

Finance Task Team Charter

Purpose

To establish the roles and responsibilities of the task team of Finance on: **Unrestricted Net Position (UNP)**.

Charge

The task team of Finance: Unrestricted Net Position has responsibility for successful completion of the analysis of options and a set of recommendations by March 28, 2016.

Task teams are to use the first two steps of the four-step process of: **analysis, design**, implementation and audit.

This finance sub-team is to study the finance topic, narrow the set of options, and recommend one for adoption. Updates and recommendations are to be delivered to the CBO/finance group that established this charter. Ryan Low (CFO) is the final decision-maker of questions about this charter and what recommendations get taken to the Chancellor and BOT.

The task team's draft report is due May 9, 2016.

Scope of the effort

- Policy development regarding year-end UNP balances.
- Examination and definition of the various components of UNP, including 'designated', and recommendations regarding how the various components will be treated.
- Addresses existing balances and treatment of future years' surpluses (losses).
- Addresses both UNP components that are campus pooled and those that are pooled by departments (or sub-groups)
- Considers the update of APL III-A on Institutionally Designated Account Guidelines, if needed.

Key deliverables

Deliverables include:

1. List of key stakeholders for this topic (three rings of stakeholders: a) on team, b) need tight consultation throughout process, and c) get some input and/or review).¹
2. Summary of all inputs, including benchmarked models (details can be placed in an Appendix)
3. Description of how the task team narrowed the options, and selected the recommended option (if accomplished)
4. Common lexicon (definitions) of terms and concepts

¹ There is a fourth ring: "all UMS employees", but this will be taken care of by Ryan and OE

5. SWOT (or equivalent) analysis of the options (or narrowed options if options number more than 3 in number)
6. Recommendation(s), with supporting rationale
7. Suggested phases / timeline for transition
8. Summary of any minority opinions

Assumptions for the team to incorporate and/or test as part of its work

1. Recommendation will be made in the context of maintaining financial health of the enterprise

Team Composition

The Task Team will be led by Darla Reynolds, Director of Accounting, University Services, and consist of the following members:

- Tracy Elliott, Director of Finance and Controller, University Services
- Mark Hatt, Chief Business Officer, University of Maine at Machias
- Ben Shaw, Chief Business Officer, University of Maine at Presque Isle
- Claire Strickland, Chief Business Officer, University of Maine
- Janet Warnert, Associate VP for Finance, University of Southern Maine

Options/alternatives that should be part of the team's analysis (consideration)

- E&G surplus / deficits
- Debt

Key design concepts for ALL sub-teams to have as a design criteria

- How does the recommended solution motivate/incent the behaviors we want?
- How does it positively impact multi-campus students?
- How does it positively impact collaborative-degree programs?
- How does it positively influence customer service to students/employees?
- How is the assessment/reflection/review/audit piece built in?
- A preliminary check against accreditation standards.

Stakeholders to consider in rings 2 or 3:

- Use as groups for input and review:
 - Presidents
 - CAOs
 - Facilities
 - Capital planners
 - Devil's advocates
 - Auxiliaries