Since 2018, Oregon State has used the Shared Responsibility Budget Model (SRBM) to allocate the Education and General (E&G) funds portion of OSU’s budget to the colleges and central support units on the Corvallis campus. The initial change from incremental and historical budgeting approaches to the SRBM encouraged colleges to strategically consider management of expenses against the financial resources that were allocated via multiple metrics. Those metrics recognized work and activities associated with supporting student progression, degree completion, and research and scholarship. In early 2021, five workgroups were convened by the Provost and Executive Vice President and the Vice President for Finance and Administration to engage the campus community in an extensive review of the elements and operationalization of the SRBM. These work groups convened forums with a wide range of stakeholders and identified several challenges and limitations experienced in the implementation of the original model. Prompts used to guide campus-wide forums are included at the end of this summary. The efforts of these five workgroups resulted in six overarching recommendations:

1. Reduce complexity to improve predictability;
2. Consider the unintended consequences of the Ecampus revenue share model;
3. Evaluate the use of the CIP code-based weights;
4. Review the integration of research/scholarship incentives within the model;
5. Consider model incentives for space management; and
6. Provide resources, tools, and communication for increased transparency.

In mid-2022, an SRBM Implementation Advisory Committee (IAC) was charged with advising the Provost and Vice President for Finance and Administration to provide recommendations for structural changes to the SRBM that would address the challenges and limitations identified through the review process. During the past two years, the IAC has reviewed and analyzed the impact of a range of possible changes and reviewed multiple iterations of revisions to the model.

The work of the IAC has resulted in a set of structural changes that addresses most of the recommendations, while also recognizing the difficulty of addressing all recommendations simultaneously without increasing complexity and decreasing transparency. In addition, given the timing of the work of the IAC and OSU’s adoption of a new university strategic plan, Prosperity Widely Shared (PWS), the IAC has worked to identify revisions that will support colleges in addressing all goals and targets outlined in PWS. Like the original review, the work of the IAC has also included forums and meetings with senior leaders to inform its recommendations. The IAC has worked to create a robust set of communications to be shared with the campus community to increase understanding of the revised model. The Office of Budget and Resource Planning will release a set of resources and tools to further
clarify the details of the model and to facilitate understanding of the model among a wide variety of audiences. The most significant recommendations include (but are not limited to):

1. Increased predictability based on a fixed rate allocation for all credit hours (regardless of campus or modality) allocated on a previous two-year average to improve responsiveness;

2. Included incentives for teaching to Ecampus students (using primary student campus) and for service teaching (credit hours taught to students outside of a college);

3. Removed the use of CIP code-based weights that were originally intended to account for cost differences among disciplines;

4. Created a multiplier for graduate degrees and graduate student credit hours in support of OSU’s commitment to its R1 mission;

5. Adjusted multipliers for graduate degrees to account for time to degree;

6. Identified the limitations of the original research/scholarship metric (based on externally funded research) and studied the benefits and challenges of an expanded metric. Determined that feasible research/scholarship metrics do not provide equitable recognition of research and scholarly activities among disciplines and that including such a metric within the revised SRBM is an insufficient and ineffective mechanism for communicating the value and importance of OSU’s R1 mission; and

7. Developed a comprehensive campus communication plan and developed tools to increase accessibility and understanding of the revised SRBM.

The new SRBM will continue to distribute revenues to colleges and administrative support units in a way that recognizes the primary source of E&G funding to OSU: undergraduate tuition and the Public University Support Fund (PUSF). Changes to the model simplify planning while preserving the independence of college leaders to allocate funds in support of PWS and the strategic mission of each college. Funding to support the goals and targets outlined in PWS will be allocated at the college-level and funding decisions made by their leadership will be in support of the university-wide missions in teaching, research and public engagement.

We would like to thank the campus community for the thoughtful engagement throughout this multi-year journey and appreciate the time and input provided to guide this revision of the University’s Shared Responsibility Budget Model. Over the coming months, you will receive communications about the model and have opportunities to engage with unit leaders to understand how the changes to the SRBM impact you, your work, and the work of your unit.

With gratitude,

*The SRBM Implementation Advisory Committee*
Prompts used in open forums during initial review process:

1. How have the SRBM and associated processes incentivized progress towards your unit’s and/or SP 4.0 goals and/or the university’s mission? Consider how the SRBM has incentivized progress towards the university’s commitment to becoming an antiracist institution.

2. How have the SRBM and associated processes incentivized investments or behaviors that are contrary to your unit’s and/or SP 4.0 goals and/or the university’s mission? Consider how the SRBM has incentivized progress contrary to the university’s commitment to becoming an antiracist institution.

3. Have you felt pain points because of the allocation of resources from the SRBM process, e.g., particularly regarding services and support from central units? What changes might mitigate these pain points in the future?

4. What aspects of the SRBM and associated processes need to be maintained? What aspects of the SRBM and associated processes need to be refined/changed to better support your unit’s work?