

VCU SSW
Summary of Fiscal Year 2012 Budget Development Process

As part of an internal budget development process, the School of Social Work implemented a set of procedures along a prescribed timeline that guided their budget decisions for FY 2012. A budget development timeline was set to occur between April and September, 2011 to address the following goals:

- Institute a more rational, systematic process;
- Introduce line-item budgeting as a foundation for program-based (mission-based) budgeting;
- Align with BANNER categories;
- Link to goals (SSW and VCU);
- Establish “true cost” of running a program;
- Removing the “annual expenses” category;
- Centralized supplies into a single index.

The budget development process was presented to the Dean’s Cabinet in April, 2011. In a PowerPoint presentation, the purpose of an internal budgeting process was outlined along with detailed instructions on how the process would be managed. Deadlines and owners of each task were assigned with the understanding that a mid-year review would occur to examine the budgets for spending patterns and reallocate available funds based on an established set of rules. To initiate the budget development process, a budget letter with instructions was sent in May, 2011 to department/program directors.

From May to August, 2011 a scheduled series of meetings were arranged to provide guidance and technical assistance with the budget development planning. These meetings were with Associate Deans and Program Directors who had budget authority. Program Directors were provided with four goals that all program activities/events had to be linked. In addition, issues such as spending authority and prior purchase approval were addressed with each Program Director. The School of Social Work designed and implemented an internal *Program Expenditure Request Form*. The purpose of the form is to require approval of expenditures connected to a business purpose prior to the actual purchase. This not only regulates appropriate purchases but also ensures that spending is within approved budgets. Budget planning was designed around the premise that each Program Director’s budget would be “rolled-up” to the next level of review until all budgets were submitted at the Dean’s level.

By September, 2011, the School of Social Work developed and published their internal FY 2013 budget timeline. Monthly meetings continued as part of the budget review process. This enabled management to review expenditures, identify and correct errors, continue dialogue, and strategize their plans for the upcoming fiscal year. Another useful tool in the budgeting process was a midyear review that occurred in January, 2012. At that point, leadership was able to identify and discuss budget categories that had exceeded budget and to strategize for the remaining fiscal year. In addition, planned activities that had not occurred and/or were not expected to occur in FY 2012 allowed budgets to be reallocated within BANNER to meet operational needs in other areas.

Reflecting on this process, the School of Social Work identified next steps to continue the momentum, recognized facilitating factors, and acknowledged particular challenges they faced during implementation. The school’s leadership identified the need to define “mission-based” budgeting that aligns resources with measurable outcomes and metrics to Quest. Program goals are tied to the

School's goals which link up to Provost's priorities and eventually the themes and goals outlined in Quest. It was also discovered that more transparency to the budget approval process and an increased involvement of the Program Directors to prioritize program activities based on its relationship to the mission is of high importance. Factors that facilitated and assisted in the successful progress of the process included the acknowledgement that open dialogue, collaboration, and accountability were part of an organic process. In addition, allowing Program Directors to choose justifiable initiatives and events enabled them to be more engaged in budget decisions and also increased exposure of Quest to faculty. Ongoing challenges and opportunities also exist. Changing the paradigm of "the way it's always been done" or "it's my money" presents opportunities for dialogue and professional development and training. As Associate Deans and Program Directors had little or no budget development and management experience, more individual technical training and assistance from fiscal staff helped to overcome that particular challenge.