

## October 2, 2008 HR/Fiscal Group Discussion

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### **Handouts:**

- 3 Credit Hours Post-Candidacy: Assumptions, Conclusions & Strategies
- Joseph A. Alutto's Letter on Three-Credit Hours for Full-Time, Post-Candidacy Doctoral Students to Deans, Department Chairs, and Center Directors
- Graduate Income Modeling-Hypothetical Impact for FY09
- Results of Streamlining Committee

### **New Reporting Regulations for Federally Appropriated Funding**

- ◆ **Guest Speaker – Cindy Buxton, OSU Extension Administration – Senior Accountant**
  - Extension will have to follow new federal recording requirements on their multi-state & integrated research activities
  - Instead of reporting 5% of federal funds on multi-state activities, they will now have to report 25% (from \$500,000 to \$2,500,000.00)
  - Instead of reporting 7% of federal funds on integrated research activities, they now have to report 25%
  - All of this will become effective as of October 1, 2008
  - For the past six months multiple teams have been working on solutions and ways to collect and track both multi-state and integrated research activities because the current recording system is not capable of compiling all the data in an auditable way
  - The USDA will have new guidance ready by January 2009. The guidance will be retroactive to October 1, 2008
  - Four months ago a waiver request was submitted to the USDA for FY 2009, but it has not been approved nor denied as of today
  - The following plan has been made to meet the requirements even though it's going to be a disruption for this year:

#### **Five Items of Tracking**

- *Moved the way Academic Specialists are funded to federal dollars in part instead of solely state fund. According to Cindy, this will allow them to take the time they spent on joint efforts with OARDC, the time that they spent working on multi- state activities and use their salary dollars (the days that they spent) for reporting.*
- *On a quarterly basis, jointly with the OARDC Fiscal Office, Brian McClain and Terri Snyder will be sending a letter to the department chairs and asking them to certify that the people in their department are doing whatever their percentages are on federal multi-state coordinated research work. The chairs were made aware of this a couple of months ago. (This takes care of the 25% research requirement)*

*How do we capture the multi-state piece? This includes all the time educators spend on the Farm Science Review, at national conferences, on conference calls for national meetings, collaborating with Mississippi on programs). The Academic Specialists were moved to federal funds August 1, 2008 and Brian and Terri will be meeting to get that first certification letter out. Please contact Brian and Cindy with comments and questions after receiving the letters*

- *The Travel Request Form has been changed. When you need to get a T-Number in Extension, you'll have to specify whether the activity is multi-state, research, both or neither. This captures about \$500,000.00*
- *Collecting attendance list from meetings held around the state*
- *A survey was prepared to get as much information as possible and learn those individuals who are doing this kind of work and back off from those who are not doing as much work. This is a worst case scenario. Every 2 months the people who are on federal funds (about 380 individuals including academics) are going to get an e-mail asking them to type in what they did over the past two months (how many hours, what kind of activity they participated in.) This was sent out by Keith Smith to all Extension. On Tuesday, September 30<sup>th</sup> Cindy sent out an e-mail only to those individuals who actually had to track their time. Individuals will get an automatic reminder*
- *Making changes in the URS Reporting System to make it a required filed that you choose whether something is multi-state, research, or neither*

*Linda Reimenschneider will e-mail Cindy Buxton's e-mail to the AgHRP group following the meeting. Contact Cindy Buxton for more information at (614) 292-6979 or [buxton.65@osu.edu](mailto:buxton.65@osu.edu)*

### **CFAES Exit Interview Survey Implementation**

- ◆ **Guest Speaker – Kathy Lechman, Program Director –OSUE Administration**
  - Kathy is responsible for submitting a diversity plan for the college
  - Feedback on last year's plan was critical of the fact that the college does not conduct exit interviews across the board
  - The college has developed an anonymous on-line exit interview survey whereby all regular employees will have an opportunity to participate
  - HRPs are being asked to inform only regular faculty and staff within their department of the on-line exit interview survey when they leave the college
  - The exit interview may take up to 15 minutes to complete
  - Linda e-mailed a link to the survey earlier during the week, and HRPs are being asked to go on-line and take the survey before October 13<sup>th</sup> and provide Kathy with any feedback

- HRPs will need to notify in writing those individuals leaving their department of the on-line exit interview survey
- Linda will e-mail HRPs a sample communication letter to be given to regular faculty and staff notifying them of the survey
- Only two people will have access to the completed surveys (Kathy and her supervisor)
- Employees interested in face-to-face interviews will meet with Kathy
- There will be an annual reporting of the survey results to Dr. Moser and the cabinet
- Depending upon the nature of findings from the surveys, such as a pattern of serious negative findings within a department the college will be obligated to share the information with the necessary department and necessary officials

### **HR Discussion Topics: Miscellaneous Updates**

- ✦ **Open Enrollment Forums**
  - Ben Lewis e-mailed everyone earlier this week about the sessions
  - Registration is not required
  - There will be two sessions (Oct. 14th at 1 p.m. and Oct. 15<sup>th</sup> at 9 a.m. at RPAC), please try to attend one of the sessions
  - Linda does not believe that there will be significant changes this year since she has not heard anything
- ✦ **Disaster Designations**
  - HRPs can start working on getting those letters out and give Linda a call if you have questions
  - The process is pretty much the same as last year
  - At some point, OHR will make the check boxes live and HRPs will be able to stop placing the usual blurb into the PDs
- ✦ **College Personnel Database**
  - Cindy Maher will be soliciting OHR to make some changes to the database field and would like HRPs to let her know of any new fields that they would like to see added
  - Extension has requested that new fields be added that would be helpful to their area
- ✦ **Graduate Assistance**
  - Linda is concerned about the number of GAs receiving 3.0 increases
  - Per the Provost Compensation Guidance GAs are suppose to get the aggregate average (3.5%)
  - If GAs are performing well, they should be getting 3.5% not 3.0%
  - If you have a reason for them not getting 3.5% then Chairs should have a conversation Linda Martin as to why they are not getting the 3.5% increase

## **Financial Updates**

### **◆ Impact Statement to College Donors**

- Nancy is preparing impact statements to donors explaining FY08 expenditures, how F09 funds will be used and explain the impact of the funds as we know it
- Nancy audited endowment funds and found that overall the funds are being used properly
- HRPs should make sure that the correct account codes are being used for endowment funds

### **◆ Travel**

- HRPs should encourage car pooling and getting cars from OSU motor pool when going on trips to Wooster and other places because it is less expensive

## Handouts – October 2, 2008

### 3 credit hours post-candidacy

#### **Assumptions**

1/3 of our Doc 2 credit hours are post candidacy.

Doctoral subsidy to the college will not change.

80% of our graduate students are supported from college resources (including OSURF grants); 20% are supported from non-college sources (e.g., OSU employee fee waivers, scholarships from outside organizations, support from foreign countries, etc.).

Average number of credit hours = 18.

6% increase in graduate fees in FY2010 and no change in credit hours.

#### **Conclusions**

It appears that savings from fee authorizations will offset the credit hour fee revenue decline due largely to the tax and student service assessments.

Departments that have a high percentage of students supported by non-OSU funds will be the most impacted.

#### **Strategies**

Continue to encourage hiring of graduate students instead of post-docs or research associates.

Continue to develop undergraduate courses that have the potential to be "cash cows".

Continue to make sure that students enrolled in cross-listed courses are enrolled in the CFAES course.

Rebalance specials (GA stipend support) and fee authorization dollars. We should see a savings in fee authorizations dollars—how will you use those dollars?

Obtaining a PhD at OSU just became less expensive...how to market/communicate that fact?

Savings that accrue to endowments—provide additional stipend support? Reinvest the money?

Savings that accrue to OSURF grants---how best to capture those savings?  
Offer match on stipends rather than tuition?

Develop a course to attract MBA students...their fees are much higher than ours. ☺

**Most importantly...**your budgets have already been impacted by the change...graduate revenue rate dropped \$29.10 per credit hour in FY09 budget restructuring model...you need to focus on how to manage your fee authorizations dollar savings!



EXECUTIVE VICE PRESIDENT AND PROVOST

September 10, 2008

To: Deans, Department Chairs, and Center Directors

From: Joseph A. Alutto  
Executive Vice President and Provost

William J. Shkurtyl  
Senior Vice President for Business and Finance

Ré: Three-Credit Hours for Full-Time, Post-Candidacy Doctoral Students

We are writing to enlist your assistance to ensure a smooth transition to the new three-credit hour definition for full-time, post-candidacy doctoral students.

The Task Force on Graduate Tuition was formed in response to concerns expressed, university wide, regarding graduate tuition charges to external grants. The task force found that tuition charged to grants for post-candidacy doctoral students was the second highest among CIC universities.

To more appropriately align our tuition charges with our peers, the task force recommended reducing the registration requirements for these students to three-credit hours per quarter. This recommendation was strongly supported by faculty across campus as a way of strengthening our graduate programs and will be implemented, effective Autumn 2008.

The task force recognized that a small percentage of post-candidacy doctoral students may want to take an additional course to complement their academic program's curriculum; therefore, three credit hours were not established as a maximum. However, as of September 3, 2008, 56 percent of post-candidacy doctoral students are enrolled for more than three credit hours of instruction. The data are attached.

We believe there are four reasons these students may be taking more than the three credit hours required:

1. There is a legitimate academic reason to take an additional class.
2. Students who registered in the spring may not have understood the new policy.
3. A student may fear a loss of benefits if he/she takes only three credit hours per

Graduate Income Modeling--**Hypothetical** Impact for FY09  
(assumes no change in subsidy coming to the college)

	FY08 Rate	FY09 Rate	FY10 Rate	FY09 Marginal Chg	FY10 Marginal Chg
<b>Marginal Revenue</b>					
Graduate Fee Revenue	408.69	379.59	402.37		
Credit Hour change	[(408.69*(1,171))			\$ (701,674)	\$ (672,621)
Rate change	(\$379.59-\$408.69)/2584			\$ (75,207.59)	\$ 18,504.71
Subtotal Grad Revenue (a)				\$ (776,882.00)	\$ (654,116.12)
<b>Marginal Expense</b>					
Central Tax on Fees	24%	24%	24%	\$ (186,451.68)	\$ (156,987.87)
College Tax on Fees	9%	9%	9%	\$ (69,919.38)	\$ (58,870.45)
Student Svcs Assessment	214.13	199.98	211.98		
Credit Hour change	[(214.13*(1,171))			(367,636.94)	(354,357.89)
Rate change	(\$199.98-\$214.13)/2584			(36,570.01)	9,748.87
Subtotal Marginal Expense (b)				\$ (660,578.02)	\$ (660,467.35)
<b>Net Marginal Adjustment to the College (a-b)</b>				\$ (116,303.99)	\$ (93,648.77)
<b>Grad fee authorization</b>	<b>Full Fee</b>	<b>3 cr hr fee</b>	<b>3 cr hr fee</b>		
	\$ 3,219	\$ 1,100	\$ 1,166.00	\$ (459,109.13)	\$ 17,874.71
<b>Net impact on college</b>				\$ 342,805.15	\$ (111,523.48)

\$ 231,281.67

	1/3	1/3 post candidacy
<b>FY06</b>	12489	4246.26
<b>FY07</b>	12813	4356.42
<b>FY08</b>	14338	14338
<b>FY09 (est)</b>	14338	14338
Average # credit hours	18	3
Number of quarters	270.83	270.83
80% of quarters are supported (9606/18=534)	216.66	216.66
Avg 06/07	4,301	4,301
Avg 07/08	4,616	4,616
FY09 Change of credit hour	314	289
FY10 Change of credit hour		

Column1	Column2	Before	Now	Column5
Student 1 Stipend		18,000.00	18,000.00	
Related benefits (11.1%)		1,998.00	1,998.00	
Fee authorizations		13,341.00	6,519.00	6,822.00
<b>Total</b>		33,339.00	26,517.00	

Column1	Column2	Before	Now	Column5
Student1 Stipend			4,500.00	
Related benefits (11.1%)			499.50	
Fee authorizations			1,100.00	
<b>Total</b>			6,099.50	

Column1	Column2	Before	Now	Column5
OSURF Student		18,000.00	18,000.00	
Related benefits (6.5%)		1,170.00	1,170.00	
Fee authorizations		13,341.00	6,519.00	6,822.00
F&A 50%		9,385.00	9,385.00	
<b>Total</b>		42,096.00	35,274.00	6,822.00

Column1	Column2	Before	Now	Column5
OSURF Student		3,750.00	3,750.00	
Related benefits (6.5%)		243.75	416.25	
Fee authorizations		1,100.00	1,100.00	
F&A 50%		1,996.88	0.00	
<b>Total</b>		7,090.63	5,266.25	

Fee authorizations are excluded from the MTDIC; they are not subject to F&A charges--it might be better to cost share on stipend rather than fee authorizations.