

Guidelines on Cost Reductions **November 2008**

“Creating a culture of stewardship and economic restraint”

In its report, the Budget Reversion Task Force identified several actions for short term cost reduction and recommended that guidelines be developed to assist budgetary unit heads in their review of potential expenditures for appropriateness in light of the current budgetary climate. The following guidelines have been developed for each cost reduction recommendation included in the report. It should be noted that these are guidelines only and are not intended as an all inclusive list, but merely to give the budgetary unit heads a reference as they determine the appropriateness of expenditures. It should also be noted that while the Budget Reversion Task Force strongly recommends these actions, it should be remembered that the overall effectiveness and success of the department or unit must be of prime importance.

Monitor and Reduce Travel Costs

All travel should be reviewed and if approved should reflect that there has been a serious assessment of need and consideration of alternatives. While not inclusive, approved travel should answer “Yes” to one or more of the following questions:

- ✓ Is travel required to complete required committee/officer duties of an organization, present a paper or participate in some manner other than as an attendee only?
- ✓ Is the travel required to meet tenure requirements of the faculty member?
- ✓ Is travel required to meet license requirements required by the current position?
- ✓ Is travel required for training purposes related to the direct function of the position?
- ✓ Is travel required to recruit students?

Reduce Operating Costs

- ✓ Avoid purchasing extra printers and other redundant peripherals.
- ✓ Charge for printing over a certain amount in all labs.
- ✓ Discourage use of heaters, fans, lamps, etc.
- ✓ Encourage energy conservation (turn out lights in offices when attending meetings, away at lunch and when you leave for home, turn off computer monitors at night, in areas with working individual thermostats, adjust individual thermostats up in summer and down in winter, etc.).
- ✓ Print on both sides of paper.
- ✓ Review long distance charges for appropriateness and consider 800 number if it might result in reduced costs.
- ✓ Review copier usage and explore alternatives for centralized copying within the unit or combined with other units.

- ✓ Discourage the use of personal refrigerators and microwaves in individual offices, and instead offer these appliances, if needed, in one central location in the department.
- ✓ Use office supplies conservatively during the school year to prevent large orders from Staples or other distributors.
- ✓ Only purchase electronic equipment (e.g., computers for GA's and part-time employees) if absolutely necessary for the function of the department.

Reduce Subscriptions and Memberships

It is recommended that all memberships and subscriptions answer “Yes” to one or more of the following questions:

- ✓ Is subscription/membership directly related to the goals of the institution?
- ✓ Does the subscription/membership provide access to materials required for the operation of the department?
- ✓ Are subscriptions to printed materials limited to one subscription per department and shared amongst all members of the department?
- ✓ Is the membership in the name of the institution and not individual members with only one membership for the institution?
- ✓ Does the membership/subscription meet the requirements of TBR Guideline G-080 (available at <http://www.tbr.edu/policies/default.aspx?id=1730> ?
- ✓ Are number of licenses purchased for electronic resources appropriate for the needs of the department (e.g., avoid 10 licenses for a resource used 3 or 4 times a semester)?

Close Scrutiny of all Purchases

- ✓ Review computer purchases outside of the computer replacement program (laptops, etc.) and discourage those that are not absolutely essential to the successful operation of the department or unit.
- ✓ Use low cost printers (look at unit cost to determine most cost effective option).
- ✓ Purchase only materials needed for the current year (don't “stock up” unless substantial quantity discounts are available).
- ✓ Close review of all eBucs purchases to ensure they are necessary and appropriate.

Printing and Mailing Newsletters, Magazines, Calendars, etc.

- ✓ Departments and units should look at distributing materials electronically instead of paying for printed copies of materials.
- ✓ Consolidate databases for mailing to ensure only one copy of any material is received per recipient (e.g., invitations to events, calendars).
- ✓ Email documents when possible instead of mailing off campus.

Event Elimination

Proposed events should answer “Yes” to one or both of the following questions:

- ✓ Does the event directly support the institution’s mission and reflect good stewardship of state resources?
- ✓ Is the event required for the operation of the department?

If the answer is “Yes” to either of the above, take action to reduce costs and/or seek external revenue for sponsorship.