

This is the sixth monthly report of the progress on implementing the Resource Management Model. Implementation is expected to extend to July 1, 2008. Decisions about detailed design of the model were essentially completed by the end of December 2007 and development of supporting administrative IT systems and training will continue through spring 2008.

These progress reports are one element of a communications plan that includes a Web site (see <http://www.public.iastate.edu/~budget/over0307.shtml>), monthly e-mail updates, presentations, individual sessions with deans and other administrators, and “brown bag” discussions.

Highlights Since the December Report

- Management guidelines and procedures for the Advance Commitment funds were finalized.
- Status reports on the implementation of the Cognos business intelligence program can be found at the IT Services Web site <http://www.its.iastate.edu/projects/warehouse>.
- The budget development schedule was finalized and distributed to colleges and vice presidential units.
- Recommendations on several key issues have been approved or are in the final stages of the approval process:
 - Differential tuition
 - GPIDEA program
 - Distribution of state appropriations to support instruction
 - Timing of RMF distribution during the operating cycle
 - Defining IT Services expense pool
 - Timing of expense pool allocation during the operating cycle
- The RMM simulation tool that illustrates the marginal changes in revenues, direct expenses and allocated expenses was completed, demonstrated and a copy distributed to deans and vice presidents and their financial officers.

The implementation process for the Resource Management Model is comprised of six components, each with an overall goal and a set of specific milestones with target deadlines. The implementation team will continue to work to achieve the goals and milestones for Component A as part of the overall implementation. The goals and milestones may be augmented as implementation proceeds to respond to issues and needs that arise.

Components of the Implementation Process

- A. Multi-year operational planning, goals and performance expectations
- B. Data Warehouse development
- C. Budget development processes
- D. Operating cycle processes
- E. Information systems development
- F. Education, training and communication

Component A: Multi-year Operational Planning, Goals and Performance Expectations

Overall Goal

Assess the current planning that occurs institution-wide and consider enhancements, additions or changes to support the Resource Management Model.

Key Milestones

- Articulate institution-wide goals for the Resource Management Model and develop assessment metrics for the model
- Assess current planning efforts and consider a multi-year planning framework that includes goals and metrics
- Develop policies and procedures for managing Advance Commitments
- Infuse the implementation process with the concepts of an “all funds” approach to financial management
- Promote coordination among divisions
- Establish an on-going review process for the Resource Management Model

Work Progress

Management guidelines and procedures for the Advance Commitment funds was finalized and communicated to members of the ISU Senior Leadership committee on January 22nd. A copy of the document can be found at

<http://www.public.iastate.edu/~budget/buddev/policies/AdvComPolicy.pdf>.

Based on material presented and discussion at a December 12 meeting with the ISU Senior Leadership group, several guidelines were identified for use in defining services and service levels that will be funded through each of the expense pools. Administrators of the allocated expense pools have been asked to have these services and service level definitions completed by April 1.

The Leadership and Transition Team continued its work on identifying potential principles for the assessment of the Resource Management Model and establishing guidelines for the five year review of the model.

Anticipated Next Achievements

The Leadership and Transition Team will begin drafting the principles for both assessing the impact of the Resource Management Model during the next five years as well as the guidelines for the formal five year review of the model.

Component B: Data Warehouse Development

Overall Goal

Provide datasets and reporting, analytic and modeling tools to support the decision-making and functioning of the Resource Management Model at all levels of the organization.

Key Milestones

- Develop technical prototype and proof of concept data warehouse model
- Acquire software tools to provide access and reporting capabilities to campus-wide data

- Design data warehouse
- Define data sets needed for the Resource Management Model
- Provide Resource Management Model data to colleges and administrative units

Work Progress

A Cognos consultant presented their formal implementation plan and installation documentation on December 18. Members of IT Services attended training sessions on Cognos systems during the week of January 14. Status reports on the implementation of the Cognos business intelligence program can be found at the IT Services Web site <http://www.its.iastate.edu/projects/warehouse>.

Anticipated Next Achievements

Integration of the Cognos software into the university system will occur during the early part of the spring term and staff training on the software will begin in late spring.

Component C: Budget Development Processes

Overall Goal

Refine the process for developing annual budgets to incorporate the principles and goals of the Resource Management Model.

Key Milestones

- Activate advisory committee structure and process
- Develop framework for annual and multi-year adjustments to the Resource Management Fund
- Restate the FY2008 budget using Resource Management Model
- Develop process steps and timeline for annual Resource Responsibility Center budget development
- Develop process steps and timeline for annual Administrative Support Center budget development
- Redefine the role of central budget staff in the development of annual budgets and modify process steps and timeline
- Link the annual institutional budget development process to the outcomes of institutional multi-year planning
- Develop tools for projecting annual tuition and indirect cost revenue

Work Progress

The budget development schedule was finalized and distributed to colleges and vice presidential units on January 8. A detailed view of the timeline is available online at <http://www.iastate.edu/~budget/bdcal/FY09BudgTime.xls>.

A work group that consists of several college fiscal officers, representatives from the Vice President for Research and Economic Development and the Controller's Department, met on December 18 to determine an appropriate methodology for projecting IDC revenue. It was concluded that there was an inadequate amount of historical IDC revenue-related data available at the resource responsibility center level. The work group recommended that the

existing institutional IDC revenue projection model be used for projecting IDC revenue for fiscal year 2009. The IDC revenue distribution model, as prescribed by the Resource Management Model, will be applied to historical IDC revenue and used as a basis for distributing the institutional IDC revenue projections to the resource responsibility center level. This projection model will most likely be refined in future years as more IDC revenue distribution data is captured at the resource responsibility center level.

An ad hoc working group has met on several occasions to determine an appropriate method for distributing the funds that have been used to fund centrally managed expense pools. These central pools include fringe benefits, merit pay adjustments, graduate tuition scholarships and utilities. Effective fiscal year 2009, these expenses will no longer be managed centrally and will become a direct expense for the colleges and vice presidential units.

Anticipated Next Achievements

A recommendation will be submitted on an appropriate method for distributing the funds that have been used to fund centrally managed expense pools. Units will receive distribution worksheets that outline the distribution of these funds in early February.

Component D: Operating Cycle Processes

Overall Goal

Modify policies and procedures to recognize and distribute revenues and create policies and procedures to allocate administrative expenses to support the functioning of the Resource Management Model.

Key Milestones

- Develop policy and procedures to distribute tuition revenue
- Develop policy and procedures to distribute IDC revenue
- Develop policy and procedures to allocate expense pools
- Develop procedures to distribute general state appropriations
- Develop timeline for actual distribution of resources and allocation of expenses during the operating cycle
- Simulate actual distribution of resources and allocation of expenses during the FY2008 operating cycle

Work Progress

The recommendation for distributing differential tuition revenue generated from upper division undergraduate engineering students and students enrolled in the Saturday MBA program was submitted for approval on January 15 (see [Recommendation #35](#)). This recommendation was submitted to the campus for a two-week comment period on December 28.

The RMM Tuition Revenue implementation work group submitted a formal recommendation on January 9 that addresses the issue of how the GPIDEA course fee for C-Base graduate

students enrolled in a GPIDEA course will be funded (see [Recommendation #36](#)). This recommendation was submitted to the campus for comment on January 15.

The RMM Operations Team submitted two recommendations on January 9. One recommendation addresses the issue of the distribution of state appropriation to support student recruitment, advising, retention, and instructional activities of colleges (see [Recommendation #37](#)). The second recommendation outlines the timing of the distribution of the RMF during the operating cycle (see [Recommendation #38](#)).

The RMM Expense Allocation implementation work group submitted two recommendations on January 9. One recommendation defines the IT Services expense pool and the methodology for allocating the expenses (see [Recommendation #39](#)). The second recommendation outlines the timing of the allocation of the expense pools during the operating cycle (see [Recommendation #40](#)). These recommendations were submitted to the campus for comment on January 15.

An ad hoc work group met on January 17 to develop a formal process for changing existing IDC distribution data. The work group consists of members from the Office of Sponsored Programs Administration and Sponsored Programs Accounting. The recommendations from that group will be presented to the Financial Officers Group in February.

Anticipated Next Achievements

The RMM Tuition Revenue implementation work group will submit a formal recommendation on how to manage the costs associated with the Summer Bridge Program.

The off-line budget to actual report for the second quarter of FY2008 will be compiled and distributed to college deans and vice presidents by January 31.

Members of the Operations Team will continue compiling a comprehensive Resource Management Model policy and procedure manual.

Component E: Information Systems Development

Overall Goal

Enhance and modify administrative systems to generate data, transactions and reports to support decision-making and functioning of the Resource Management Model.

Key Milestones

- Enhance existing financial systems to report receipt and disbursement of funds to Resource Responsibility Centers and Administrative Support Centers
- Enhance existing budget system to capture revenue projections and expenses at the appropriate level of detail
- Enhance existing financial system to analyze budget to actual revenues and expenses
- Develop programs to support calculation of revenue and expense distributions

Work Progress

The RMM simulation tool that illustrates the marginal changes in revenues, direct expenses and allocated expenses was demonstrated to members of the Financial Officers Group on January 10. The tool will be presented to members of the ISU Senior Leadership group on January 23.

Members of the Information Systems work group continues to manage all of the various programming changes projects needed to implement the RMM in fiscal year 2009.

- Changes to the GoldSheet form needed to capture IDC distribution data were completed on January 2. Training on the changes to the GoldSheet form continues through the end of January.
- Changes to the Sponsored Programs Accounting system that are needed for the actual distribution of IDC revenue are scheduled to be completed by January 31.
- Changes to the online budgeting system needed for a more standardized supplies and services budget has been designed and is currently being tested. Planning continues for developing the capability for budgeting fringe benefits using differential fringe benefit rates. Project is scheduled to be completed by April 1.
- Changes needed to the online graduate scholarship system have been identified and were presented to IT Services staff. Project is scheduled to be completed by March 1.
- IT Services and members of Facilities, Planning and Management staff have begun planning for the changes needed to the utility billing system to bill utilities on a monthly basis to colleges and vice presidential units. Goal is to have the program changes completed by June 1.
- Changes needed to the course offering system to capture the distribution of student credit hours to academic departments have been identified and documented. Goal is to have these changes completed by March 31.
- IT Services and members of the Controllers Department continue working through the necessary programming changes to the financial management system to record the distribution of revenues and allocation of expenses as prescribed by the RMM. The project also includes the development of budget to actual reporting through the online WebFM system. Goal is to have the program changes completed by June 30.

Anticipated Next Achievements

Members of the RMM Information Systems work group will continue working with IT Services staff on system changes. As changes are completed, systems users will be invited to informational and training sessions.

Component F: Education, Training and Communication

Overall Goal

Ensure that information about the Resource Management Model and its implementation is widely available to the university community, ensure adequate opportunities for input into the implementation process, and ensure that faculty, staff and administrators are trained and prepared for the transition.

Key Milestones

- Secure consulting services and define role in the implementation process
- Facilitate and support the stakeholder analysis and risk assessment conducted by BearingPoint
- Develop and implement a multi-faceted, university-wide communication plan
- Define training needs for various faculty, staff and administrative groups, including the advisory committees

Work Progress

On January 17, members of the campus community who have access to the AccessPlus version of the data warehouse attended the first training sessions to ask questions and share ideas on how to interpret and utilize the data for decision-making purposes.

Anticipated Next Achievements

Members of the Financial Officers Group are scheduled to meet bi-monthly for the next several months to discuss issues such as managing fringe benefits, the administrative fee and study abroad programs as well as formalizing the process for changing IDC distribution data. Meetings scheduled in late March through June will focus primarily on the development of the fiscal year 2009 budget.

In early February Dave Maddox, from BearingPoint, will conduct an abbreviated follow-up to the stakeholder analysis that he conducted last summer as part of the implementation planning for the Resource Management Model.

The next “brown bag session” for the campus community is scheduled for February 13. Other sessions are scheduled for March 12 and April 9.