an economical housing option for students involved in internships and grant work in those cities.

39. Rent out alumni center space. The University of Maryland's Samuel Riggs IV Alumni Center, which opened last April next to the football stadium, has become a popular venue for alumni wedding receptions, birthday parties, bar mitzvahs, and professional events. North Dakota State University also rents its alumni center, for everything from small business meetings ($10 to $40 an hour for a conference room) to weddings ($500 for a four-hour event or $1,100 for an all-day reception).

40. Rent a room (or two or 100). Burlington, Vermont, is growing in popularity as a summer travel destination. So Saint Michael's College is using its residence halls, classrooms, dining hall, and gym to generate additional revenue in those months. This past summer, over 2,000 conferees got excellent accommodations, including air-conditioning, suite-style housing, linens, shampoo, soap, internet hookup, WiFi, a pool, work-out rooms, and a summer theater. The college took in about $250,000 from gatherings of quilt makers, motorcycle riders, legislative staffers, and others, and expansion plans are in the works.

41. Bring in outside business. Maryville University in St. Louis takes advantage of evening and weekend downtime, when students aren't on campus, to rent out campus facilities such as computer labs to outside companies. This makes efficient use of the space while earning money for the university.

42. Think Hollywood. Mount St. Mary's College (Calif.) rents its two campus properties-one set in the hills overlooking the ocean and the other in a historic downtown district-to film crews. The school hired an agency to book campus facilities for television shows and movies. Projects are considered on an individual basis for content, as well as the impact to students, classes, and parking, before approval is given. The college has been featured on such television shows as The OC and Gilmore Girls and movies such as Princess Diaries and Spanglish.

43. Lease roof space for cellular tower antenna. Just a few institutions doing this-to the tune of $2,000 to $3,000 a month with long-term deals-are Virginia Commonwealth University; the University of California, Davis; the University of Colorado at Boulder; Duke University (N.C.); and the University of Pittsburgh. Keep in mind that contract amounts are highly dependent on the size of the area served and how much cell volume the antenna will produce. Also, use caution, as it's considered a specialty lease compared to basic office and retail leases-and the site-acquisition people are, of course, seeking the best deal for their companies.

CONSTRUCTION/FACILITIES

44. Consider installing luxury stadium boxes. This works best with powerhouse sports program schools, of course. The University of Michigan is planning to add 83 luxury suites to its historic Michigan Stadium, which first opened in Ann Arbor in 1927. While some fans and members of the university's Board of Regents have opposed the luxury boxes, saying that the bowl stadium should maintain its regular seating only, many others note that the boxes will create prime revenue opportunities. Revenue from the luxury boxes is expected to help pay for the overall costs of the stadium's $226 million renovation, scheduled for completion by August 2010.

45. Make the next stadium a multiuse facility. These new structures, in place at California State University, Dominguez Hills; Nova Southeastern University (Fla.); and other campuses, incorporate football fields, baseball diamonds, and track and field areas, as well as offer space for trade shows and parking. The new facilities create strong links to the community and can generate profits. Cal State's 125-acre multiuse facility provides about $200,000 in annual revenue from sports events ticket revenue and parking fees.

46. Get into the hotel biz. The University of Delaware partnered with a Pennsylvania business group to fund a new campus hotel to complement the university's conference center. UD agreed to put up 75 percent of the funding, or $9 million, to build the hotel, but it also gets 75 percent of the proceeds. Further, it draws travelers to campus who otherwise would have to stay at another hotel two miles off campus.

47. Upgrade for efficiency. Physical upgrades and retrofits at The University of British Columbia led to $3 million in annual savings. They realized an additional $11.3 million in savings by cutting paper usage by 58 million sheets and energy usage by 76.3 million kilowatt hours.

48. Hit a building partnership into the ballpark. Colleges and minor league baseball teams are increasingly opening stadiums together-saving money and perhaps providing a better facility for both parties. One such ballpark is Fitton Field in Worchester, Mass., a 3,300-seat facility renovated by

College of the Holy Cross and the Worcester Tornadoes and designed by Geller Sport. Because college and professional baseball team schedules don't typically overlap for entire seasons, scheduling conflicts are less common than you might think.

49. Refurbish infrastructure. A Juniata College (Pa.) infrastructure project renewed all its heating, cooling, telecom, and electrical infrastructure for greater efficiency and savings. In addition, its new boilers can be adapted to run on natural gas or heating oil. The results? This year Juniata saved several hundred thousand dollars by locking in a price for natural gas before oil went through the roof. Last year a switch to heating oil while natural gas skyrocketed also saved.

50. Keep track of facility use. Maryville University (Mo.) leaders found that they could save money by closing some parts of the campus that had little use over the summer. For example, after nonuse of the campus pool was documented, it was temporarily closed this past summer, saving the institution slightly more than $20,000.

51. Defer to the data. That is, use a database to track and quantify your institution's deferred maintenance backlog (facilities projects that need to be completed). A complete facilities inventory and assessment, with information in a database, can make facilities management less prone to unexpected disasters and translate into big savings over the long run. Many firms, including DSA Architects, offer databases to help quantify the assessment process, but the reporting can also be done using an institution's own systems.

52. Look into facilities outsourcing (or in-sourcing). The big savings is in salary and benefits from the reduced workforce. The University of Bridgeport (Conn.) outsources buildings and grounds maintenance, janitorial services, security, mailroom operations, and information technology. In three years the practice turned a deficit into a $2.5 million surplus on the operational bottom line. But at Lehigh University (Pa.), since the facility staff had developed expertise in the HVAC system, it was more cost effective to bring the service back in-house when the contract expired.

53. Implement parking fees. Camden County College (N.J.) uses the fees from its new parking garage to pay the debt service on its new technology center. Members of the public pay $7.50 per day or $108 per month (faculty and students get a discount). This allowed the college to add needed educational space, as well as contribute retail space to neighborhood revitalization efforts.

54. Aim for parking profits. Reconciliation and management of parking revenue for concerts, sporting events, and conventions can be inefficient and costly. California State University, Fullerton staff use a handheld device called PermitNow (www.t2systems.com) to issue parking permits and receipts more quickly while improving revenue and staff accountability. The system enables easier tracking of specific event sales, reduces the risk of audit problems, and eliminates the need for cumbersome preprinted stock permits. Reports outline revenue generated and note the payment method for all transactions. The detailed tracking helps reduce the possibility of revenue loss.

GREEN EFFORTS

55. Automate power controls. Tufts University (Mass.) uses EZ Save software (www.energystar.gov) to power down unused computer monitors, which should save $90,000 per year. And Tufts uses the VendingMiser from USA Technologies on its beverage vending machines, saving $17,280 per year. The University of North Carolina at Charlotte installed equipment from Venture Lighting that automatically dims the overhead lights as the ambient natural light increases, reducing energy consumption by 50 percent.

56. Get a clean start. By having its custodial staff clean early in the evening, rather than waiting until midnight, the University of Denver saved on its lighting bill. This was just a small first step toward a larger goal of working with faculty, staff, and students to raise environmental awareness and pinpoint ways to save energy. Administrators expect to reduce the annual energy bill by 10 percent to 15 percent in the first year of the program, which began in May.

57. Let the sunshine in. Arizona State University is taking advantage of the abundant Southwest sunshine by adding solar panels to a parking garage rooftop. The new technology powers all lighting in the structure and will eventually save thousands of dollars annually in maintenance and energy costs. (A bonus: The panels provide shade for parked vehicles.) Similar technology is being researched for other parking lots and structures on the Tempe campus.

58. Exercise temperature control. The University of Maine uses Honeywell's HVAC controls to remotely monitor and adjust temperatures in the dorm, which reduces maintenance calls and energy consumption. By blocking outside heat using window film from V-Kool, Stanford University (Calif.) has saved $5,000 in cooling costs. When the University of Massachusetts Amherst installed low-e fabric ceiling panels from Thermal Design in its practice ice rink, the reduction in radiant heat gain cut compressor run time by 30 percent.

59. Save water. Assumption College (Mass.) installed toilet flush valves and water-saving shower heads from Conservation Services Group in 22 buildings, which should save nearly three million gallons of water per year. American University (D.C.) installed 278 high-efficiency Maytag washing machines, saving 18 gallons per load, or two million gallons per year.

60. Capture runoff for use in athletic fields irrigation. Catawba College has purchased large holding

tanks that capture the runoff water from its geothermal wells (used to heat and cool buildings on campus) so that the water can be reclaimed for irrigating its 25 acres of athletics fields. The college expects to recoup the $25,000 cost of the tanks in two-and-a-half years, as the water bills it had been paying to the City of Salisbury, N.C., for irrigating the athletic fields will be reduced. The captured water is also good for the environment since it contains none of the chemicals normally found in treated city water.

61. Use wind power to create energy. As more IHEs go green, they are discovering cleaner ways to power their campuses. Carleton College (Minn.) installed a wind turbine several years ago and then formed a purchasing agreement with a utility company. Through the agreement, Carleton sells the energy created to the utility, which, in turn, provides it back to Carleton. The college comes out slightly ahead financially in the deal and is so happy about its clean, green energy that it expects to install more wind turbines. Recently, New York University announced it would purchase 118 million KWh of wind power, making it the largest green purchaser among U.S. IHEs.

62. Try cogeneration. Smith College (Mass.) has paved the way for a cogeneration plant. This $5.7-million project consists of a gas turbine generator to make electricity for the school, and a heat recovery steam generator that will augment the central heating plant's output by capturing heat normally wasted. Annual savings are estimated at $870,000 in fossil fuel and electricity, and the annual emissions reductions are estimated to be 110 tons of the compounds that cause smog and acid rain, and over 16,000 tons of carbon dioxide.

63. Use alternative fuels. The University of California, Davis is capturing methane from its capped landfill and saving between $50,000 and $60,000 each year. Maharashi University of Management (Iowa) uses geothermal technology by Enviroteq for heating and cooling and expects a long-term savings. The University of Colorado at Boulder estimates its photovoltaic panels from Talmage Solar Engineering will save $1,500 a year in electricity. Colgate University (N.Y.) uses a wood-fired boiler and saved around $475,000 in 2005.

64. Turn the engine on with car sharing. From insurance and maintenance costs to ever-rising fuel prices, car ownership adds up fast. Why own when you can share? Zipcar, Flexcar, and Autoshare partnerships allow institutions to cut back on the number of cars provided to staff while also providing a service to staff, students, and faculty, cutting down on campus traffic congestion, and being kinder to the environment. The University of Massachusetts Boston and MIT are two schools making Zipcars available. UMass Boston eliminated 10 state-owned vehicles (used primarily by staff) in favor of two

Zipcars that all staff, faculty, and students, as well as other Zipcar members in the Boston area, can use. And at MIT, seven Zipcars are available for student use. Zipcar members report saving an average of $5,232 per year using Zipcar instead of car ownership.

65. Go hybrid. When gasoline prices climbed past $3 per gallon this summer, the big V-8 engine Oldsmobile Aurora that Dominican University's (Ill.) admissions staff had inherited six years ago wasn't looking so good. With a need to manage travel costs, yet keep consistent with environmentally responsible values, the school considered a hybrid car. The only catch: Many hybrid cars on the market are small, and the university's admissions counselors are big former athletes. The admissions staff eventually chose a new Toyota Camry, with room enough for even the tallest counselor. So far, the hybrid has met expectations, averaging 38 miles to the gallon in highway driving, compared with the Oldsmobile's 15 mpg. The university expects to save over $3,000 in travel expenses this year.

66. Plug in to electric. Reed College (Ore.) has saved $2,700 per vehicle per year by using electric cars for maintenance and other Facilities and Grounds department uses. University of California, San Diego, which has 225 electric cars in its fleet, saves an estimated $323 in fuel costs per car per year.

67. Take a (hybrid) bus. Ball State was the first Indiana university to roll out an electric hybrid bus. This bus typically burns only 26 gallons a day compared to nearly 40 gallons burned by the other buses. It also requires less maintenance because it has no oil or belts that need to be replaced, and it can run all day on a single charge.

68. Prepare for other gasoline alternatives. James Madison University (Va.) is looking into using an on-campus reactor to convert used cooking oil into biodiesel, which could save the university around $25,000 annually. A similar feasibility study at the University of Michigan predicted savings of $28,000 per year.

69. Try positive feedback. Oberlin College (Ohio) installed a feedback system on dorm use of water and electricity. The idea is to provide dorm residents with real-time feedback on electricity and water consumption-and on the financial and environmental impact of this consumption. Currently, electricity is monitored in 21 dormitories and student houses. Although differences in construction and mechanical technologies mean some dorms are more efficient than others, student choices account for up to 50 percent of electricity use.

70. Arrange some friendly competition. Pitting students against each other is one way to raise enthusiasm for energy savings. At Oberlin, for instance, a two-week Dorm Energy Competition in March 2005 used the feedback system so that students would know how they were doing. The effort resulted in electricity reduction of 68,500 kWh, saving the college $5,120, and water use reduction of 20,500 gallons, saving the college $260 on its utility bills for that month. Iowa State University's ongoing Energy Heroes program is even broader. Occupants of each campus building work together to conserve as much energy as possible and be recognized collectively as an Energy Hero. In fiscal year 2006, $334,628 was saved on the institution's annual energy bill (compared to the average usage at the program's beginnings in the late '90s).

71. Get the lead (and other minerals) out. Soaring natural gas prices recently led Earlham College (Va.) to launch a project aimed at reducing natural gas consumption on campus-by cleaning up the water. The college installed a reverse osmosis filtering system on its new steam boiler to remove impurities from the water, bringing its boiling point as close as possible to 212 degrees. (Contaminants-mostly minerals-raise the boiling point of water, requiring more energy to convert it into steam.) The filter helped the college trim its gas consumption to a level it saw three to four years ago.

FOOD SERVICE

72. Consider mandatory meal plans. The University of Alabama and the University of Rochester (N.Y.) are just two schools that have implemented such requirements, which make projecting the amount that will be brought in much easier.

73. Stand up for sit-down restaurants. According to a 2005 Student Monitor study, students spent on average $74.10 per month eating off campus compared to $64.50 per month eating on campus (excluding meal plan costs). What's more, current trends show that casual, sit-down restaurants draw big crowds. To rev up its on-campus eating scene, the Fairfax, Va., campus of George Mason University welcomed in 2005 a Damon's Grill, part of a national chain of 100 restaurants serving burgers, chicken, and ribs. Since opening, the restaurant-located in Student Union Building I and owned and operated by Sodexho USA, the university's campus dining partner-has attracted students as well as staff, faculty, and area residents who visit Mason's campus for sporting events and other happenings.

74. Make menu selections easy. The University of Utah saved $4,500 by using video touch screens in the cafeteria rather than printing menus and nutrition information. Students can find the information they want online from their dorm rooms or by using kiosks onsite, and they aren't overwhelmed by unwanted

fliers.

75. Offer dining after hours. South Georgia College partnered with local restaurants to provide student meal cards that can be used at the off-campus eateries after cafeteria hours. The small study population made it impractical to keep the cafeteria open after hours. Students put a total of $700 on their meal cards each semester, $550 of which is used for the on-campus meal plan. The rest can be used at any of several local establishments. The plan saves the school money in the long run.

76. Market specialty foods. Catchy letters and postcards can remind parents and friends of ways to treat students well on special occasions. Lehigh University's (Pa.) dining services staff sends postcards to parents informing them about the school's famous gooey Lehigh Brownies ($9.99 for a dozen). The brownies, which are famous on campus and among alumni, make a nice alternative to a traditional birthday cake. They also create a sweet flow of revenue.

IT/TELECOMMUNICATIONS

77. Get your network under control. With more remote students and employees accessing campus networks than ever, security is a major headache. The University of Wisconsin saved more than $130,000 annually in internet security expenses by launching a VPN (virtual private network) gateway for secure connectivity. The solution centralized network management efforts, and resulted in two-thirds reduction in administrative costs for investigations.

78. Share software, IT staff, and tech facilities with other institutions. This works beautifully for Lake Forest College (Ill.) and Kalamazoo College (Mich.), two small liberal arts colleges that save money by sharing a server room for their e-mail systems, which are housed in a data center located in Chicago. Savings due to the server-room-sharing started off at $5,000 to $10,000 per year and have grown since. Since the two colleges work so well together, Lake Forest and Kalamazoo are also using a help desk program that runs on shared hardware, giving them a two-for-one deal. They might also begin sharing help desk staff trained to answer questions for both campuses.

79. Hire students. The technical support network at Juniata College (Pa.) is manned almost entirely by students, saving the college huge amounts of money in salary for tech employees. Students do most of the tech support on campus, and virtually all of the training on new applications and software. Even better, the students spearhead research and development efforts, testing products and software, and developing open-source applications.

80. Make systems optimal. Keeping IT systems consistently available and at peak performance can take a significant bite out of an annual budget. Wayne State University (Mich.) has reduced costs and saved time by automating tests of the university's major applications, developing procedures to identify and document functional processes in WSU's core applications, and thoroughly testing them with automated scripts before bringing new systems online. Monitoring end-to-end service has led to improved system

performance-and annual savings of approximately $225,000.

81. Help campus IT users help themselves. IHEs, like most organizations, are pushing the role of online self-service in order to increase help desk efficiency and save on costs. For instance, the University of Florida's Computing Help Desk has an extensive FAQ section that helps users set up a "GatorLink" account, change their passwords, set up e-mail forwarding, create and publish a web page, and more.

82. Install wireless options for tracking and accepting parking payments. At the University of California, Santa Barbara, motorists pay for parking via unmanned pay stations. Installed in 2003, the wireless network utilizes kiosks from Digital Payment Technologies in Vancouver, Canada, allowing for more than 500,000 transactions each year. With the network in place, the university can charge for night and weekend parking, something it didn't used to do since staffing during these hours was expensive. While the system required an initial investment of $1.3 million, the Parking Department saw a complete ROI within two-and-a-half years. A feel-good bonus: The wireless network is solar-powered.

83. Get a satellite uplink. Penn State charges non-Penn State users $250 an hour, while all Penn State users pay $93 an hour, billed in 15-minute increments. People can broadcast either a live feed or prerecorded material. At least part of the cost covers overhead and some of it is shared with a broadcast facility (WPSU).

84. Consider VoIP (Voice over Internet Protocol). While it's not a cheap and easy replacement for plain old telephone service, its return on investment can make it pay off. The Avaya system at Clayton State University (Ga.) is growing over time: Five years after its 2005 installation, the system will cost Clayton State half of what operating a traditional telephone service would have cost-$125,000 a year compared to $250,000. VoIP saves in other ways, too. When a contractor recently mistakenly cut a fiber optic cable at Clayton State, staff were able to take their phones and set up in computer labs quickly to keep payment, enrollment, and other functions going. For those who invest in solid systems and additional IT staffers or outside help, VoIP can save big.

85. Phone home. New Department of Homeland Security regulations require multiple passcodes and identification numbers to make a single international call. The University of California, Santa Barbara offers its 600 international students the MobileU prepaid cellular service from MobileSphere that stores the codes and IDs. Students can phone home faster and easier though the single sign-on solution, and the school gets paid quarterly for each student that signs up with the plan.

86. Become a phone company. St. Olaf College (Minn.) leaders found a way to cut out a utility bill, offer a service to the greater community, and earn some revenue at the same time. Staff were already handling maintenance, wire pulling, and other phone system work. Starting their own phone company seemed like a logical next step. The planning and regulatory process took about six years, and officials say it would be difficult to replicate elsewhere. Still, anticipated savings are about $15,000 a month, and the school is able to sell dial-tone, long-distance, cable, and internet service throughout the area. It's the only local service providing a fiber optic network directly to businesses.

87. Put away the paper. Cornell's IT department was spending too much time and money to produce and mail printed copies of their Business Plan and Annual Report. So they enlisted digital publishing vendor E-Book Systems to create a digital replica of the printed reports-right down to the page flips. Now, they can just refer people to a link on their website. With this new technology, they can also track the usage of the reports in terms of page views, click throughs, and time spent on pages using E-Book Systems' FlipAnalyzer program.

88. Use Google. Arizona State University has partnered with Google to deliver Google Apps for Education to its 65,000 students. Google Apps include Gmail to manage ASU student e-mail accounts, as well as Google Calendar and Google Talk. The system will save the school an estimated $500,000 a year. And students get indexed e-mail search, enhanced spam filtering, calendaring, tagging capabilities for tracking e-mails, and a 2GB quota per student for storage. Under the terms of the agreement, Google will provide e-mail, calendar, and instant messaging services free of charge to the university, allowing ASU to refocus resources to accelerate the research and learning enterprise.

89. Try text messaging. The University of California, Santa Barbara has some 21,000 students with cell phones, 95 percent of which have phone numbers outside the campus's 805 area code. Now consider that the school makes more than 130,000 calls to students each year, and try not to faint at the resulting phone bill. The answer? UCSB is partnering with MobileSphere on a web-based product that can send free text messages to student phones. Besides class or schedule information, the system can also be used for emergency notification. Administrators expect the solution could cut UCSB's phone bill in half.

ALUMNI RELATIONS

90. Boost alumni allegiance with star quality. The Anderson School of Management at the University of California, Los Angeles invited former UCLA basketball coach John Wooden to campus and recorded his speech using Mediasite from Sonic Foundry. The rich media presentation was offered to alumni at a cost of $5 per viewing. The Anderson School kept track of participation for each graduating year, encouraging a little friendly competition between years to get alumni to watch the speech. The presentation was also made available to all UCLA alumni.

91. Push online fundraising with alumni portals and blogs. Plymouth State University (N.H.) opened its alumni portal in 2005, allowing 21,000 members to use e-mail, check in with each other, and create a

lifelong relationship with their alma mater.

92. Avoid the myth that community college alumni don't donate. Monroe Community College (N.Y.) received generous donations, including a $1 million stock gift, by building an alumni database and keeping personal connections with graduates. The school used research firm Harris Connect to track down various types of alumni and to gather information on them. The decision helped to boost Monroe's alumni database from 28,000 to more than 110,000 people.

COMMUNITY RELATIONS

93. Work with private developers to establish a retirement community on campus or nearby. These communities target active adults, aiming to take advantage of the lifestyle advantages that college towns can offer (think continuing education classes, world-class performing arts, and cozy coffee shops). IHEs can earn income by leasing or selling campus land for the development of condominiums, gathering fees from the new residents, and attracting donor gifts down the road. Schools as large as the Iowa State University and as small as Lasell College (Mass.) have gotten into the act of creating retirement complexes. In all, the nation has about 50 such communities.

94. Improve relations with state and local government. Working with legislators and reminding them of an IHE's value to the area keeps the institution top of mind when budget time arrives. Housatonic Community College (Conn.) performed economic-impact studies to illustrate its positive influence on its area, which gave weight to and made it easier to discuss funding requested with state government.

95. Host your own sports camps. Maryville University (Mo.) has added to its bottom line by offering a series of summer soccer camps for children 8 to 16 years old. Instead of hiring outside personnel, the athletic department operates the week-long camps. Campers stay in the residence halls, sleeping two to a room.

96. Partner with nearby IHEs to boost local economic development. This can help attract and retain more students. Wilkes University and King's College (both in Wilkes-Barre, Pa.) partnered to improve the atmosphere in the city. The two institutions worked with city government and businesses to open a

Barnes & Noble College Booksellers store on Wilkes-Barre's Main Street, equidistant from both campuses. The joint bookstore operates out of a 20,000-square-foot space in a former Woolworth's building that's leased from the Chamber of Commerce. It's a win-win for all: The downtown area gets a new retail site, students from Wilkes and King's can shop to their delight, and both educational institutions draw public interest and revenue using economy of scale.

FINALLY, BET YOU NEVER THOUGHT TO...

97. Use custom publishing to reduce the cost of course materials. Florida Community College at Jacksonville runs its Sirius Academics program to design and produce course books without paying copyright fees. The books are created by teams of faculty members who choose materials from their lectures or in the public domain. Students save money-they pay about $50 for each course's books, CDs, and online materials-and production costs for the school can be as low as $10 to $30. FCCJ is working in partnership with McGraw-Hill, and within the next year the college will have developed materials for 28 courses. The program's design software will also be made available for sale, with any profits going toward need-based scholarships.

98. See what develops. The office of Marketing and Public Relations at Maryville University (Mo.) invested in professional grade photography equipment. Now, instead of hiring a costly freelance photographer, a trained staff member takes photos of campus events.

99. Generate advertising revenue through digital signage. Texas State University is making advertising revenue through a digital signage partnership with The University Network (www.tun.com). All TSU has agreed to do is place digital signs in high-traffic areas. In exchange, TUN shares 20 percent of all national advertising revenue.

100. Help students earn their education. College of the Ozarks (Mo.) offers its students a debt-free education in exchange for participating in its work program. The institution guarantees 100 percent of tuition covered, if a student completes 15 hours of work each week and two 40-hour work weeks per year at one of 80 campus work stations. With the help of student labor, C of O is able to function with fewer staff than normal, in areas such as maintenance, cafeteria, and office help. Additionally, several campus work stations create different products that are sold to the public. Students operate a water-powered grist mill that produces stone-ground flours and baking mixes. They also run a Fruitcake and Jelly Kitchen and The Keeter Center, a lodge, restaurant, and conference center. Other student industries include a processing plant, weaving and pottery studio, and stained glass department.

101. Sell naming rights for new (or old) buildings. It's not always possible to get a major donor to step forward, but there are other options. The Richard Stockton College of New Jersey held a raffle at varying price points to name different parts (basketball court, fitness center, entire building) of the new athletic center. People didn't buy the top level, but several people bought at the fitness-center level. Money was used for scholarships. The opportunity to name the entire building is still available.

Examples of OU Savings, Efficiencies and Cost Avoidances

February 2016

Data Analytics

- Use student data to identify trends in international student enrollment and **recruit students who are most likely to be successful.**

- Use state-of-the-art data visualizations to identify employee positions and departments with higher turnover and then targeting the opportunity areas to uncover practices to **reduce turnover and the high costs associated with it.**

- Use a state-of-the-art student feedback system to **identify opportunities to improve the student experience** and, ultimately, graduation rates.

- Aid students by using machine learning data science to **predict graduation likelihood** and using these predictions to better **coach and support at-risk students.** Additionally, this predictive information can play a role in determining **how scholarship funds are most effectively allocated.**

Energy

- Facilities improvements, including upgrades to indoor lighting and occupancy sensors, outdoor lighting, water systems, vending machines, steam systems, building automation systems and exit signs, together with a renegotiation of utility rates, will **save an estimated average of $1.5 million per year** with a 20-year savings of $30.3 million.

- The University annually purchases more than **120,000,000 kwh of wind power.**

- A campus program **recycled over 1.6 million pounds of material in FY2015,** an increase of 6.4 percent over FY2014. The program also:

    - Saved more than $31,000 in **landfill fees**

    - Saves $716,000 annually from **minimizing hard copy printing**

    - **Reduced paper use** by 254,282 pounds of paper since 2013, including 89,481 pounds from FY13-14 to FY14-15.

Enrollment Management and Student Financial Services

- In 2014, the University adopted a **flat-rate tuition** model to encourage students to complete 30 credit hours per year. Annual savings to students:

    - $13,384 if graduating in four years rather than five

    - $26,768 if graduating in four years rather six.

- The University uses an early student assessment and predictive analytics to **identify students who would most benefit from intensive financial aid coaching** in an effort to decrease the likelihood they will drop out because of financial issues.

- By committing one FTE to United World College international student recruitment beginning in late 2011, the University **increased Davis UWC Scholar enrollment** from 38 students in AY 2011-12 to 165 students representing over 60 countries in AY 2015-16. As a result, funding support from the Davis UWC Scholars Program grew from $760,000 in 2011-12 to $3.15 million this year.

- Using a third-party servicer to conduct **Federal Financial Aid verifications of FAFSA applications** rather than conducting them in-house saves the University $100,000 annually and shortened the process time from four weeks to 48 hours.

Students

- The University has **reduced annual textbook costs** by an average of $528 per student per year by using digital textbooks and providing WEB, PDF and EPUB copies at no cost and printed copies at cost, resulting in yearly savings to students and families of more than $12 million.

- The new **Centralized Academic Scholarship Hub (CASH)** website provides students an efficient, online, one-stop shop to apply for thousands of scholarships. CASH replaces the previously fragmented, paper-based application and review process.

Purchasing

- The University saves $1.2 million annually through **consolidating Norman and Health Sciences Center purchasing** in a Shared Services model.

- FY15 **purchasing savings** include:

    - Price savings through competition, negotiation $1,890,000

    - Universitywide pouring rights contract revenue $1,460,000

    - Procurement card rebate $500,100

- **Cumulative savings** through purchasing strategies include:

    - From FY10 to FY16, **competitive solicitations, negotiations and cooperative and group purchasing** saved an estimated $28.9 million.

    - From FY10 to FY16, 378,000 **procurement card transactions** saved $2.4 million in costs associated with check issuances and related payment processing actions.

    - Implementing a business-to-business solution projected to save more than $200,000 annually for **office-related supplies and $300,000 for scientific supplies.**

    - The newly initiated Concur Travel system, which is expected to save the University in **air fare costs, paper consumption and processing time.**

University Financing

- The University has **saved more than $28 million** over the past 10 years by closely monitoring interest rate trends and refinancing bond issues.

- Upon completing refinancing of 2006A General Revenue Refunding Bonds, the University expects to realize net present value **savings of more than $14 million.**

Graduation and Retention

- **Graduation coaching** supports students most academically at-risk, including first-generation an financially-challenged students, resulting in 5.8 percent retention rate and .33 GPA increases over a six-year period.

- Increases in **need-based aid** allow more students to stay enrolled and focus on their studies. In spring 2015, 120 students who otherwise would not have been retained were able to continue enrollment with the assistance of need-based aid.

- The University uses data analytics to identify students in their fifth or sixth year and help them **finish their bachelor's degree,** leading to increased graduation rates.

- OU's **retention rate** this year for freshmen is at a university all-time high of 86.1 percent.

Human Resources

- In 2016, the University will pilot an **online faculty search tool** that is expected to reduce time spent reviewing applicant materials and completing internal hiring and compliance forms.

- Implementing the Learning Management System **consolidates over 30 compliance training courses** into one universitywide system, enabling more timely compliance and auditing capabilities.

- Negotiating a **reduction in the Fidelity Investments unique participant fee** will achieve a net 10-year savings of $1.5 million.

- Processing employment-based immigration cases **with internal staff** instead of an outside law firm has saved $1.2 million.

Information Technology

- OU's large-scale research data archive, the Oklahoma PetaStore, **reduces researchers' storage costs** by 85 percent compared to local disks and by 93 percent compared to commercial cloud rates.

- From 2012 to 2016, the University's **Shared Services initiative** has generated $3.5 million in savings by negotiating new contracts, achieving better volume discounts, and pooling licenses across our campuses as a result of standardized data center technologies.

- By leveraging Shared Services multi-campus buying power, OU's **Microsoft Campus Agreement Program** has saved OU students over $5.6 million in software costs in three and a half years.

Facilities and Utilities Management

- The University's efforts to **reduce the cost of training employees** includes using a grant provided by the State of Oklahoma to underwrite OSHA classes for facilities management employees, which defrayed the cost of training by 21 percent.

- Through a bold initiative in 2010, the University engaged a private partner, Corix Utilities, to **operate the University's utility infrastructure.** The net present value of the operational savings projected over the 50-year span of this agreement is estimated at $60 million.

- **Locking in 60 percent of the University's natural gas needs** will reduce FY17 utilities cost by $868,000.

AGENDA ITEM 10

ISSUE: SPECIAL VOLUNTARY RETIREMENT INCENTIVE PROGRAM. – NC

ACTION PROPOSED:

President Boren recommends the Board of Regents approve the Special Voluntary Retirement Incentive (SVRI) summarized below.

BACKGROUND AND/OR RATIONALE:

$20 MILLION BUDGET REDUCTION PLAN

The budgetary outlook for the University – both near and long term – is the most critical it has been in many years. The University has absorbed more than $80 million in cuts and unfunded fixed cost increases since 2008.

One of the largest drivers of cost is personnel, and University Administration has explored several alternatives for seeking cost reductions in this area. After thorough analysis of and research into what other institutions have done as best practice, a Special Voluntary Retirement Incentive (SVRI) has arisen as a significant element in the overall solution to reduce costs and maintain a balanced budget.

Accordingly, University Administration has taken prompt and decisive action to cut $20 million from the Norman campus annual budget through (1) the Special Voluntary Retirement Incentive (SVRI, described below), (2) eliminating vacant faculty and staff lines and (3) decreasing department budgets, which includes purchasing and travel reductions.

SPECIAL VOLUNTARY RETIREMENT INCENTIVE

Background. As the University confronts serious fiscal constraints resulting from deep funding cuts, University Administration has taken prompt and decisive action in preparing the Special Voluntary Retirement Incentive (SVRI). The SVRI will help the University realize much-needed savings, optimize the operational efficiency of administrative and academic units, and provide a one-time opportunity for eligible University employees to receive a financial incentive to voluntarily retire from service at an earlier date than might otherwise have been planned.

University Administration developed the SVRI after exhaustive research and detailed analysis of similar incentives implemented at other institutions across the country.

The SVRI is expected to yield $10 million in annual savings, with the additional $10 million in savings to be realized through the other two identified budget-cutting measures.

Purpose. The purpose of the SVRI is to provide departments and academic units with an effective vehicle to address fiscal constraints, achieve a long-term reduction in payroll and benefits costs, and minimize involuntary terminations.

Eligible Faculty and Staff. Full-time benefits eligible faculty and staff on the Norman payroll who are age 62 or greater and meet normal University retirement age and service requirements by December 31, 2015 ("Eligible Employees").

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Non-Eligible Faculty and Staff. Some faculty and staff are **not eligible** to apply for or participate in the SVRI. They are employees who 1) are paid with external grant or contract funds or 2) have been given notice of their involuntary separation prior to December 31, 2015.

Effective Retirement Dates. Depending on the department or unit, effective retirement dates are expected to occur between June 30, 2016 and December 23, 2016, inclusive. Deans and Vice Presidents will have the discretion to set the retirement date for each participant. Approval must be obtained from the President or his designee to extend a participant's retirement date beyond December 23, 2016.

Administration. The Department of Human Resources will provide a list of Eligible Employees to all Deans and department heads. On or before February 15, 2016, Eligible Employees will receive a complete SVRI informational packet. This packet will include program details and documents required to be executed by all Eligible Employees who elect to participate ("SVRI Participants"). SVRI Participants must submit all signed election documents no later than March 30, 2016. The SVRI provides a seven-day revocation period from the date of signing.

Payment. SVRI Participants will be paid in a single lump sum, less all deductions for local, state and federal taxes legally required to be withheld, no later than one month following their date of retirement. SVRI Participants who are full-time benefits eligible faculty will be paid an amount equal to 75 percent of their annual base salary in effect on their retirement date. not to exceed $100,000. SVRI Participants who are full-time benefits eligible salaried staff employees will be paid an amount equal to 75 percent of their annual base salary in effect on their retirement date. not to exceed $100,000. SVRI Participants who are full-time benefits eligible support and service staff and are not exempt from overtime rules will receive their hourly rate in effect on their retirement date times 1,560 hours, not to exceed $100,000. No portion of the lump sum payment is eligible for salary deferral under OU's retirement savings plans or considered compensation for purposes of calculating the University's contribution to the Oklahoma Teachers Retirement System.

Medical Insurance. The University will fully subsidize medical insurance premiums for current retirees and employees eligible for retirement prior to January 1, 2016. The University will subsidize medical premiums for employees who become eligible for retirement on or after January 1, 2016 at the percentages indicated in the "Retiree Medical Insurance Subsidy Matrix."

Reemployment Eligibility. SVRI Participants will not be eligible for reemployment in a benefit eligible position for three years after retirement. However, they may return to work at the University in any part-time (.25 FTE or less), non-benefits eligible position 60 days after retirement.

Other Retirement Incentive Offers. SVRI Participants shall not participate in any previous retirement incentive offers made generally to faculty and staff employees as a group.

Funding. Departments that are self-supported with internal funding will be responsible for all costs (e.g., incentive, leave payout, final earned wages) associated with the SVRI. Departments that are centrally funded will work in concert with Administration & Finance to fund the cost of the SVRI (e.g., incentive, leave payout, final earned wages).

Voluntary Retirement Incentive Programs

School	Date	Participants	Eligibility and Approval	Payment	Other Benefits
Indiana	2011	Full time academic and staff employees.	Meet age and service requirements: Age 55 with 30 years of service up to 65+ with 10 years of service OR 60+ with at least 10 years of service.	Tenured faculty will be paid 10 months base salary. All other academic and staff employees will be paid 6 months of base salary.	Contributions to an HRA for 5 years: Employee $ 6,000 Ee + Child $ 11,000 Ee + Spouse $ 13,500 Family $ 14,500
Arizona	2011	Tenured faculty and appointed personnel.	Age 65+ with 10 years of service above 0.5 FTE.	Lump sum payment equal to one year salary.	
Northern Michigan	2014	Full-time tenured and continuing status faculty. Plan has a cap on total expenditures (excluding payroll taxes) of $3.5 million. If cap is reached then eligible employees will be selected based upon the highest years of service.	Age 62+ with at least 10 years of service. Participation must be approved by Provost.	Lump sum payment equal to 100% of annual base salary made in 4 equal payments not exceeding 2 calendar years. Payments not eligible for retirement plan contributions.	
Utah	2014	Full-time faculty and staff	Appointment of .75 FTE or greater whose age combined with years of service totals 75 or more and they are 60 years of age or greater.	Annual cash payment for 60 months or attainment of Social Security Full Retirement Age, whichever is less. Cash payment will be the lesser of 20% of annual base salary or the estimated Social Security Bridge Maximum benefit for which the retiree will be eligible at Social Security Full Retirement Age.	Health insurance for up to 5 years or until Social Security Full Retirement Age at a cost no greater than the amount paid by full-time employees.
Vanderbilt	2013	Medical Center staff in full-time regular positions. Vanderbilt reserves the right to delay the retirement date for up to 1 year if employee's continued employment is integral to operations.	Age 62+ with 10 years of service.	Two payments equal to 6 months current base salary paid on retirement date and 3 months following retirement date.	Payment of $2,500 for health care benefits.

The UNIVERSITY *of* OKLAHOMA

SPECIAL VOLUNTARY RETIREMENT INCENTIVE (SVRI) TIMELINE

Action Item:		Date:
1.	Regents approve SVRI	Jan. 27-28
2.	Announcement of the program	Feb. 1
3.	Prepare SVRI election packets • SVRI Election Form • Separation Agreement with Waiver Release • Individual Summary of Benefits • Special Voluntary Retirement Incentive (SVRI) Election Form • Special Voluntary Retirement Incentive (SVRI) Checklist	Feb. 1-5
4.	Meet with deans and directors	Feb. 8-12
5.	Send SVRI election packets to eligible employees	Feb. 15
6.	Election forms must be submitted	Feb. 15-March 30
7.	Identify individual retirement dates	Feb. 15-March 30
8.	Process individual retirement incentives	March 3-Dec. 23
9.	Complete alternate date retirement agreements	TBA
10.	Program completion	Dec. 23

The University of Oklahoma - Norman Campus
Budgeted Administrative Costs