



University of Connecticut
Office of the President

Michael J. Hogan
President

MEMORANDUM

DATE: NOVEMBER 10, 2008
FROM: MICHAEL J. HOGAN
TO: COSTS, OPERATIONS, & REVENUE EFFICIENCIES (CORE) TASK FORCE
RE: CORE TASK FORCE CHARGE

The financial challenges currently confronting the State of Connecticut resulting from a global economic downturn are already being felt by the University of Connecticut in the form of a 3% rescission on the FY09 state appropriation to the University (totaling over \$12M). The downturn is unlikely to be momentary and subsequent recovery may be lengthy. Consequently, UConn should anticipate and prepare for potentially substantial permanent rescissions on its state appropriation over at least the next two budget cycles. As we plan for and manage rescissions, it is critical that we do so while protecting core academic programs and strategic priorities. We can do this, in part, by carefully reviewing current budgeting and operations practices, aggressively seeking efficiencies in these practices, and identifying opportunities for enhancing revenues the University receives outside of state appropriations and tuition/fees.

With this goal in mind, I am appointing a special Costs, Operations, & Revenue Efficiencies (CORE) Task Force, which will be charged with undertaking such a review. The Task Force will aim to identify annual institutional cost-savings on expenditures amounting to the equivalent of 3%-5% of the state appropriation and annual revenue enhancements outside state appropriations and tuition/fees of 2%-3%.

The Task Force will examine all program/activities that receive some or all funding through state appropriations and assess (1) availability of alternative funding sources that might support the programs/activities; and (2) relation of programs/activities to core programming and to UConn's strategic priorities. Domains that the Task Force will explore to achieve the cost-savings and revenue enhancement targets may include (but are not limited to):

- Budgeting
- Productivity
- Purchasing & Procurement
- Utilities/Energy
- Information Systems
- Workflow

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The Task Force will be comprised of faculty, staff, and administrators and will be co-chaired by Vice President & Chief Financial Officer Rich Gray, Vice President & Chief Operations Officer, Barry Feldman, and Executive Vice President & Provost, Peter Nicholls. It will internally assess UConn's processes and policies in the above domains and in others it deems as candidates for efficiency, cost-saving, and revenue enhancement. It will also review budgeting and operations in these domains at comparable organizations (e.g., public research universities), as well as efficiency, cost-savings, and revenue enhancement strategies that comparable institutions may be implementing to identify "best practices" that may be adopted by UConn. The Task Force may also pursue additional strategies for achieving the cost-savings and revenue enhancement targets at its discretion. The Task Force will consult with stakeholders in the domains it examines.

By Spring 2009, the Task Force will issue a first report to the President that:

- Identifies concrete avenues for realizing cost-savings and revenue enhancements;
- Estimates the amount of savings/revenues associated with each avenue;
- Suggests a timeline over which those savings/revenues can reasonably be achieved;
- Outlines risks or disadvantages that the avenues may pose for the University and the constituencies it serves.