

Changing for Excellence Executive Committee

Budget Process - Lawrence Campus

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KU
THE UNIVERSITY OF
KANSAS

Goal Areas (per Huron report)

- Redesign the annual budget allocation process to encompass all sources of funding
 - Spend a larger percentage of operating funds and endowment distributions, decreasing the rate of balance growth
 - Bring all resources to bear on implementing school and university joint priorities
 - Inform budget development with cost drivers and quality metrics

Goal Areas, continued

- Create budgetary incentives to grow enrollment and improve persistence
- Restatement of Goals: Slow down the growth in current fund balances, to concentrate more resources on implementing strategic priorities.

Risk Assessment

Developing a new budget model represents a significant change for deans and administrative leaders at KU

- Direct involvement of the Provost and senior leadership in the implementation of changes to the budget process will be required to secure buy-in and support of the new process.

Risk Assessment, continued

- Deans are concerned that endowment and carry forward balances will be “swept;” ongoing communication, transparent treatment of funds and consistent implementation will be required to address such concerns and to enable a successful implementation.

Risk Assessment, continued

- Enhancement of the budgeteer role into the budget officer role will provide additional support to enable units and schools to manage budgets on an ongoing basis.

Accomplishments

- Prototype Summary of All Funds revenue and expense provided to Deans and Vice Provosts for budget compacts
 - FY 2011 and FY 2012 YTD (as of 03/31/2012)
 - Will be updating the all funds report to include year end status for FY 2012

Accomplishments, continued

- Modifying the protocol concerning General Use carry forward balances as part of FY 2012 year-end processing.
 - Carry forward balances will be placed in separate, uniquely identifiable costs centers to enable tracking of current year operations within the schools separately from prior year's activity.
 - Monies will be transferred to units upon request, to fund items in carry forward list.

Accomplishments, continued

- Discussions concerning budgeteer role
 - Consideration of additional training needed
 - Interaction with shared service centers

Next Steps

- Refine all funds budget data (AFB)
 - Develop and distribute final report for FY 2012
 - Improve the process by which report is created
 - Ultimate goal to add AFB to DEMIS reporting capabilities for units to monitor/create in real time.

Next Steps

- Pilot project to implement FMW Web (Financial Manager's Workbench-Web edition)
 - Will enhance unit's ability to predict available resources
 - Will facilitate forecast of non-salary expenses
 - Will be using IT as first campus unit to deploy

Next Steps, continued

- Continue to evolve Budgeteer role
- Implement more comprehensive Budget Review Process
 - Review Budget cycle proposed by Huron

Proposed KU FY 14 Budget Development Cycle

Provost's Budget Steering Group (PBSG)

