

## AHC FINANCE & PLANNING MEETING

Tuesday, May 19, 2009

4:30 ~ 6:00 p.m.

Children's Rehab Center, room 406

These minutes reflect discussion and debate at a committee meeting of the University of Minnesota Senate or Twin Cities Campus Delegation; none of the comments, conclusions, or actions reported in these minutes represents the views of, nor are they binding on, the Senate or Delegation, the Administration, or the Board of Regents.

**Present:** Chair Paul Olin, John Connett, Beth Nunnally, Helen Hansen

**Regrets:** Brian Van Ness, David Lee

### **Strategic Purchasing**

Chair Olin attended the last Senate Finance and Planning Committee meeting where he learned of plans to refine the purchasing process at the University. Olin said President Bruininks has charged a strategic purchasing advisory committee that will take the findings of an independent consultant to review internal and external procurements and identify best practices among public and private sectors. Olin had concerns about the money and effort that will be needed to put a purchase order into action among other strategic suggestions. Professor Connett thinks that it will not be cost effective if every purchase made requires going through a centralized group and is skeptical that it can be centralized. Olin said he is not sure what the outcome will be for the committee's suggestions but that they believe the consultant's recommendations will save the University money. The range of anticipated savings is 8% ~ 15%.

### **Light Rail Project**

Members continued their discussion on the progress of the Light Rail Project. There are still many unanswered questions regarding the implementation of the project including how bike friendly will it be? What will they do with open space? Will the project include the completion of Grainery Road? Will it include new commercial endeavors? Members talked about parking and Olin said there are parking issues because transit did not plan for parking near the Light Rail stations. He said that there will be some parking replaced that was lost to the new stadium but there will not be as much as before. He is concerned about building access and said that it is already difficult to access buildings such as Moos Tower off of Washington Avenue for loading or unloading purposes. Building height is a concern and keeping the landscape consistent with the rest of the campus. Members discussed traffic issues and Connett noted that the intersection coming into the stadium off of 4<sup>th</sup> Avenue is already a problem. Olin is concerned that the area will be built up too much and cripple traffic. Associate Vice President Nunnally suggested that Grainery Road might help alleviate some of the traffic congestion.

### **Budget**

Members discussed the current budget projection and stimulus plan. Members speculated on the change in the University economy should the state economy turn around. Olin asked Nunnally if all AHC schools have a plan for a 5% to 8% cut. She confirmed that they do but some of them had structural issues going into the plan and that most of the schools are still working on their plans. She said Dr. Frank Cerra gave them until 2011 to secure a structural plan. Olin said there would be layoffs in Dentistry and Nunnally said there would be layoffs everywhere but that the Retirement Incentive Option and attrition should help minimize them. Connett said that Dean Finnegan does not think things will be unbearable the next academic year but could become so in the years to follow, should the economy continue to decline. Olin asked if there should be guidelines for contraction agendas. Nunnally said Dr. Cerra has been clear with deans about prioritizing and it is up to the deans to prioritize. Olin said he does not know how other schools are managing their prioritizing and discussions about it. Nunnally said she thinks it is being planned differently in each school to meet their own needs. Olin would like to see more discussion within the schools between deans and employees. Members agreed that there are gaps in the reorganization communication.

### **Other Business**

Professor Helen Hansen bid adieu to the committee as she is retiring and her last day is Friday, May 22nd.

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