



UNIVERSITY OF OREGON

MEMO

March 14, 2017

To: TeACS research community

From: Cris Niell, Chair, ACS Faculty Advisory Committee
Monte Matthews, Director, Terrestrial Animal Care Services

CC: David Conover, Vice President for Research and Innovation (VPRI)
Bill Cresko, Associate Vice President for Research (VPRI)
Stacy Williams-Wright, Divisional Budget Director, (VPRI)
Melodi Jayne, Business Manager, Research Core Business Services (RCB)

RE: TeACS cost analysis and rate setting FY18 – no per diem rate increase

After reviewing revenue and expense projections provided by ACS and Research Core Business Services (RCB), the Terrestrial Animal Care Services (TeACS) Faculty Advisory Committee (FAC) and the TeACS Director recommend no increase in rates for FY18.

An analysis of FY17 expenses shows that based on actual values for labor and non-labor expenses, we will be within 1% of the total budget of breaking even. The models for FY18 predict \$26k of increased expenditures, however actual budget scenarios vary significantly depending on what revenue assumptions are made. We believe that our ideal outcome will be a 5% volume increase in the facility. Even with less ideal outcomes, we are within prediction error of breaking even and well within the allowed carry-over. Thus, we feel that is important to avoid raising costs without strong justification. We have had to raise per diem rates 33% over the past three years, and now we believe that by avoiding another rate increase we can encourage growth that would increase the long-term stability of the facility.

We will continue to increase the efficiency in the facility while carefully reviewing costs. If you have questions or need a copy of the rate sheet please contact TeACS at 6-4957 or 6-4958.

ANIMAL CARE SERVICES

5218 University of Oregon, Eugene OR 97403-5218

T (541) 346-4958 F (541) 346-0588 <http://acs.uoregon.edu>

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