

Planning for Your Annual Budget Meeting

March 9, 2012

Agenda

- Steinhardt Budget Process Overview
- Preparing for the Meeting
- Tips and Considerations
- Q&A

Steinhardt Budget Process - Fall

- September
 - FY and Academic Plan begin
 - School Academic Plan for **next fall** submitted with big picture priorities
- October/November
 - Enrollment and financial aid meetings with University and with departments

Steinhardt Budget Process – Winter/Spring

- January/February
 - School meets with University senior leadership
 - budget issues
 - priorities of next five years
- March
 - Dept meetings with School senior leadership
 - present budget issues & priorities - focus on next year

Steinhardt Budget Process - Spring

- April
 - Dept meetings with School senior leadership
 - Present budget issues & priorities - focus on next year
- May/June
 - Budget priorities reviewed and approved by Dean's Group

Steinhardt Budget Process - Summer

- July
 - budget finalized & submitted to University for approval
 - tentative approved budgets sent to departments
- August
 - University approves budget

Steinhardt Budget Process - Ongoing

- Provost Approval
 - Faculty searches and new hires
 - Tenure and promotions
- Dean's Group and University HR Approval
 - Administrative
 - Clerical
- School negotiation with University
 - New space renovations
 - New space rentals

Steinhardt Budget Process - Ongoing

- Approvals of emergency new needs
 - Adjuncts
 - Special Projects
 - Financial Aid
 - Undergraduate issues raised by University
 - Graduate issues raised by Steinhardt Office of Graduate Admissions

Steinhardt Budget Meeting - Academic

- First Meeting – February, March 2012
 - Attended by BW, ED, RAK, LB, Chair, DA
 - Questions emailed in advance become the basis for planning
 - Big Picture
- Second Meeting – April 2012
 - Numbers, Details
 - Attended by LB, RAK, Chair, DA
 - Spreadsheet emailed in advance
- Notification of Budget Approval – July

Steinhardt Budget Meeting - Administrative

- One Meeting – April 2012
 - Numbers, Details
 - Attended by LB, RAK, Director
 - Spreadsheet emailed in advance
- Notification of Budget Approval – July

Big Picture - What is a Budget?

- Your strategic goals represented as resources (aka tuition) and expenses
- A PLAN for getting and spending money to reach specific goals by a specific time
- An expression of how we will enact the Steinhardt Academic Plan
- A translation of the planning document into a spreadsheet

The Purpose of the Budget

- Allocate resources in an organized and transparent method
- Easily and consistently see data about resources and spending to inform decision making

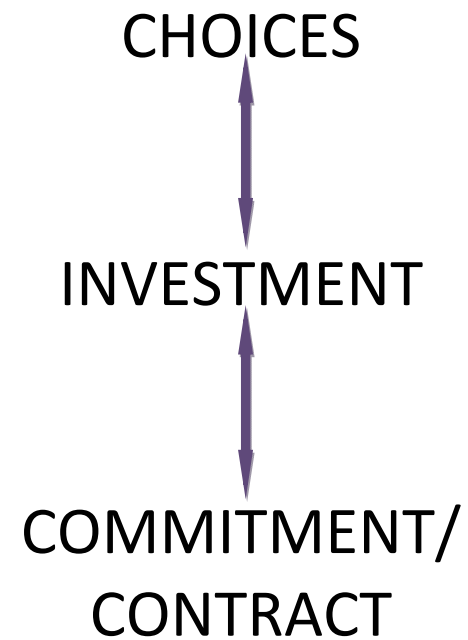
Your budget tells a story about:

- Your Department
 - Priorities and how they mirror/differ from the School and University and why
 - Successes and challenges
 - Your worries and where you see opportunities
- Your Faculty
 - Successes and challenges
 - Needs and achievements
- Your Students
 - Successes
 - Concerns

Your budget tells a story about YOU:

- Your knowledge and integration with your department
- The tools and techniques you have and use to tell the budget story
- Your confidence that the budget story and commitments truly reflect future department actions

Your budget tells a story:



A budget is

- A CHOICE by requestors and approvers to make an
- INVESTMENT in your department
- Your request is a COMMITMENT to perform certain activities funded through this
- INVESTMENT

A spreadsheet without a story is like a sentence with no adjective or verbs – pretty meaningless. The numbers can represent almost anything and can be interpreted many ways by the readers who do not know your department as well as you do. Tell your story, make it meaningful to the readers.

Preparing for the meeting

1. Gather Information
2. Discuss and Confirm Priorities
3. Plug in the Numbers
4. Lay the Groundwork
5. Know Key Indicators

1. Gather and Review Information

- Questionnaire and Responses from 1st Meeting (Academic Departments)
- Identify All Requests
 - New programs, courses, initiatives
 - Closing/ending programs
 - Curricular changes
 - Accreditations

1. Gather and Review Information

Who is Teaching What?

- Courses Offered
- Faculty
 - Sabbaticals, leaves
 - Teaching load, course buy out
- Adjunct needs

2. Discuss and Confirm Priorities

Be Proactive

- Meet with your Program Directors, Chair
- Discuss and Confirm \$ Agreements from Other Sources
 - i.e. Grad Admissions, Development, Global Programs, etc.
- Determine your office Needs
- Check with your faculty (equipment, supplies)

3. Plug in the Numbers

Start thinking about \$\$\$

- Recurring Expenses
 - Look at history
- New Expenses
 - Discuss with Directors, Chair, A&F

3. Plug in the Numbers

Quantify

- Use the budget template
 - Review historical data
 - Cost out new needs, recurring needs
 - Start entering \$ amounts
- Run a preliminary draft of the numbers
- Review with Directors, Chair, A&F

3. Plug in the Numbers

| | | FY10 | FY11 | FY11 | FY12 | FY12 | FY13 | COMMENTS |
|-----------------------------------|-------------|-------------------|-------------------|-------------------|-------------------|-------------------|---------|----------|
| | | Actual | Orig Budget | Actual | Orig Budget | Act + Enc. | Request | |
| | | YearTotal | YearTotal | YearTotal | YearTotal | YearTotal | | |
| | | Current | Current | Current | Current | Current | | |
| | | 10 | 10 | 10 | 10 | 10 | | |
| | | Amount | Amount | Amount | Amount | Amount | | |
| 51118 Salaries - Un PT Col Work S | WSQPG. | \$ (387) | \$ (500) | \$ (459) | \$ (500) | \$ (455) | | |
| 51119 Salaries- | WSQP | \$ 4,015 | \$ 15,000 | \$ 4,100 | \$ 13,000 | \$ 4,549 | | |
| 60120 Honorariums | WSQPG. | \$ 5,000 | | | | | | |
| 60455 Prof Svc - Other -On Site | WSQPG. | | | | \$ - | \$ 10,000 | | |
| 60460 Prof Svc - Purchsd Ofc Srvc | WSQPG. | | | | \$ - | \$ 9,664 | | |
| 63109 Copying & Printing Service | WSQPG. | \$ 115,000 | \$ 113,000 | \$ 110,345 | \$ 55,000 | \$ 55,000 | | |
| 65120 Employee Recruitment | WSQPG. | \$ 55,000 | \$ 70,000 | \$ 7,540 | \$ 55,000 | \$ 33,982 | | |
| 65150 Diplomas & Certificates | WSQPG. | \$ 612 | \$ 500 | \$ 578 | \$ 600 | \$ - | | |
| 65170 Convention Reg & Membe | WSQPG. | | | | \$ - | \$ 890 | | |
| 65182 Dinner & | WSQP | \$ 9,999 | \$ 12,000 | \$ 378 | \$ 10,000 | \$ 2,642 | | |
| 65183 Alcoholic Beverages | WSQPG. | \$ 1,424 | \$ 1,500 | \$ 825 | \$ 1,500 | \$ 974 | | |
| 65187 RECRUIT DINNER/MEETING | WSQPG. | \$ 2,080 | \$ 6,000 | \$ 5,811 | \$ 6,000 | \$ 7,641 | | |
| 65510 Travel & Living - Domestic | WSQPG. | \$ 9,207 | \$ 10,000 | \$ 3,866 | \$ 10,580 | \$ 1,825 | | |
| OTPS total | | \$ 198,322 | \$ 213,000 | \$ 129,343 | \$ 138,680 | \$ 122,618 | | |
| 76990 Contingency Account | WSQPG. | | | | \$ 90,000 | \$ - | | |
| 77050 W/S transfers to Fund 20 | WSQPG. | \$ 892,530 | \$ 383,000 | \$ 383,000 | \$ - | \$ 55,000 | | |

4. Lay the Groundwork

- Know your current year condition
- Run the Budget Exception Report
- Be able to explain any variance
- Toot your horn! Talk about your successes
- Follow your gut – if there's something that you think might be a budget issue, bring it up

Your Key Indicators - Academic

- Enrollment
- Faculty Load
- Adjuncts
- Designated Funds (20, 21, 22)

Your Key Indicators - Administrative

- Student Hourly Workers
- OTPS
 - top 3-5 \$ budget lines
 - Any single line \geq \$5000

Tips and Considerations: Next Year's Budget

- Is your budget consistent with
 - your department's priorities?
 - the School's priorities?
- Think about *both* revenue and expenses
- Define the problem and get help in identifying the best possible solution (it may be your own solution, but determine all the available options before deciding a course of action)

Tips and Considerations: Current Year Budget

- Think about *both* revenue and expenses
- #1 priority: KNOW IN ADVANCE.
- When it comes to budgets – it is easier to determine the right course of action *before* doing something than trying to fix a problem after the fact
- How does what happened this year change what you are asking about for next year?

Preparing for Your Annual Budget Meeting

Questions?