

Southern Illinois University
Board of Trustees
September 8, 2016

OPERATING AND CAPITAL RAMP GUIDELINES
AND
EXECUTIVE SUMMARY: RESOURCE ALLOCATION AND MANAGEMENT
PROGRAM (RAMP) PLANNING, OPERATIONS, AND CAPITAL BUDGET
REQUEST, FISCAL YEAR 2018

Background

Years ago, State statutes were enacted that required the Illinois Board of Higher Education (IBHE), in consultation with the Department of Central Management Services, to establish a State university and college information system. The system that was developed dates back to at least the mid-1980s and is called the Resource Allocation and Management Program (RAMP). The Program now provides a long history of comprehensive data on cost, staffing, enrollment and other parameters for all of Illinois higher education.

As well as establishing the RAMP, State statutes were also enacted that required each State university and the Illinois Community College Board to submit a budget request to IBHE for the upcoming year. The formats for the request were established as Planning requests, i.e., requests for new program funds; Operations requests, i.e., requests for inflationary increases for operations; and Capital requests, i.e., requests for major new capital appropriations and for capital renewal (maintenance) funds within the RAMP process.

Throughout the years, the RAMP Planning, Operations, and Capital requests served well the needs of Universities, IBHE, and the State of Illinois as State budgets and University enrollments grew substantially. However, since 2003, when State appropriations to higher education began a general long term decline, requests for significant increases in appropriations for Planning and Operations became unrealistic. Such requests have no relevance to the State appropriations request prepared by IBHE.

The SIU President and senior staff are scheduled to discuss IBHE's budget request for FY 2018 in October. To provide a basis for discussion, Board approval is sought to submit the proposed request as attached which indicates SIU will continue to seek special appropriations for the School of Pharmacy and the Simmons Cancer Institute. Lacking a current year budget for comparisons, a simple table of inflationary adjustments has also been included.

In consultation with the Chancellors, the President recommends the following guidelines for use in the development of the Resource Allocation and Management Program (RAMP) for Fiscal Year 2018:

Operating RAMP Guidelines

1. The salary increase request is made in accordance with the IBHE's salary increase initiative. The request provides funds for an average inflationary salary increase for faculty and staff.
2. Inflation projections for general price increases will be made using Consumer Price Index (CPI) and Higher Education Price Index (HEPI).
3. University cost experience and written comments from suppliers and local utility companies will be used for cost projections on library materials and utilities.
4. New requests for operation and maintenance funds will be made to support new facilities on Southern Illinois University campuses including unfunded requests over the past two years.
5. The deferred maintenance request is based on one-third of SIU's unmet annual maintenance needs for state funded facilities.
6. Funding will be requested for the combination of new programs, program priorities, and support functions as New and Expanded Program Requests (NEPRs).

Capital RAMP Guidelines

Projects proposed for the campuses will be developed recognizing the need to upgrade existing buildings, replace obsolete structures, repair structural and utility support systems, and make campus site improvements consistent with each campus facility master plan.

In developing the campus requests into priority listings by categories, the following project priority considerations will be recognized:

- A. Projects to prevent future potential disruption in routine operations.
- B. Projects to make remodeling and infrastructure improvements that maintain and protect the State's investment in educational facilities.
- C. Projects to provide equipment to complete state funded facilities.
- D. Projects for which planning funds have previously been appropriated.
- E. Projects providing for accessibility for the handicapped and for rehabilitation, remodeling, and reassignment of existing facilities, with special consideration given when preservation of the facility is a factor.

- F. Projects to address new facility needs for instructional, public service, and research program activities that meet University priorities and state needs.

Based on these guidelines, the following request has been prepared:

Executive Summary: RAMP Planning, Operations, and Capital Budget Request,
FY 2018

This request identifies the priorities, plans, and program and related resource needs, including operations and capital, of Southern Illinois University. The documents were prepared in accordance with University planning processes and with guidelines established by the Illinois Board of Higher Education (IBHE). The documents provide planning statements, including statements of mission, focus, and priorities; new program requests; and program priorities requests for SIUC, including the School of Medicine, SIUE, and the SIU Administration.

The request for operating funds is displayed in three categories: Planning RAMP; Inflationary Needs; and Increase in Operations and Maintenance (O&M) of Buildings (see Table 1).

Planning RAMP

Total resource requirements for FY 2018 Program requests amount to \$3,688,000. This includes \$2,438,000 for Carbondale (including the School of Medicine); and \$1,250,000 for Edwardsville. (see Table 2).

The FY 2018 Program Priority Requests for Southern Illinois University School of Medicine includes (1) Simmons Cancer Institute at SIU.

The FY 2018 Program Priority Requests for Southern Illinois University Edwardsville includes (1) School of Pharmacy Operations.

The FY 2018 RAMP program funding requests are for initiatives that reflect the goals and aspirations of SIU and its respective constituency groups and are consistent with and reinforce the goals and objectives of The Illinois Public Agenda for College and Career Success.

Inflationary Adjustment

The requests for various inflationary adjustments are: General Salary Increases - 3%, Social Security/Medicare - 3%, General Price Increases - 2%, Utility Price Increases - 6%, and Library Material Increases - 6%.

Increase in O&M of Buildings

The increase requested in O&M of Buildings consists of two components:

O&M of Buildings gives the projected cost of operating and maintaining buildings that will be added by the end of FY 2017 and the costs of buildings added during the past for which operating funds were not received.

Deferred Maintenance gives the projected need for addressing deferred maintenance prescribed by IBHE guidelines.

Capital RAMP

The total request for FY 2018 Capital budget request amounts to \$187,823,296 and is summarized in attached Table 3.

The regular capital list has been prioritized into a University-wide list presented for the consideration and approval of the Board and for submission to the Illinois Board of Higher Education and totals \$125,646,253.

Capital renewal projects requested for FY 2018 total \$29,782,554 at SIUC and \$32,394,489 at SIUE. Capital renewal projects are generally of lesser size and scope than regular capital projects. These projects involve minor remodeling of facilities to repair buildings; to upgrade electrical, mechanical, roofing, and plumbing systems; and to address deferred maintenance, safety, and accessibility code requirements.

Rationale for Adoption

The RAMP 2018 Planning, Operating, and Capital Budget Requests are required by the IBHE for communicating the University's planning and budget decisions and resource requirements for Fiscal Year 2018. Acceptance by the IBHE requires approval by the SIU Board of Trustees.

Considerations Against Adoption

None are known to exist.

Constituency Involvement

The attached RAMP planning matters benefitted from constituency involvement at the time they were initially proposed over ten years ago. Since there has been no state funding subsequent to that involvement, and none is expected in the near future, the planning matters have simply been reprinted and reintroduced each year without further constituency participation.

Resolution

BE IT RESOLVED, By the Board of Trustees of Southern Illinois University in regular meeting assembled, That the Operating and Capital RAMP Guidelines for Fiscal Year 2018 as described herein are approved, and That, subject to the authority reserved to this Board to make such modifications, changes, or refinements herein as it deems appropriate in reviewing RAMP documents, the RAMP Planning, Operations, and Capital Documents for Fiscal Year 2018 for Southern Illinois University Carbondale (including the School of Medicine), Southern Illinois University Edwardsville, and Southern Illinois University Administration, be and are hereby approved as presented to the Board this date.

BE IT FURTHER RESOLVED, That the President shall take appropriate steps to accomplish filing of the materials approved therein with the Illinois Board of Higher Education in accordance with the policies of Southern Illinois University.