



THE UNIVERSITY *of* NORTH CAROLINA
GREENSBORO

Board of Trustees Meeting

The University of North Carolina at Greensboro

Budget Update and Unified Budget Planning

November 10, 2014

Charlie Maimone

Vice Chancellor for Business Affairs

2015-17 Budget Submission

- 2% Budget Cut Scenario
- Enrollment Requests
- Expansion Requests
- Capital Requests
 - General Fund
 - Non-General Fund
 - Repair & Renovation

2% Cuts Scenario for 2015-17 by Division

Division	\$	Amount	FTE
Academic Affairs		1,472,579	12.15
Institutional		650,000	4.69
Business Affairs		345,351	5.46
Information Technology Services		166,873	
Student Affairs		79,984	1.24
University Advancement		46,289	
Research and Economic Development		45,155	
Chancellor		44,046	1.00
Gateway		9,984	
Grand Total		2,860,261	24.54

Summary of 2% Reduction Options by Category

UNCG	Reduction Category	FY 2015-16 Reduction Total	FY 2015-16 FTE Reduction
	Academic and Student Support	(619,987) 22%	(3.960)
	Administration	(43,431) 2%	(0.150)
	Instruction	(1,570,038) 55%	(14.730)
	Operations	(581,650) 20%	(5.700)
	Research and Public Service	(45,155) 2%	
		(2,860,261)	(24.540)

Summary of 2% Reduction Options by Category

All UNC	Reduction Category	FY 2015-16 Reduction Total	FY 2015-16 FTE Reduction
	Academic and Student Support	\$(4,552,515) 10%	(48.100)
	Administration	\$(7,427,826) 16%	(38.608)
	Instruction	\$(22,609,901) 48%	(169.758)
	Operations	\$(8,641,037) 18%	(85.587)
	Research and Public Service	\$(3,607,612) 8%	(37.500)
		\$(46,838,891)	(379.553)

Enrollment Growth

		Requirements	Appropriations
2015-16	Regular Term	\$1.40	-\$0.01
	Distance	2.10	1.60
2016-17	Regular Term	1.90	1.00
	Distance	1.70	1.10
	Total 2015-17	\$7.10	\$3.69

(\$ in millions)

	Fall 2016	Fall 2011
Regular Term Headcount	16,833	17,453

Expansion Budget 2015-17

1. Strengthen Academic Quality

- Health & Wellness Program – DNP \$1,900,000

2. Set Degree Attainment Goals Responsive to State Needs

- Student Success Coaching \$960,261

Maximum 2% of Appropriations Budget = \$2,860,261

2015-21 Six Year General Fund Capital Improvements Plan

Priority	Institution/Project	Request
	University of North Carolina at Greensboro	
1	Nursing and Instructional Building	131,332,000
2	Library Addition/Renovation and Data Center	123,763,000
3	Eberhart Building Renovation	39,040,000
4	Moore Building Renovation	17,982,000
5	Student Services Building	52,680,000
6	Steam Pipe Infrastructure	67,440,000
7	South Chiller Plant - Phase 2	25,337,000
8	Land	15,000,000
	Total	472,574,000

2015-21 Six Year Non-General Fund Capital Improvements Plan

<u>Priority Institution/Project</u>	<u>Request</u>
University of North Carolina at Greensboro	
1 1510 Walker Avenue Renovations	6,762,000
2 Moore Strong Fire Alarm Replacement	1,373,000
3 Renovations to Cone Residence Hall	13,700,000
4 Phase II Spartan Village	49,000,000
5 Ragesdale Mendenhall Residence Hall Renovation	10,300,000
6 Student Recreation Fields	5,000,000
7 Elliott University Center Expansion	60,000,000
8 Soccer Field and Drainage Replacement	1,500,000
Total	147,635,000

Campus Engagement & Feedback

- Budget Sounding Board
- Faculty Senate Budget Committee
- Staff Senate
- Tuition & Student Fee Advisory Committees
- Tuition & Student Fee Forums
- Budget Central

Alternatives Sources of Revenue

- Raleigh School of Nursing - \$2 million SCHs included in the enrollment request.

Unified Budget Process

Background

- UNCG operates on the State of North Carolina biennium budget cycle
- The university conducts “budget calls” for eight (8) different budget cycles
- Externally managed:
 - Office of State Budget and Management (OSBM),
 - UNC General Administration
- Internally Managed:
 - University Budget Office.

Background

- As a result, UNCG faces constant external budget compliance and reporting responsibilities.
- Our offices involved in planning, performance and resource management have understandably been designed around these external requirements.

Background

- The campus community submits budget requests appropriate for each budget call.
- Multiple processes restrict our ability to link comprehensive allocation decisions to any one program initiative.
- The fragmented nature limits our creativity and collaboration among departments, schools and divisions.

External Budget Cycles

- Biennial Continuation Budget
- Biennial Expansion Budget
- Biennial Capital Budget
- Enrollment Projections

- Campus Initiative Tuition Increases (CITI) & Student Fees
- Mandatory & Non-Mandatory Miscellaneous Student Charges
- Summer School Rate Increases
- Supplemental Budget (2nd year of the biennial)

- (Unplanned OSBM Hold Backs, Reversions, Allotment Cuts)

Internal Budget Cycles

- University Annual “Reversion” Allocation Budget
- Special Funds Budgets
 - Student Fee Budgets
 - Auxiliary and Trust Fund Budgets
 - Departmental Budget for State Funds
 - Institutional Trust Fund Budgets
 - University Gift and Investments
- EPA (Exempt from Personnel Act) Legislative Salary Increases (BD 119)
- SPA Legislative Salary Increases
- Facilities & Administration Receipts (Overhead)

Proposed Unified Budget Process

- Starting in advance of our external requirements
- Engage the campus community in the unified budget process
- Develop specific (quantifiable) annual objectives for strategic resource allocation - key to the process
- Connecting our strategic plan to UNC Strategic Directions 2013–2018

UNC Strategic Direction for 2013-2018

Five Goals:

- ***Setting Degree Attainment***
- ***Strengthening Academic Quality***
- ***Serving The People of North Carolina***
- ***Maximizing Efficiencies***
- ***Ensuring An Accessible and Financially Stable University***

Proposed Unified Budget Process

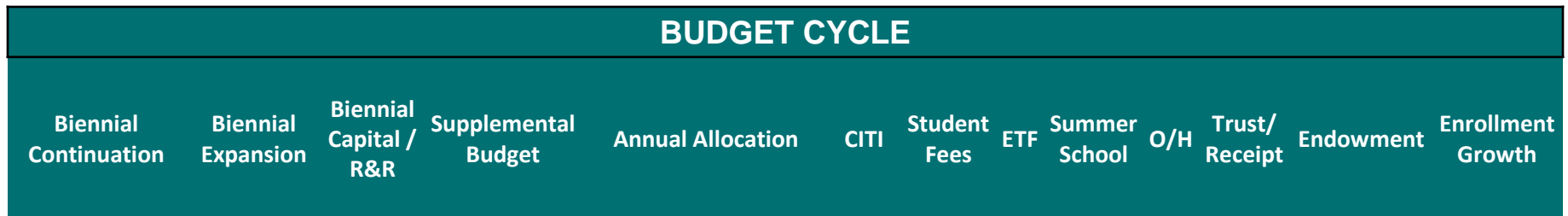
- A unified budget process, responsive to university strategic initiatives, promotes our shared values and encourages collaboration and creativity

Align our work to accommodate our internal plans while still meeting all of our external obligations

NOTE:

None of our external compliance and reporting responsibilities will go away.

A Unified Budget Process allows university budget planning to incorporate all funding sources into the evaluation in order to optimize the allocation of funds by source.



- Enrollment Growth (P)
- University Reserves (O)
- Lapsed Benefits (O)
- Excess Utilities (O)
- Excess Tuition (O)
- Carry Forward (O)

Unified Budget Process:

- A unified budget planning process provides departments a timely view of all available resources and requires a comprehensive program plan including outcome measures, regardless of funding source.

EXAMPLE

Prioritized List of Requirements

Priority	Item Description	FTE	Perm Amt	One-Time Amt.	Biennial Cont.	Biennial Exp.	Biennial Capital	Supplemental Budget	Annual Allocation	CITI	Stdnt Fees	Sum Schl	Mid-Year Review
1	Improve Student: Faculty Ratio	12.0	\$548,509		√			√	√	√			
2	Reclassify HR Consultant	0.0	\$14,218						√				
3	Nursing - DNP Program	4.0	\$411,416	316,769		√		√	√	√			√

DEFINITION:

“a budget in which the resources and services are identified by programs or function and not by the organizational units involved in performing all or part of the program and/or “functions”

Evaluate
Approve
External
Compliance

**Budget
Analysis**

**Budget Office /
Budget Sounding
Board**

**Analysis and
Review of those
programs identified
by Budgetary
Programming office.**

**Finalize budgets for
each program.**

**Analyze and identify
all funding sources
available for each
program.**

Budgetary

Programming

**Budget Analysts
Work directly with
Program leaders**

**Sets out to identify
those programs
necessary to meet the
strategic priorities**

**Strategic
Planning**

**Campus identifies
strategic priorities
for biennium.
Ongoing initiatives
are evaluated.**

**University
Analytics team
provides analysis
to support
discussions and
quantify the goals**

	FY 2015-16												FY 2016-17												
Each column represents two-week period	Calendar year 2015						Calendar year 2016						Calendar year 2017												
Biennium Budget for 2017 - 2019	July	August	September	October	November	December	January	February	March	April	May	June	July	August	September	October	November	December	January	February	March	April	May	June	
1. University Planning - identifies strategic priorities for coming biennium	█																								
2. Budgetary programming - identify programs necessary to meet strategic direction			█																						
4. Budgetary programs reviewed / analyzed by Budget Office / BSB - finalize program budgets						█																			
5. University Business Analytics office provides analysis to support discussions							█																		
6. Budget Office / UBC identify alternative sources of revenue to meet decisions							█																		
7. Cabinet / Chancellor review / prioritize budget requirements list											█														
8. Enrollment Management Committee develops enrollment projections												█													
9. Exec Staff / Chancellor approve enrollment projections													█												
Annual Allocations (Permanent + One-Time Funding)													█												
Biennial Budgets (Continuation, Expansion, Capital)													█												
Enrollment Growth Projections													█												
Campus-Initiated Tuition Increases													█												
Student Fees													█												
Special Funds (Receipt-supported) Budgets														█				█							
Summer School Increases														█											
Supplemental Budget (2nd Year of Biennial Cycle)																	█								

University Planning, Programming & Budget Calendar FY17-19 Biennial Budget

2015	July/Aug	University Planning-identifies strategic priorities for biennium
	Sept/Dec	Budgetary Programming-works w/campus to identify programs to meet strategies
	Jan/April	Budgetary programs reviews/analyzed by Budget Office/Budget Sounding Board
	Jan/April	University Analytics team provides analysis to support discussion
2016	Jan/April	Budget Office/Budget Sounding Board identify alternative sources of revenue to meet decision
	May/June	Executive Staff/Chancellor review/prioritize budget requirements
	May/June	Enrollment Management committee develops enrollment projections
	June	Chancellor/Executive Staff approve enrollment projections
	July - Dec	Meet external budget submission requirements

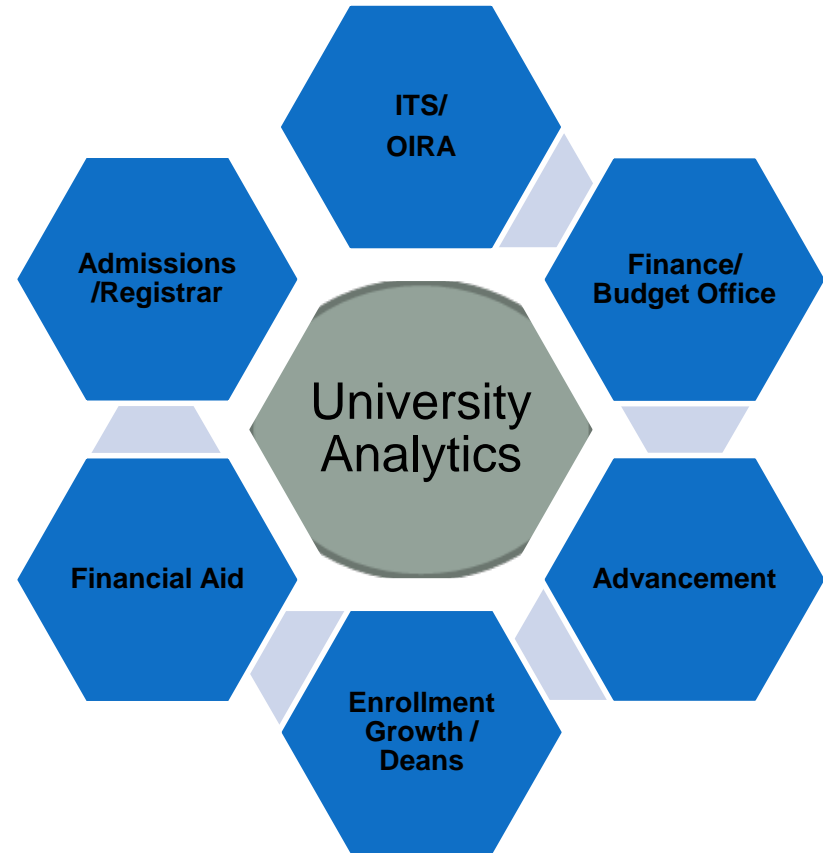
Help from the Strategic Planning

- Connect our plan to UNC
- Create Focus
- Be Specific

From a budget planning perspective, the strategic goals and objectives must be written with enough specificity to sufficiently measure outcomes

University Analytics

- Overarching principles
 - Provide timely, accurate and relevant data, information and expertise throughout the complete strategic planning/ Unified Budget Process

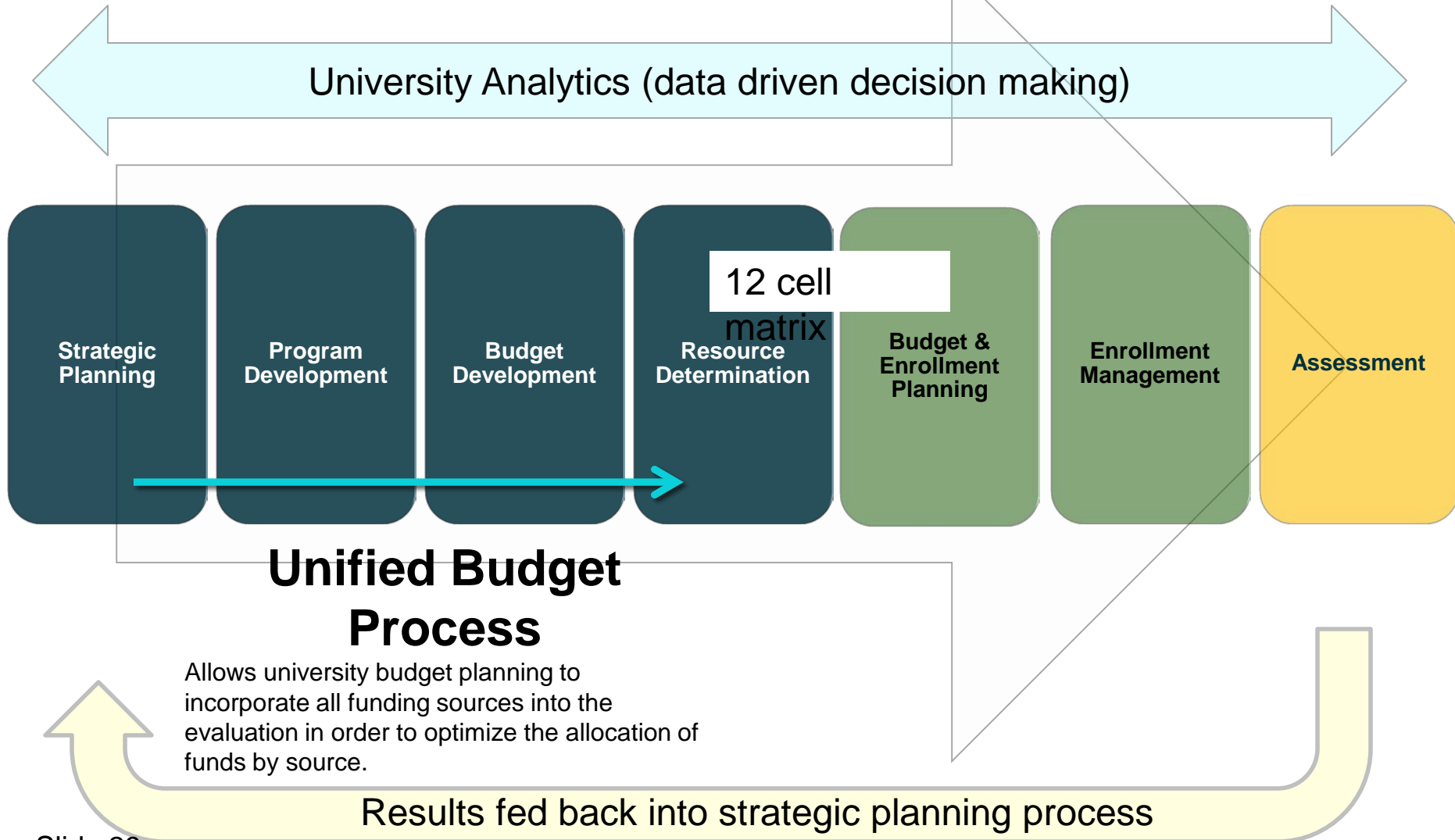


Planning Programming Budgeting Implementation Assessment

University Analytics

- Incorporating an analytics initiative into these processes can help make UNCG a true innovator in university budget planning
- UNCG Establishes: Improvement of Data Quality for Reporting, Presenting, and Predicting:
 - Identify inaccurate and/or unreliable data, and work with data stewards to correct them.
 - Develop policies and processes to ensure that data will continue to be accurate.
 - Inventory all university reports and determine what data should be reported as part of the University's dashboard(s) and what predictive tools will be most useful to University leadership.

Conceptual Roadmap: Financial Planning at UNCG



Pulling it all together!

- Unified Budget
- Budget Reduction
- UNCG Strategic Initiatives
- Performance Goals
- GA Strategic Goals
- UNCG Analytics
- GA FIT and Shared Services
- E+R/# Degrees
- Legislators 7 Campus Metrics