



Received
Finance & Administration
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MSU, Mankato

November 4, 2002

To: H. Dean Trauger
From: Jim Petersen, Chairperson, Budget Committee
Gregg Marg, Acting for Executive Committee
RE: Equipment Allocation Proposal

Handwritten signatures of Jim Petersen and Gregg Marg.

We were prepared to offer our response at the Budget Sub Meet & Confer. However, in order to accommodate your request, I will respond now.

First, we object to the Budget Work Group being the venue for this allocation process. The group has no faculty representation and does not bring its recommendations to any group with faculty membership. This group should either:

- i. add a faculty representative or
- ii. bring its recommendation to the Budget Committee or
- iii. transfer this decision-making process to the Budget Committee.

The Budget Sub Meet & Confer has a broader representation thus its recommendations would have broader support.

Now, to the proposal itself—many parts are acceptable but we have questions about other portions. Allocating 50% of the funds to the divisions is insufficient. If this is truly equipment money, it seems appropriate that the majority of the money should be distributed to the divisions which 'own' the equipment. I recommend that 80% of the funds be sent to the Divisional Equipment Budget and then let them decide if there are institutional projects that they wish to fund. The remaining 20% would be allocated to the Institutional Projects as described in your proposal.

As proposed, the Institutional Project category needs an additional category—Instructional Equipment. Over the past decade, it seems that instructional equipment has been interpreted as computers. However, microscopes, spectrophotometers, and lasers are equally important and equally expensive (if not more expensive) as computers. If this category does receive 50% of the allocation, some of those funds need to be allocated for Instructional Equipment. As a related comment, it appears that even though this is called 'Equipment Funds', it is including items that are more appropriate capital funds but are not 'equipment.'

It is unclear to us why surplus funds from the prior year should be allocated to Institutional Projects. We feel that they should be added in with the current year funds and divided according to the proposed formula.

The proposed process for prioritizing Institutional Projects is fine except that it should include faculty representation, as described in the paragraph above. The timeline is acceptable as well.

I look forward to our discussion on this topic at the Budget Sub Meet & Confer.