

## **Outline of Budget Planning and Transition Process**

October 24, 2006

(Revised)

October 12, 2006

### **Budget Process**

To assure an open and constructive budget process the University is initiating an advisory group to advise on budget development, consider a more responsive future budget process tied to strategic planning and assessment, and assist in the transition to new processes and procedures related to budgeting at SCSU. In support of the effort four ad hoc working groups will prepare reports on four topics:

- Budget Assumptions
- Budget Models
- Base Budget Analysis
- Tuition Analysis, including differential tuition

These reports will be presented for consideration at Budget Advisory Group meetings and through our regular meet and confer process. Following is a brief description of the Budget Advisory Group and the ad hoc work groups.

### **Budget Advisory Group**

#### **Charge:**

Serve as a broadly based forum for discussion and advice on the process, system and structure of the allocation/reallocation of resources to insure support of the mission, vision and strategic plan of the University and review the execution of the budget plan as each fiscal year progresses.

#### **Organization:**

Co-Chaired by Vice President for Administrative Affairs and Faculty Budget Committee Chair. Includes designated representatives from AFSCME, MSUAASF, MAPE, MMA, Student Government Association, and Academic Affairs Council.

#### **Process:**

- Typically meets bi-weekly on Tuesday afternoons during the academic year
- Meetings are open to the campus community with agendas published electronically prior to meeting and minutes afterward
- Recommendations or comments forwarded to President's Council and FA Budget Committee and carried through meet and confer processes

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### Initial Activity:

- Review Principles; recommend guiding principles that assure the allocation of resources has integrity and a structure that best serves the University
- Review progress of FY 07 budget plan and quarterly reports

### Current Planning Cycle Issues to be considered:

- Review assumptions for FY 08 and FY 09 budget scenarios
- Consider role of initiatives funds in FY 08 and FY 09 budgets
- Review tuition proposals for FY 08 and FY 09
- Consider influences of budget actions on Performance Indicators

### Future Planning Cycle Issues to be considered:

- Review budget model proposals
- Review base budget definition proposals
- Stay abreast of trends

## **Budget Assumptions Work Group**

### Charge:

Review and analyze assumptions for constructing budget scenarios including inflation for various components and other factors.

### Organization:

Ad Hoc group convened by the Associate Vice President for Administrative Affairs and including the Assistant Vice President for Institutional Effectiveness and others as needed.

### Process:

Meet as needed to review models, consider “fit” for SCSU and have report completed by December 15, 2006.

## **Budget Model Work Group**

### Charge:

Review and analyze higher education budgeting models and report to campus the strengths and weaknesses of models and recommendations for SCSU that assure accountability, solvency and advancement of the strategic plan. A successful model

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would be guided by the strategic plan, based on measurable outcomes and have responsibility and allocation at a common point.

### **Organization:**

Ad Hoc group convened by the Associate Vice President for Administrative Affairs and including the Assistant Vice President for Institutional Effectiveness and others as needed.

### **Process:**

Meet as needed to review models, consider “fit” for SCSU and have report completed by January 15, 2007.

## **Base Budget Analysis Work Group**

### **Charge:**

Review and analyze a base budget representing the amount of funds that will allow the various units and the University as a whole to operate as planned; although with marginal flexibility. The group would report to campus the recommendations for the structure of a base budget to serve as a bench mark for future allocations.

### **Organization:**

Ad Hoc group convened by the Associate Vice President for Administrative Affairs and including the Assistant Vice President for Institutional Effectiveness and others as needed.

### **Process:**

Meet as needed, consider “fit” for SCSU and have report completed by January 15, 2007.

## **Tuition Analysis Work Group**

### **Charge:**

Review and analyze tuition models including differential tuition and report to campus the strengths and weaknesses of models and recommendations for SCSU. The recommendations should consider effects on revenue, enrollment and quality of programs, fairness, and impact on strategic plan themes

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### **Organization:**

Ad Hoc group convened by the Associate Vice President for Administrative Affairs and including a dean, student, department chair, and others as needed.

### **Process:**

Meet as needed to review models, consider “fit” for SCSU and have report completed by January 15, 2007.

### **Town Hall Meetings**

In addition to the above efforts, Town Hall meetings are planned for November 13, 2006, at 11 AM and 2 PM. These meetings will include a presentation on the close of the books for FY 06, a first quarter status report on FY 07, any initial appropriation request information for FY 08 and FY 09 available from the Office of the Chancellor (OOC), and any initial reports available from the Budget Advisory Group or other work groups.

### **Time Lines/Events** (many events are tentative and rely on others outside SCSU)

- October, 2006
  - Workgroups begin
  - Initial decisions made for FY 08 faculty searches
  - Requests made of units for recommendations for reallocations or resources for FY 08
  - “Final” fall enrollment determined
  - Audited financial statements complete
- November, 2006
  - Town Hall budget meeting
  - Initial OOC budget request determined
- December, 2006
  - Work Group on assumptions report results
- January, 2007
  - Work Groups on tuition, models and base budget report results
- February, 2007
  - Town Hall budget meeting
- April, 2007
  - OOC provides initial estimates of allocation
  - “Trial” budget constructed around allocation and assumptions
  - Town Hall budget meeting
- May, 2007
  - Appropriation set for FY 08 and FY 09
  - Initial supply and equipment allocations
- June, 2007
  - Tuition set
- July, 2007
  - Initial allocation fixed
- August, 2007
  - Town Hall budget meeting
- November, 2007
  - Budget Model in place to review initial FY 09 allocations