Good afternoon,

Please see the below message and attachments regarding the FY19 Budget Planning Process. Please let me know if you have any questions.

Best,
Megan

TO: Charles River Campus Academic Deans
FROM: Jean Morrison, University Provost and Chief Academic Officer
DATE: August 25, 2017
RE: FY 19 Budget Planning

I am writing to initiate the FY19 budget process and to provide guidance as you assess the resources necessary to achieve your school or college’s strategic goals.

As you are aware, FY17 was a successful year. The University continues to attract strong students, recruit excellent faculty, and design and deliver innovative academic programs to undergraduate and graduate students.

As we plan for FY19, funding for faculty recruitment and retention will continue to be a University priority. As in the past, I expect faculty recruitment and retention to be the largest, and one of the most strategically important, areas of investment by the University across the schools and colleges.

Nevertheless, as President Brown discussed at University Leadership Group in June, there are significant reasons to be cautious as we plan for FY19. The need for increased undergraduate financial aid combined with moderated tuition increases limits one source of university revenue. Further, all universities face a great deal of uncertainty from the economic pressures on and policies surrounding the Federal budget.

Consequently, we are proceeding with caution as we prepare for FY19. To hold expense growth to a minimum, we are asking you to abide by the following constraints:
• New staff positions will not be approved unless they are directly connected to either new revenue growth generation or strategically critical initiatives, especially those with the potential for external support. Faculty hiring is not included in this constraint.
• FY19 budgets should, in general, be held flat to the FY18 level. New initiatives may be funded by a reallocation within a school or college’s unrestricted budget or from a school or college’s restricted or designated funds. A limited amount of funding for new initiatives may be available for programs that bring high value to the education and research missions of the University and that have appreciable support from within current budget allocations to academic and administrative units.
• We will continue to look for ways to reduce costs across all academic and administrative units, while maintaining and enhancing the education of our students and the infrastructure of our faculty.

I plan to continue using the budget process as an opportunity to consider the overall strategic direction of your school or college and how you, as the leader, envision using all the funds available to you to address your unit’s most pressing strategic needs. Our November meeting will focus on the strategic priorities of your school or college and the total resources available to you to meet your unit’s strategic goals.

In the next few weeks, we will be sending you a brief “All Funds” summary of the resources available to your school or college followed by some key data including undergraduate and graduate enrollments, credit hours taught, and faculty and staff FTE. The “All Funds” summary will include university provided recurring and non-recurring dollars; tuition share revenue generated through graduate programs; revenue generated through entrepreneurial programs, gift, endowment and discretionary accounts. Not captured on the “All Funds” summary but available for your use are one-time salary savings associated with vacant faculty and staff positions. As you prepare your FY19 budget narrative, please describe how you have used the total funding available to you in the past, the outstanding commitments against all available resources, and what existing resources may be used to fund your unit’s new strategic priorities.

As you know, more data are available on the annual budget meeting SharePoint site which will be updated in October in preparation for our discussion.

Attached is a set of strategic budget planning principles that were developed as part of the FY17 planning process to help you think about how to fund your priorities. Also attached is an academic budget narrative memo and summary tables organized by strategic initiatives. Please use the principles in thinking about your resource allocation and organize your narrative to respond to the issues in the memo. Finally, please complete the summary initiative table showing how you are thinking about funding your school or college’s strategic initiatives.

In order for us to have adequate time to review your budget materials, please submit them to Pat O’Brien (pobrien@bu.edu) by October 20, 2017. She and I are available to answer any questions you might have before then.
In addition, you will again have a fall enrollment meeting regarding graduate and professional program enrollments as it continues to be essential to our financial well-being as an institution to create new sources of revenue through these programs. The graduate enrollment meetings are scheduled for late September through early October to enable you to incorporate the results of the enrollment discussions into your budget planning submission.

Finally, the University Budget Office will be sending you a Graduate Financial Aid Form separately. Please fill it out based on the results of your graduate enrollment meeting and submit it with your budget materials.

I plan to discuss FY19 Budget Planning at the September Council of Deans meeting and will be happy to answer questions then. But, as you and your staff begin working on your FY19 budget documents, feel free to reach out to Pat or me if we can be of assistance.