I am writing to initiate the FY20 budget process and to provide guidance as you assess the resources necessary to achieve your school or college’s strategic goals.

As we plan for FY20, funding for faculty recruitment and retention will continue to be a University priority. 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, a limited amount of funding for new initiatives may be available for programs that bring high value to the educational and research missions of the University.

With this in mind, I have established the following guidelines:

- New staff positions will be approved only if they are directly connected to new revenue growth generation or strategically critical initiatives, especially those with the potential for external support.
- 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.
- New initiatives that require central support should already have appreciable support from the current budget allocations to academic and administrative units.
- To hold expense growth to a minimum, 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.

The budget process is an excellent opportunity for us to focus on the strategic priorities of your school or college and the total resources available to you to meet your unit’s strategic goals. I would like to learn how you, as the leader, use or envision using all the funds available to you to address your unit’s most pressing strategic needs.
This memo includes three attached documents:

- **Strategic Budget Planning Principles**
- **Annual Academic Budget Narrative Memo**
- **Strategic Initiatives Table (which includes a separate activity sheet for Summer, Online, and Entrepreneurial Programs)**

Please use the principles as a guide to help you plan how to allocate your resources. The budget narrative memo outlines issues you should address in your narrative and describes how to complete the initiative tables.

As background for your planning, the SharePoint site contains summary data on all of the resources available to your school or college as well as key data including undergraduate and graduate enrollments, credit hours taught, and faculty and staff FTE. The “All Funds” summary includes university provided recurring and non-recurring dollars; tuition share revenue generated through graduate programs; and 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. In your budget narrative, please use these data to describe how you have used the total funding available to you in the past, the outstanding current and future commitments against all available resources, and what existing resources may be used to fund your unit’s strategic priorities. (Data on the SharePoint site will be updated in September - October in preparation for our discussion.)

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 12, 2018**. 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 FY20 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 FY20 budget documents, feel free to reach out to Pat or me if we can be of assistance.