

# Budget Development Ongoing Criteria and Annual Guidelines

## Intro:

- The *Budget Development Ongoing Criteria* is to guide the annual budget development process. These criteria will provide a foundation for the development of the budget annually, and typically will not change year-to-year.
- The *Budget Development Annual Guidelines* will be modified annually to reflect the current fiscal environment and give guidance in the formation of the current year budget.

## Budget Development Ongoing Criteria

The university seeks to develop a budget that:

### Program Planning:

- Addresses the institutional needs identified and prioritized through the university, school, and department planning processes;
- Is multi-year and future-focused in outlook, while also considering current core ongoing needs, in order to ensure long-range financial sustainability;
- Is based on reliable evidence and data to substantiate requests and support recommendations related to current and long-term University priorities, opportunities and risks;
- Aligns resources to achieve goals within initiatives identified through the planning process;
- Follows a similar planning process in times of augmentation or reduction;
- Optimizes enrollment-related revenue and expenditures within the opportunities and constraints of a “small school financial model;” and
- Enhances the University’s research profile and future trajectory as a Doctoral University with “high” research activity according to our R2 Carnegie Classification.
- As new programs are being considered, comprehensive reviews of potential institutional impacts, in coordination with the Institutional Change process, as well as financial benefits and costs will be undertaken.

### Revenue Planning:

- Is based on reasonable and sound revenue projections (increases/decreases);
- Maximizes existing and identifies new revenue sources in enrollment, research, and alternative sources;
- Encourages and supports innovative and entrepreneurial pursuits that strengthen the University’s standing; and
- Recognizes that some/all incremental revenue may be need to address structural shortfalls that have been supported through the temporary use of one-time dollars.

### Expenditure/Investment Planning:

- Leverages, rewards and ensures the effective use of limited resources (existing, reallocated and new);
- Balances the effectiveness of all programs and services with financial feasibility and sustainability;
- Identifies key areas of future investment in order to strengthen the University's academic standing and financial position;
- Considers a full cost model where the impact on support services is identified in program expansion and contraction;
- Contains contingency and reserve funding to address unknown expenses;
- Includes measures to address known and projected changes in fixed costs;
- Provides adequate resources to address accreditation and audit recommendations; and
- Meets statutory and legally mandated revenue/expenditure requirements.

### Annual Guidelines

Each year specific guidelines are separately issued based on the budgetary conditions and institutional needs of the university in the upcoming fiscal year. FY23 major categories of requests are:

1. Structural budget adjustments related to existing allocations on one-time funds
  - a. Discontinue?
  - b. Reallocate funds?
  - c. Seek new on-going funds?
  - d. Combination of above?
2. University priorities and goals
3. New high priority requests