

UNIVERSITY OF TOLEDO LEADERSHIP RETREAT



FY 2013 Budget Development Academic Budget Considerations

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UNIVERSITY OF TOLEDO LEADERSHIP RETREAT

FY 2013 Budget Development

Academic Budget Considerations

President Jacobs has established the following parameters for the FY 13 budget:

- 1) The overall University 2013 budget will be balanced and cash flow positive.
- 2) There will be no new student fees and no increases in existing student fees.
- 3) Work will continue to establish the necessary budget assumptions for FY 2013

The reduction in State Share of Instruction (SSI)

\$7.9M carried over from FY11to FY12

\$3M SSI reduction in FY13 less than 2012

FY 12 & FY 13 State operating and capital budget amendments

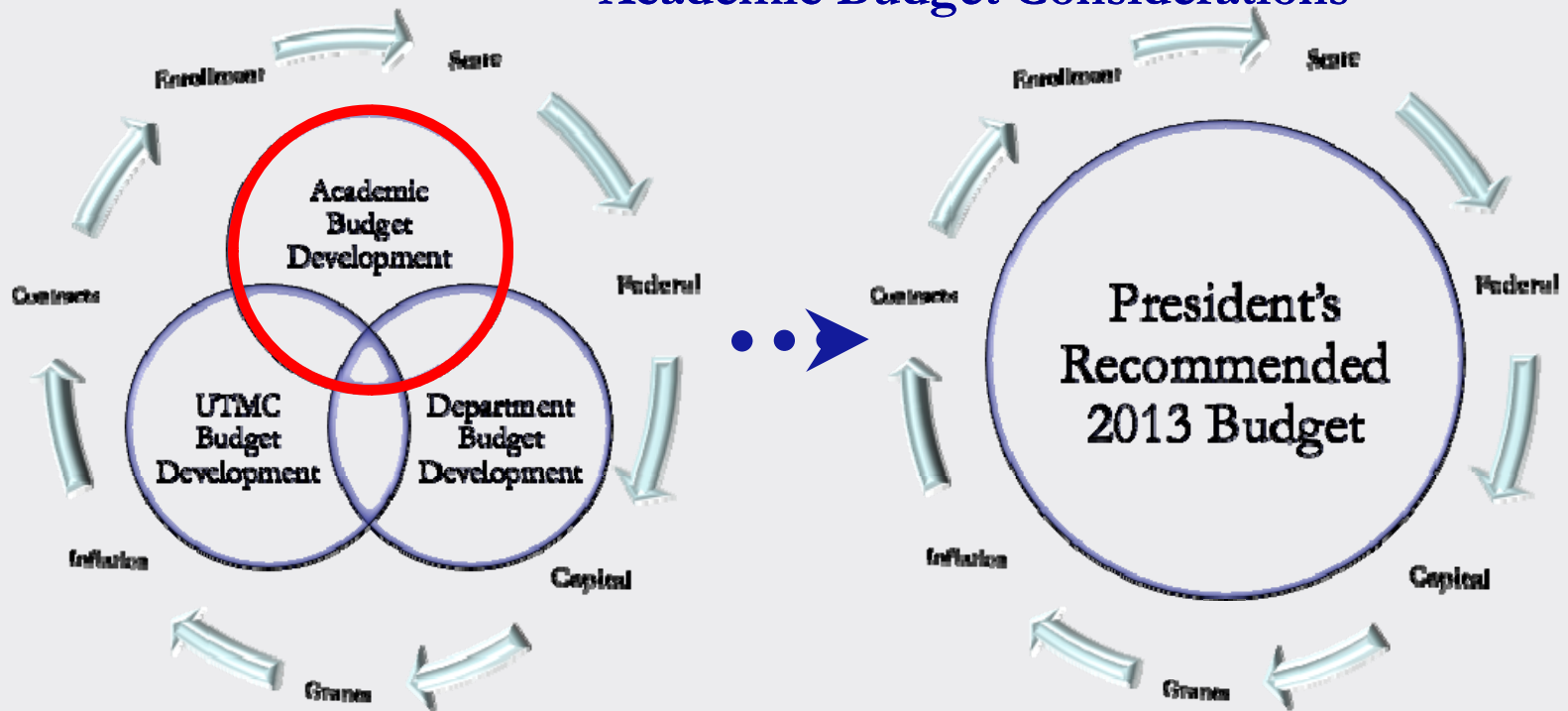
Potential FY12 tuition & fee shortfall carryover to FY13

Known or potential increases in inflation on any other expenses

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FY 2013 Budget Development

Academic Budget Considerations



UNIVERSITY OF TOLEDO LEADERSHIP RETREAT

FY 2013 Budget Development

Academic Budget Considerations

FOUR PHASES OF 2013 ACADEMIC BUDGET DEVELOPMENT

- Phase One: The “Amelioration Project”
- Phase Two: The “Journey of Discovery”
- Phase Three: The “Business Plan”
- Phase Four: The “Hearings & Assembly”

January	February	March
April	May	June
July	August	September
October	November	December

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FY 2013 Budget Development

Academic Budget Considerations

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FY 2013 Budget Development

Academic Budget Considerations

Phase One: The “Amelioration Project” (1)

“The FY 13 Budget Shortfall Amelioration Project” established by the president in mid-October, 2011, is a committee that will meet through early December, and recommend to the president at least ten immediately implementable “action” items that will enhance academic revenue. While emphasizing ways to increase enrollment, the committee will also discuss other revenue enhancement actions such as workplace efficiencies.

This project is well underway with established work groups and reporting structures.

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Phase Two: The “Journey of Discovery” (1)

A “Discovery” process will begin on December 5th and proceed through mid-January. In this phase, a meeting (or multiple meetings) will be held between the Dean and members of his/her College and the Chancellor, Provost, Finance Office and other parties invited by the Chancellor and Provost. The purpose of this meeting will be to discuss the budget process with each College and to gain input and concerns of Deans and other individuals. The emphasis will be on understanding revenues and expenditure patterns. Questions from the budget office will be resolved at these sessions as well. A similar process will occur simultaneously for the previously designated academic schools of the University.

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Phase Two: The “Journey of Discovery” (2)

This December process will be unofficially known as the “Discovery” process, which means that the discussions will be open and candid and will focus on the following items that you should be prepared to discuss:

- Budget considerations to align College strategy implementation
- Enrollment projections for your College’s departments/programs
- Faculty hiring needs (instructional, research)
- New revenues sources and expenses
- Support staffing requirements
- Research programs (failures, successes, and aspirations)
- Academic program review implications

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Phase Two: The “Journey of Discovery” (3)

This Discovery process will also focus on the following fiscal items that you should be prepared to discuss:

- Status of your College’s current budget
- Mid year & FY end of year enrollment & financial projections
- Faculty workload (current & FY 2013 projections)
- Revenue & expense of Centers, Schools and Institutes
- Miscellaneous budget related items

The Provost and Chancellor have asked the Budget Office to review all of the university funds (general, designated, auxiliary, and capital) in preparation for this discovery phase.

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Phase Two: The “Journey of Discovery” (4)

The Provost and Chancellor aided by their budget administrators will convene the December meetings. Mr. David Dabney, Vice President of Finance and possibly other members of the University Budget Office leadership, will contribute their perspective of the FY 12 and the FY 13 budget development.

We encourage you to bring whatever and whomever you wish to the Discovery meetings in order to support your arguments and assumptions. We anticipate that the individual discovery sessions will last between an hour and two hours.

We further anticipate that you will lead the conversation, although we, of course, reserve the right to ask questions and frame the discussions in preparation for the upcoming 2012 formal Budget Hearings.

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Phase Three: The “Business Plan” (1)

In December 2011, each College will be asked by their Provost and Chancellor to develop a Business Plan (a template of three to five pages including a one-page budget) that will address how the various elements of the College including its undergraduate programs, graduate programs, faculty, and students will achieve established goals (whether new or existing) during FY 13 commencing on July 1, 2012.

These plans will include revenues from teaching and research and other sources as well as evaluation of existing and proposed programs using a standardized template. New and existing Schools will also be included in the Business Plan review.

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FY 2013 Budget Development

Academic Budget Considerations

Phase Three: The “Business Plan” (2)

The purpose of the Business Plan will be to clearly enunciate how a College/School currently and into the future educates and prepares its undergraduate and graduate students for employment to achieve the university’s mission of Improving the Human Condition. The potential for enrollment based future economic impact should be clearly enunciated.

Each business plan will be evaluated by the Chancellor and Provost as well as an independent team of community and business leaders.

Recommendations regarding each plan will be subsequently considered as part of the FY 2013 budget guidance and the development of the President’s Recommended Budget.

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FY 2013 Budget Development

Academic Budget Considerations

Phase Three: The “Business Plan” (3)

PROPOSED FORMAT FOR UT COLLEGES

DRAFT

Mission & Vision of the College

Majors, Programs, and/or Institutes.

Note: Name majors, programs, and/or institutes that will be the central players and contributors to the Business Plan, ie, the areas of concentration per student involvement, faculty emphasis, and revenue enhancement. Please reference student placement projections and academic program review.

Student Enrollment/Participation

Note: Student tuition, fees, and subsidies are the primary components of increasing revenue. Also, of course, programs without students have no validity in the university.

Faculty

Note: Detail how the most prominent faculty in teaching, research, and publications are connected with the College’s most prominent educational efforts as identified above.

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FY 2013 Budget Development

Academic Budget Considerations

Phase Three: The “Business Plan” (4)

PROPOSED FORMAT FOR UT COLLEGES

DRAFT

Five-Year Academic Funding Model

Note: Produce a three-year grid tracking the number of students enrolled and graduating, the number of faculty involved, the expense, the revenue, and philanthropy involved with the majors and programs.

Student Internships

Note: Whatever field, create or enhance student internship opportunities.

Research Component

Note: Describe research focus and funding. Submit a three-year grid using benchmarks.

External and Internal Collaboration

Note: In most instances, have at least two examples of collaboration (research or teaching).

Student Success Rate and Job Placement

Note: Document as much as possible concerning job placement, advanced degrees, etc.

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FY 2013 Budget Development

Academic Budget Considerations

Phase Three: The “Business Plan” (5)

PROPOSED FORMAT FOR UT APPROVED SCHOOLS

Mission, Vision & Goals of the School

DRAFT

Degrees Offered (Graduate, Undergraduate, Other)

Research Expansion (Funding Sources & Outcomes)

Governance and Structure (Academic Colleges, Schools)

Budget (Sources & Uses of Operating & Capital)

Accreditation Requirements of Existing & New Programs

Assessment and Accountability – Success Measures

Engagement (UT Colleges, Community, Others)

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FY 2013 Budget Development

Academic Budget Considerations

Phase Four: The “Hearings & Assembly” (1)

Budget assumptions for the FY 2013 will continue to be developed by the University Budget Office and University leadership. They will be based upon analysis of internal UT FY 2012 projections and external state and federal economic considerations.

College/department specific budget pre-hearings will be conducted and completed in advance of the beginning of formal Budget Hearings including the college/department specific academic/finance support team members and University Budget Office leadership.

All Pre-hearings will be conducted and completed in advance of March 2012.

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Phase Four: The “Hearings & Assembly” (2)

The Provost and Chancellor with input from their staffs and the Budget Office leadership will coordinate the Discovery phase with the Business Plan recommendations and the overall University Budget projections for FY 2013.

The guidance for the FY 2013 budget preparation for the colleges and schools will be based upon information gleaned from the Discovery Phase, Pre-hearings and the Business Plans. As such, the budget guidance will vary among and between colleges and schools.

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Phase Four: The “Hearings & Assembly” (3)

Beginning in March, formal budget hearings will be conducted with each of the Colleges to establish a 2013 budget recommendation for consideration. The hearing materials will be based upon the budget guidance and will include:

- 1) College’s FY 12 budget and any budget adjustments that were made during FY 12.
- 2) College’s new proposed FY 2013 budget.
- 3) College’s revenue and expense projections by the Finance Office.
- 4) College’s Business Plan considerations.

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Phase Four: The “Hearings & Assembly” (4)

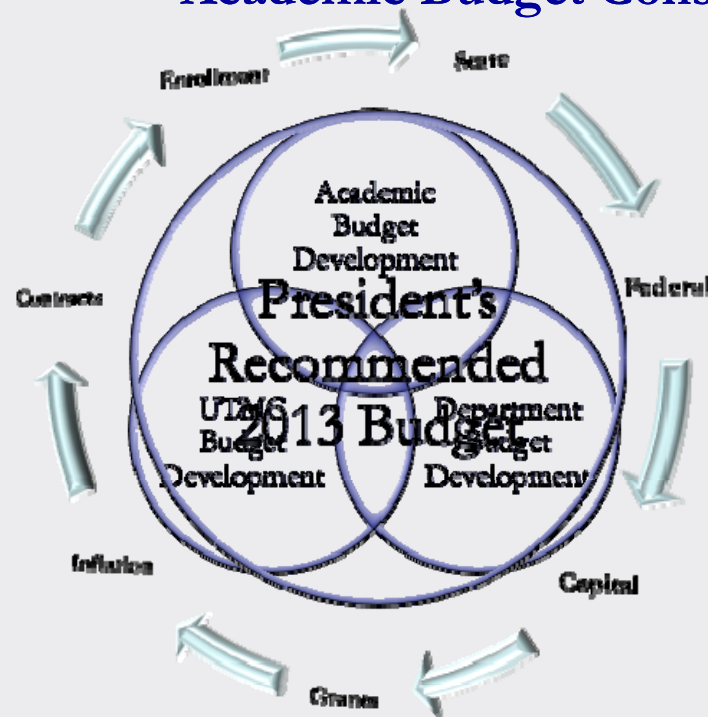
Each College on its designated day will meet for sixty to ninety minutes to review all information and then will possibly reconvene as necessary to present a final budget to the Chancellor, Provost, and budget hearing team. A standardized template for the budget information submission will be distributed in advance of the scheduled sessions.

By April, 2012, the Provost and Chancellor will work with the budget office to integrate the academic units with the business units, auxiliaries, athletics and others to present a final academic budget recommendation to the President for his review and input for inclusion in the “President’s Recommended Budget.”

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THANK YOU

more detail to follow