

New Budget Process Development - Update

Briefing Document

Overarching Goal:

Develop a streamlined process (and calendar) for macro-level budgeting across all major academic and administrative units based on executive-level direction and decision-making, but informed by campus input from academic and administrative leaders.

Common Emerging Themes

- Greater transparency is needed in process
- Sharing of central and unit data would be helpful
- Process should be tied to Quest for Distinction
- Standing budget committee would be helpful ("Ways and Means" concept)
- Formal budget hearings would be appreciated (August 2012 before Executive VPs, re: priorities)
- Quest-based "innovation" fund concept (requires more discussion about priorities)

Communications

Campus discussions that have occurred or are planned as part of this ongoing discussion are outlined below; these are attended by "central" budget and finance staff from Finance and Administration, Academic Affairs and Health Affairs with the goal to listen and understand concerns about the process.

2011:

- 12/6 Presentation to Council of Deans
- 12/14 Meeting w/ Terry, Pam, Jay Re: new budget process
- 12/14 Dr. Rao Meeting (new budget process discussion)

2012:

- 1/3 Council of Deans
- 1/4 Dr. Rao Meeting (new budget process on agenda)
- 1/10 Dr. Rao Meeting (new budget process on agenda)
- 1/18 Dr. Rao Meeting (new budget process on agenda)
- 1/25 Dean Hinterlong of School of Social Work (staff meeting)
- 1/25 David, Pam, Terry, Bev meeting, re: budget process
- 1/26 Meeting with Sheldon and Bev, re: budget process (high level discussion)
- 1/31 Dean Boudinot of School of Graduate Studies
- 2/2 Fiscal Administrators Meeting 1 (Monroe Park campus)
- 2/8 Jerry Strauss, Dean of SOM, and chairs
- 2/8 Dean Seipel of School of Arts and leadership team
- 2/14 Fiscal Administrators Meeting 2 (MCV campus)

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- 3/7 Dean Coleman of School of Humanities and team
- 3/7 Dean Davis of School of Education and team
- 3/14 Dean Jennett of School of Engineering and team
- 3/19 Dean Grier of School of Business and team

Related Efforts

Information gathering is in process with the School of Social Work based on its efforts to align its budget to mission. The experience of the School's dean and leadership team will help inform other schools and units.

A School of Nursing Pilot Project is also proceeding. Cindy Cull from the VPHS office is taking the lead and working with Marie Gardner and Dr. Langston. Data collection is complete. Creation of a framework and budget format is under discussion. Cindy is in contact with budget staff on the Monroe Park campus to keep an open dialogue.

The College of Humanities and Sciences is participating in the Delaware Cost Study. While this is more applicable to schools with undergraduate programs, the experience will determine whether other schools could also benefit from this method of benchmarking and comparing program costs.

Resources

A new budget website has been developed and launched (www.budget.vcu.edu) and all documents and presentations related to the new process will be shared transparently. Included in the website is a comment section for comments about the new budget website and process. In phase II of website development (which will take about one month), all comments and responses will be catalogued.

A new email address (gotbudget@vcu.edu) is available for any questions that people don't want published to the website. That address is monitored twice daily by budget office staff.

A series of "Budget 101" training sessions has been scheduled for March and April with the goal to review the institution's consolidated financial statements, overarching institutional structure (including all component units) and the existing budget process; to be responsive, a "call for questions" in advance of the meeting was distributed to all Deans and VPs in mid-February.

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Key Differences in Budget Calendars

Old Budget Process	New Budget Process
All information concentrated in VP's Offices – Deans and faculty don't believe they know what the process is	Transparent process with information and deadlines published – new website, frequent briefings
Passive efforts to educate VCU's budget	Active efforts to bring stakeholders in to VCU's budget – Budget 101 classes, Council of Deans monthly updates, Focus Groups, meetings with Fiscal Administrators, Chief Business Officers
No review prior to Executive Leadership decisions during budget development each Spring	Budget process begins 1 year in advance to incorporate schools/departments into process beginning prior to Governor's budget submissions
Budget is generally thought about once a year for about 3 months by 10 people	Budget process is year-long and is an integral part of each dean, school and department and the resources are tied to their goals and objectives
No filter prior to Executive Leadership decision making	Budget Panel holds hearings, makes recommendations to Executive Leadership in June. VP's hold budget hearings in late summer.
No connection between school/department goals and budget requests to state	Recommended strategies included in request for state funding submission to Governor
No planning for explicit alignment between Strategic Plan and budget	Focused, explicit alignment between Quest for Distinction and budget planned in the schedule
One-way communication about budget as needed in the year	Multi-pronged flow of information about the budget (e.g., meetings with Budget Hearing Committee and specific requestors to negotiate and finalize what will likely move forward through budget development given the status of the Governor's budget and then approved budget, planned reporting out to the University Community the result and impact of the funding request of the state and laying out of the funding options for those not funded)