

NEW INTERNAL FINANCIAL MODEL STEERING COMMITTEE – September 21, 2011

The September 21st meeting of the Steering Committee began with a report on a presentation made by John Simon, Michael Strine, Milton Adams and President Sullivan to the Board of Visitors (BOV) the previous week. The presentation included a discussion on the new financial model. Strine reiterated that the new financial model is a strategic imperative, in response to a new reality, which includes current and predicted continuing constraints in funding from Richmond and Washington. These constraints have academic and administrative implications. The leadership team reported that the quality of the dialogue with the BOV was strong and a commitment was made to continue this dialogue at succeeding meetings of the Board of Visitors.

Simon, Strine and Adams met with the Core Work Group (CWG) on September 20th to discuss next steps for the project, which included a hiatus from the weekly meetings of the CWG in order to allow the Steering Committee (SC) time to focus on the foundational design principles for the new financial model. The CWG will redirect their work on developing an appropriate set of data to be utilized in modeling the financial scenarios in the next phase of the project. Meanwhile, the Steering Committee will hear presentations from each Academic Dean regarding their assessment of the impact of the financial model on their schools (see below). These academic presentations will help the SC determine the key design principles for the project as well as provide essential guidance to the CWG for their work.

Strine also stated that discussions with the Vice Presidents, Deans and Associate Deans made clear that leadership by the co-sponsors would provide the fundamental governance necessary for the success of the transition to a new financial model. Strine and Simon are committed to this leadership and have begun meeting with the Deans and Associate Deans on a regular basis.

This eliminates the need to identify a Project Director at this time and so the position is no longer open. Simon and Strine will lead the project with assistance by Colette Sheehy. The project is a priority for the Office of Management and Budget.

The executive co-sponsors requested that each school dean and associate dean prepare to present to the Steering Committee their assessment of the impact of a new financial model. The co-sponsors requested that each dean view the impact of the new model from the standpoint as citizens of the University, as their school, and as part of a community of other deans and senior leaders committed to teaching, research, patient care and public service. They were asked to respond to the following questions:

- 1) What are your opportunities, hopes, concerns, issues, and questions that arise from the consideration of a new financial model?
- 2) How could a new financial model incent and enable the missions of the University, your school and your relationships with other schools?
- 3) What are the most important steps in terms of governance and process that we can take to make the new financial and budget model more transparent and trusted?

Presentations were made to the Steering Committee at this meeting by: Curry School of Education, School of Architecture and the University Library.

Feedback from the schools and service units will be shared with the Steering Committee and the university in the aggregate, and will be incorporated into the “Resourcing the Mission” presentation document.