



REVAMPING RECHARGE TOWARD A COMMON GOOD APPROACH

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ANISSA NACHMAN
DIRECTOR, BUDGET AND INSTITUTIONAL ANALYSIS



OBJECTIVES:

- **Improve efficiency:** Remove recharge-related transaction costs and redirect resources to tasks that add value.
- **Simplicity over Specificity:** Reduce frustrations and barriers associated with the practice of recharging between campus departments for common good services.
- **Increase overall campus safety:** Remove cost-based disincentives to using public safety services

BACKGROUND:

- **Identified as a priority by the Administrative Reorganization and Transformation Initiative (Prasant Mohapatra/Hampton Sublett)**
- **Executive Sponsors:** VC-CFO Dave Lawlor, Assoc. Chancellor Prasant Mohapatra, VP Viji Murali
- **Project Team:** Kelly Ratliff, Diane Davies-Conley, Bob Loessberg-Zahl, Jeremiah Maher, Hampton Sublett, Anissa Nachman, Charlie Baker



PROPOSAL:

- **For appropriate services, replace the monthly recharge mechanism with a Common Good Assessment (CGA) based on historical costs of the services.**
- **Govern quality of service through service partner agreements that set customer expectations and are monitored and tracked for effectiveness.**



PHASE 1 SERVICES - CRITERIA

What's In:

- Services that are broadly used and are essential to work getting done.
- Public Safety services

What's Out:

- Services that risk being over-consumed
- Services supported by at least 25% from Contracts and Grants

PHASE 1 SERVICES - PROPOSED SERVICES

Service	2015-16 Budget
Voice and Data	\$8,116
Other Phase I Services	
Background Checks	\$192
Live Scan	\$109
Aggie Host	\$305
Building Alarm Monitoring	\$83
Signs	\$61
EMT Services	\$10
Police Cash Escort	\$3
CES Reservation Fee	\$221
Food Safety	\$20
Sub-total	\$1,004
Sub-total, Voice & Data and Other	\$9,120
Overhead	
BMS - Small Projects Overhead	\$844
Custodial Overhead	\$186
Minor Cap Overhead	\$1,025
Sub-total	\$2,055
TOTAL	\$11,175

COMMON GOOD ASSESSMENT MECHANISM

Narrowed down assessment mechanism to two options:

1. Additive to OP Tax

- Assessed against all funds; Dean/VC's Office determines how to allocate.
- Assessed once a year.

2. Payroll Assessment (e.g., GAEL)

- Excludes Contracts and Grants and Recharge.
- Assessed on all other accounts on a monthly basis.

Note: Recharge team is working closely with Assistant Deans and Chief Operating Officers to determine appropriate mechanism.

COMMON GOOD ASSESSMENT MECHANISM (CON'T)

- **Emphasis on simplicity, but...**
- **Separate rates for Voice & Data, Other, and Overhead due to differences in usage.**
- **Keep rate bands to 2-3 rates per category.**
- **Fewer rates means more impact to the units.**
- **CGA will include \$1.4 million in Voice and Data costs that are currently supported with General Fund. These General Funds will then be redistributed to hold all units harmless at the Dean/VC level.**

MANAGING SERVICE PROVIDERS

- **Moving from recharge to CGA will likely cause changes in demand for certain services.**
- **BIA to work closely with service providers to monitor situation closely.**
- **Budget increases would need to be approved through the annual budget process. No automatic funding of fixed cost increases.**

IMPLEMENTATION TIMELINE

September/October:

- Continue to work with stakeholders to:
 - finalize which services will be included in Phase I;
 - determine which assessment mechanism to use.

October/November:

- Start work to implement assessment mechanism (if payroll assessment is used, it will require programming changes).
- Finalize service partner agreements.

January:

- January 1st: recharges end for Phase 1 Services; CGA implemented.

March:

- BIA check-in with service providers and stakeholders.



DISCUSSION

- Questions?