

**Minutes of the Senate Budget Policy Committee**  
**Friday, February 18<sup>th</sup>, 2022**  
**2:00 – 4:00 pm, virtual, Zoom**

**Members in Attendance:** Tyler Bickford (chair), Autumn Greba (secretary), Adriana Maguina-Ugarte, Thurman Wingrove, Richard Henderson, Amanda Brodish, Gong Tang, Emily Murphy, Douglas Reed, Brian Smith, Ryan Yeager, Robin Kear, Panos Chrysanthis, Susan Jones, Frank Wilson, Ruth Mostern, Beverly Ann Gaddy

Meeting called to order at 2:04pm.

1. Approval of minutes from January 2022
  - a. Minutes approved
  
2. Matters arising
  - a. None
  
3. Review of RCM Recommendations
  - a. Open discussion of recommendations
  - b. Adopted as the first set of RCM Recommendations by the committee (attached)
    - i. Voting members, unanimous ‘yes’

Meeting adjourned at 3:16pm.

## Meeting the goals of the University Senate's [May 2021 resolution](#) on strengthening shared governance as part of the University of Pittsburgh's budget model revision

Adopted by the University Senate Budget Policies Committee February 18, 2022

Resolved, that a revised budget model should make use of existing committees, including standing Senate committees, the UPBC, unit PBCs, and other established collegial structures for budget governance, rather than creating new organs for budget model governance.

Resolved, that a process be established as soon as possible to include Faculty Assembly, Staff Council, the Senate Budget Policies Committee, and other relevant groups, to develop mechanisms to address these priorities.

Resolved, that as part of the budget model reform process, and prior to the implementation of a new budget model, the Planning and Budgeting System should be reformed to strengthen shared governance and representation of all constituencies in unit-level planning and budgeting and to support connections across Planning and Budgeting Committees and between PBCs and the University Senate

1. Voting members of unit-level PBCs should be elected. Members should be publicly listed on the unit website, along with the bylaws governing the PBC in that unit.
2. PBCs should have faculty, staff, and student representatives and should be large enough to include representatives of various constituencies in each unit.
3. PBCs should meet regularly (preferably monthly) and be actively involved in budgetary decision-making.
4. Unit-level budget requests, including Responsibility Center Resource Proposals, should be developed in consultation with PBCs and should be formally supported by PBCs (ie, by a majority vote).
5. New rules and structures should be developed to ensure these expectations are implemented across the university:
  - a) Elected members in each PBC should elect a chair from their ranks, who will co-chair the committee with the dean or campus president.
  - b) PBC faculty co-chairs should meet at least once a year with each other and with Senate officers and SBPC officers to report on their unit's planning and budgeting activities, share advice and best practices, and raise concerns (for example, if the expectations described here are not being met). This can be informal initially but eventually the Senate should establish a new University-wide committee of PBC co-chairs.
  - c) RCRP guidance should be revised to include the requirement that PBCs have been consulted.
  - d) Uniform information and trainings should be developed for new PBC members to orient them to their role in the university-wide Planning and Budgeting System and to inform them of their rights as PBC members to access information and participate in decision making. Trainings should include reporting to their constituencies and fielding concerns.

□ Resolved, that a revised budget model must prioritize transparency and robust participation throughout the budgeting process, especially with regard to cost centers and strategic investment funds

1. There should be a comprehensive review of the Planning and Budgeting System document (including incorporating the new Support Responsibility Center Committee) and other university policies to ensure the new budget model is in compliance.
2. The new budget model should be as transparent as possible. A detailed website with comprehensive information about the new budget model should be developed, following the model of the University of Washington (<https://www.washington.edu/opb/uw-budget/activity-based-budgeting/>), including orientation materials, a dashboard with revenue and cost allocations, detailed budget formulas, and calculators to allow anyone to explore the impact of different planning decisions.
3. The new budget model should be as participatory as possible. In addition to strengthening the unit-level PBCs, the university-wide Strategic Funding Mechanism should be inclusive and open. Faculty, staff, and student representatives should participate formally in decisions about strategic funding allocations, whose outcomes should be visible to the university community and reflect broadly shared priorities. The new Support Responsibility Centers Committee should include faculty, staff, and student representatives.
4. The new budget model should be accountable to the university community. University leadership should report to the University Senate at least annually on the status of the new budget model, and an intensive university-wide review should be planned at the three-year mark.
5. Pitt should learn from peer institutions: The University of Oregon adopted an RCM budget model in 2008 but abandoned it in 2018 as unworkable. Rutgers University recently released an official university-wide five-year review of its RCM budget model (<https://www.rutgers.edu/strategy/rcm-five-year-review>), which determined that the RCM budget model discouraged desired behaviors and impeded mission-critical programs and initiatives; hindered interdisciplinarity and collaboration across budget lines; and created significant confusion. These are foreseeable outcomes of a decentralized budget model, and Pitt must work attentively from the start to avoid these problems.