

10-15-2012

President's Weekly Perspective, 10/15/2012

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Recommended Citation

Frank, Robert G.. "President's Weekly Perspective, 10/15/2012." (2012). https://digitalrepository.unm.edu/frank_papers/14

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 **UNM President's Weekly Perspective**

Good morning,

I hope you had some time to truly enjoy the Fall break. I am remembering how nice this time of year is in New Mexico.

120 Days of Listening

Today, I have reached the 120th day of my Listening campaign. As I have paused to consider everything that has taken place during my first 120 days, it is clear that the listening is far from over. There is much more to be heard, especially from all of you in the campus community. I didn't realize, when I embarked on this campaign and visited so many different constituencies, that as a new President, people wanted to hear from me. What often ended up happening when I went to meet a new group of people is that I would talk, and then if I was lucky, there might be a few minutes for me to listen at the end of the meeting. In those brief moments I have heard important and profound thoughts and ideas.

However, I need to hear much more; as I see it, we've just completed chapter one. I am also aware that the story of chapter one was oriented to the community around us. As I turn the page to chapter two, the theme will be oriented to hearing from you, the community within UNM. My intention is to focus now on listening to faculty, staff and students. I am beginning with an all-faculty meeting on Friday, Oct. 19 from 3 to 5 p.m. in the Kiva Lecture Hall in the College of Education. Opportunities to talk with students and staff will follow in the next weeks, also. I am looking forward to hearing what you have to say.

Responsibility Center Management

I know that there are a lot of questions about the engagement process for Responsibility Center Management (RCM) budgeting. We will be holding our first meeting on RCM this week. In our discussion on RCM at UNM, I ask you to keep in mind that the current budgeting process has evolved over decades, with so many deals and overlapping systems that it is impossible to have a clear picture of our current budget evolution. We need a budget that is based on more transparent, simpler transaction rules.

In adopting RCM, we will be able to have a fair, open public conversation about our budget rules. We will be the better for it. I suspect that some of the concern and confusion in the current conversation stems from whether we are discussing the performance based budgeting or RCM. A very simple explanation of RCM is as follows: In the RCM, each responsibility center or college will use student credit hours, grants and contracts, endowment and giving, and any other source of income as revenue. Costs will consist of salaries and expenses. Each unit will need to balance revenue, costs and overhead (the costs of non-revenue generating units). Typically a special fund is created to cover units that have difficulty generating revenue.

In RCM the Deans, Faculty Chairs, and Faculty will be able to make thoughtful and deliberative decisions on how to advance their programs. We know that there is a wide range of economic viability from department to department, and it will be the responsibility of our academic and administrative leaders and faculty to allocate budget resources appropriately across units. Importantly, and fitting the UNM culture, RCM moves us from a budget model that is driven from the top and cloaked in confusion, to one that is transparent and driven by the faculty.

With a new kind of visibility and insight into our UNM budget, we can have more candid and open conversations with our legislators, with our community, with our philanthropic donors, and with all our supporters in regard to UNM's role and responsibility as New Mexico's flagship university. So, let's all take a deep breath, wait, take one more, and plunge into the process of achieving financial transparency.

Welcome back from the break, and have a great week.

Go Lobos!

Bob