Office of the University Provost
Strategic Budget Planning Principles

1. It is the expectation that the University will continue to face a constrained budget due to flat budgets for externally funded research, stiff competition for professional graduate enrollments, continuing pressure to minimize tuition increases, etc.

2. Schools/colleges have multiple sources of funding that make up their total available resources:
   a. University-provided recurring dollars;
   b. University-provided non-recurring (one-time) dollars;
   c. Tuition sharing revenue generated through the Master’s tuition sharing initiative (where applicable);
   d. Indirect Cost Recovery return from sponsored research;
   e. Revenues generated by entrepreneurial and self-supporting programs;
   f. Gift, endowment, and designated accounts;
   g. Salary savings associated with budgeted vacant faculty and staff positions, which may be used on a one-time basis within the current fiscal year.

3. The combination of all of these sources of revenue provides the total amount of funding that a Dean has at his/her disposal to address the strategic needs within their school/college. The Dean has the primary responsibility for decisions about the specific allocation of these resources within their school/college.

4. While high-priority, off-cycle discussions of potential central funding are inevitable due to the retention of faculty members, emergencies, etc. the annual budget process is the primary opportunity to discuss the overall direction of the school/college. Any and all potential strategic investments of new incremental funding will made through this process.

5. The faculty recruitment process will always mark the beginning of the strategic discussions between the Provost and Academic Deans regarding the allocation of resources in the next fiscal year. As such, these discussions need to be thought of in the context of the University’s overall strategy for investments in the academic enterprise.

6. Funding for faculty recruitment (both at the junior and senior level) and faculty retention will continue to be the largest, and one of the most strategically important, areas of investment by the University across the
schools and colleges. As has been stressed the last few years, it is essential that schools and colleges keep detailed records of recurring salary funding associated with approved faculty “slots” and one-time funding provided for faculty recruitment.

7. Beyond faculty recruitment decisions, we continue to move away from annual budget discussions that detail line-by-line, small dollar budget requests.

8. Rather, when considering planning for the next fiscal year, the Provost will identify strategic areas for which the University would like to focus in the upcoming year and key questions that she would like to see addressed during the annual budget discussions.

9. In response, leadership will be asked:
   a. To detail a high-level summary of how all available resources were used over the last fiscal year to ensure success within their school/college;
   b. To answer specific questions posed by the Provost about how the academic unit addressed certain initiatives over the same time period;
   c. Looking ahead to the next fiscal year, identify the top, high-level strategic priorities for their area and determine, again at a high-level, the amount of resources, staffing, etc. that will be necessary for success;
   d. For each of these strategic priorities, address how they have considered all available resources within their area to determine where existing resources can be reallocated, what activities can be stopped, what areas are prime fundraising targets, where new master’s tuition revenue can be invested, etc. and detail these internal allocations;
   e. Where a gap exists between all available sources of funding and the amount necessary to achieve strategic goals, senior leaders should outline at a high-level what new resources will be needed both in terms of staff (where absolutely necessary, and primarily where there’s potential for new funding streams) and other resources.
   f. In terms of scale, budget “requests” should truly be strategic. It is not envisioned that an initiative requiring less than $50,000 will be highlighted as a priority for larger schools/colleges. For smaller school/colleges, the expectation is that no initiative requiring less than $10,000 will be highlighted.

10. In making decisions about how to allocate limited new recurring and non-recurring funding in the upcoming fiscal year, the Provost will consider:
   a. The strategic priorities identified by the President and Provost at the outset of the budget process. Initiatives most closely aligned with these priorities have the best chance for investment;
b. Undergraduate and graduate enrollments trends across the University and to what effect they may influence allocation of resources from one school/college to another;

c. Trends within margin-based programs run by schools/colleges;

d. The extent to which schools/colleges are demonstrating thoughtful reallocation of existing resources to “cost-share” on new strategic initiatives;

e. Which strategic investments hold the potential to grow new revenue streams for the school/college and the University?

11. At the conclusion of this process, the Provost will make budget allocation decisions for each school/college. Rather than approving or denying specific initiatives, the Provost’s decisions should be considered a determination of the appropriate level of strategic funding for the school/college based on University priorities. (Further direction may be given, though, if a school/college priority varies greatly from the vision of the President and the Provost.) Whether or not these allocation decisions include any new incremental funding for a school/college, it will then be up to the senior leader to decide how competing priorities will be funded in the upcoming fiscal year using all available resources outlined in principle two. Position creation authority remains with the Provost and will be specifically granted where appropriate as part of the overall allocation to a school/college.

12. In the current fiscal climate it is likely that some schools/colleges will not receive new incremental funding. This does not mean that strategic initiatives cannot be implemented. It will be up to the Academic Dean within such an area to determine how s/he will move forward with strategic goals through the reallocation of existing resources or the generation of new resources. If, however, a high-level initiative does not mesh with the University’s overall strategic priorities, there may be instances where the Provost advises not pursuing such a path regardless of the funding source.