University of Minnesota
FY2012 Compact Instructions—Administrative and Support Service Units

These instructions provide guidance for administrative and service units reporting to or meeting with the Senior Vice President for System Academic Administration\(^1\) to develop their FY2012 and FY2013 compact plans for decision-making.

**Compacts** should be submitted to Chris Frazier (cfrazier@umn.edu) no later than 5 working days prior to the compact-budget meeting. The compact document must not exceed 7 standard pages (12 point font, 1 inch margins).

**Budget materials** should be submitted to Julie Tonneson (tonne001@umn.edu) no later than 5 working days prior to the meeting. (See FY12 budget planning guidelines – separate attachment.)

Compact-budget meetings will occur with Senior Vice President Robert Jones in October and November 2010. Attendee lists will be finalized in advance of the meetings (see Compact Meeting Attendance and Logistics below). No other formal presentation materials are necessary or encouraged.

**Compact-Budget Planning**

The FY12 administrative and service unit compact process is designed to align University planning and budgeting with strategic positioning goals and objectives. There are four parts to the compact instructions to provide strategic thought and proposed actions for FY2012 – FY2013. Given the budget biennial challenge, only the funding of legal, contractual, compliance and safety obligations will occur. Other critical needs can be presented, but there should be little expectation for funding.

**Completing the Compact**

**PART 1**

Part 1 of the compact is to respond to critical areas of planning important for addressing the *new realities as a result of the global economic downturn*\(^2\). By not abandoning any of our core responsibilities and essential aspects of our mission, “refining and refocusing our endeavors so that we deliver our mission strategically, where and when we are most needed” is essential as we think of long-term strategic action.

Please provide your unit’s brief response to the questions below. Responses should be less than 2 paragraphs (or \(\frac{1}{2}\) page) per question.

1. In what ways is your unit developing, strengthening, or sustaining strategic partnerships with other university campus/departments, leveraging synergies with outside

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\(^{2}\) 2010 State of the University Address, scheduled for April 1, 2010 released online on April 5, 2010.
organizations, and creating new opportunities to increase support for the mission of the University?

2. Describe your current work to create a leaner, nimble, and productive unit without job losses or steep cost increases. For the future, what are ways you are preparing to develop a deliberate long-term human resource plan and workforce management strategies (e.g., strategic hiring, leadership development, and succession planning)?

3. Describe how, in the absence of increased (and perhaps decreased) funding you will continue to meet your strategic core activities and respond to the changing environment.

4. Are there ways in which your unit could increase non-state revenue? If so, identify what goals and initiatives would need to be implemented?

PART 2
Administrative and support service units were asked to plan according to their core activities/programs, new ideas, goals, and measurements during the FY2010 compact planning cycle. This planning schematic is carried forward into the FY2012 administrative and support service unit compact planning and will be used for forthcoming decisions by the senior vice presidents. For Part 2, an overarching question for your unit’s consideration is “What are your top priorities, what do you hope to strengthen, and what you are willing to cut?”

A. Completed Core Activities/Programs and or New Ideas
List core activities/programs and or new ideas from 2009-010 (FY10), or from the most recent compact submitted, that were reached and how they contributed to the unit’s mission. Describe the evaluation of its progress and its measured outcomes.

B. Continued Advancement of Core Activities/Programs and or New Ideas
List core activities/programs and/or new ideas from FY10, or from the most recent compact submitted, that have a comparative advantage and should be strengthened and/or expanded. How does it align with the university’s strategic goals? How will you know when you have accomplished the goals related to this goal, program, or initiative? Describe the evaluation plan and its measured progress toward reaching the desired outcomes.

C. High Priority Core Activities/Programs and New Ideas
List in priority order the unit’s top 3 core activities/programs and/or new ideas that will be focused on or pursued over the next 3-5 years. Describe how the initiative is aligned with the strategic goals of the unit and, thus, the University. Indicate how central investments will be leveraged with either internal unit resources or external sources of funding by responding to the 2 subsections below.

3 A unit’s core activities/programs refer to the programs and services that are the foundation of the unit’s vision and commitment to excellence.

4 New ideas are innovative, strategic efforts the unit is proposing that have the potential to result in the creation of knowledge, improved services, greater efficiencies, and realized effectiveness.
1) **Core Activity/Program and/or New Idea:** What is to be accomplished? How does it align with the unit’s strategic goals, and thus, the University? List top 2-5 activities or initiatives to complete the core activities/program and or new idea and the status of each. Please elaborate on the plan by addressing the following bullets:

- **Evaluation Plan and Measurement:** By what date will it be accomplished? How will you know when you have accomplished the goals related to the core activity/program and/or new idea? Describe how progress is being measured.

- **Impact:** Briefly describe the objectives planned for or realized impacts on academic quality, revenues, expenditures, productivity, and/or service levels. For financial impacts, list past allocations and proposed resource plans, even if the goal has been and will be funded completely with internal unit funds, in which case a narrative description of the financing plan will suffice.

2) **Financial Support:** Please clearly address the following 4 bullets – using either a table or detailed narrative description:

- Specifically identify what investments have been made by Central Administration for this item and what investments have been made by the unit(s) over the last several years.

- Specify what will be invested by the unit(s) in FY12 (no central initiative funds will be available).

- Project what will be requested from central – recurring and nonrecurring – and what will be invested by the unit(s) in FY12 and FY13.

- State facility/space impacts that your unit is contemplating as a result of this core activity/program and/or new idea. These impacts would change the kind of space required or location (e.g., more Web self-service) that could affect the number and/or level of employees needed.

D. **Low Priority Core Activities/Programs – FY11** (See budget instructions section D, page 9, related to implementation of the FY11 budget. This section should be completed in your budget materials.)

**PART 3**
This section identifies and reconfirms your unit’s highest priority facility needs for consideration in the 6-year capital plan. A project will not be considered for inclusion in the 6-year capital plan unless it is part of the unit’s final compact. Planning and/or fundraising may not commence until the project is included in the 6-year capital plan.

**Major Capital Investment Priorities**
List in *priority order* the major capital needs that might reasonably be addressed in the next six years. For each item, include a one-sentence description of the project or programmatic need,
proposed funding source, and an approximate cost (if available). Such a list should rarely include more than two or three projects. Do not include HEAPR (Higher Education Asset Preservation and Renewal) requests. In preparing this list, review the most recent six-year capital plan approved by the Board of Regents (see http://www1.umn.edu/regents/docket/2008/may/boardhandout3.pdf).

Major capital projects are defined as meeting one or more of the following criteria:

- Projects costing more than $1 million
- Projects seeking state appropriations
- Projects requiring University-issued debt
- Projects seeking permission to raise funds from philanthropic organizations or individuals
- Projects with exterior visual or physical campus impact

If the project is approved, the unit will be directed to Senior Vice President Robert Jones and the Office of Capital Planning & Project Management to develop a project statement, which will serve as a basis for formal inclusion in the capital budget.

PART 4

E. Consultation

A brief description of the consultation process used to provide recommendations for decision making and a list of major stakeholder groups consulted.

Compact Meeting Attendance and Logistics

Units are requested to limit attendance to the unit head, the unit’s budget person, and other highly relevant colleagues.

No formal presentations, except those directly related to the points above, will be required or expected.

Compact and Budget Finalization

During November and December, University senior leaders, working with unit leaders, will finalize the unit’s compact document, and the Senior Vice Presidents and the Office of Budget and Finance will develop analyses, models, summaries and recommendations related to the all-funds budget for each unit. The President will review the recommendations for each administrative and support service unit in December. Strategic activities and budget levels approved by the President and senior vice presidents will then be communicated to administrative and support service unit leaders and built into the budget model by the end of December 2010. Please see accompanying Budget Instructions for further information.