

2006-2007 :: Budget Office

1. Mission Statement:

The mission of the Budget Office is to support the University's mission to provide the nation with the benefits of educational and research programs of the highest quality, by providing timely, relevant and accurate budget information to the university community in order for them to assess needs, evaluate performance, and identify problems and future opportunities to facilitate the optimal use of university financial resources.

2. Objectives:

2.1 Collapse M&O, Capital, and Travel into One Budget Pool: Collapse M&O, Capital, and Travel into One Budget Pool to provide time savings for Unit Budget Officers through reduced number of BAFS processed.

2.1.1 Related Institutional Priority Item(s): SP-8 Reduce Costs

2.1.2 Standards and Associations:

NACUBO - National Association of College & University Business Officers
SACUBO - Southern Association of College & University Business Officers
TASSCUBO - Texas Association of State Senior College & University Business Officers
CBMI - College Business Management Institute

2.2 Develop Recommendations for Online PAF and Electronic Submission of Operating Budget: Develop recommendations for online Personnel Action Form (PAF) and electronic entry and submission of operating budget to reduce redundancy and increase accuracy.

2.2.1 Related Institutional Priority Item(s): SP-8 Reduce Costs

2.2.2 Standards and Associations:

NACUBO - National Association of College & University Business Officers
SACUBO - Southern Association of College & University Business Officers
TASSCUBO - Texas Association of State Senior College & University Business Officers
CBMI - College Business Management Institute

2.3 Validate Tuition and Fee/Revenue Estimator Models Developed in FY06: Validate Tuition and Fee/Revenue Estimator models developed in FY06 to insure reliability of revenue data used in annual operating budget development process.

2.3.1 Related Institutional Priority Item(s): SP-8 Reduce Costs

2.3.2 Standards and Associations:

NACUBO - National Association of College & University Business Officers
SACUBO - Southern Association of College & University Business Officers
TASSCUBO - Texas Association of State Senior College & University Business Officers
CBMI - College Business Management Institute

2.4 Initiate Budget Process Requiring Alignment of FY08 Budget Requests to Strategic Plan: Initiate budget process requirement that FY08 budget requests be aligned with university's strategic plan and reference specific initiatives and imperatives, to make budget allocation decisions consistent with strategic plan goals.

2.4.1 Related Strategic Plan Item(s): III-1 Dynamic Change Management

2.4.2 Standards and Associations:

NACUBO - National Association of College & University Business Officers
SACUBO - Southern Association of College & University Business Officers
TASSCUBO - Texas Association of State Senior College & University Business Officers
CBMI - College Business Management Institute

3. Measures & Findings:

3.1 Evaluation report of technical accuracy.: Complete evaluation report of technical accuracy of combined budget pool.

3.1.1 Assessment Timeframe: September, 2006

3.1.2 Success Criteria: 100% technical accuracy.

3.1.3 Related Objective(s): Collapse M&O, Capital, and Travel into One Budget Pool

3.1.4 Results Related To Success Criteria: 100% accuracy of the combined budget pool was achieved by end of September, 2006.

3.1.5 Numerical Results: 100% technical accuracy.

3.1.6 Influencing Factors: Coordination with IR department resulted in achievement of success criteria.

3.1.7 Achievement Level: Met

3.1.8 Further Action: No

3.2 Survey of unit Budget Officers.: Conduct survey of unit Budget Officers to determine level of success.**3.2.1 Assessment Timeframe:** Spring, 2007**3.2.2 Success Criteria:** 75% approval by unit Budget Officers regarding process improvements.**3.2.3 Related Objective(s):** Collapse M&O, Capital, and Travel into One Budget Pool**3.2.4 Results Related To Success Criteria:** Results of survey indicated 87.5% approval of the combined budget pool.**3.2.5 Numerical Results:** 87.5% approval as indicated by survey.**3.2.6 Influencing Factors:**

Unit Budget Officers were informed of the process change and received revised BAF instructions.

3.2.7 Achievement Level: Met**3.2.8 Further Action:** No**3.3 Report review of monthly BAF totals.:**

Complete report review of monthly BAF totals to determine reduction in BAFs processed.

3.3.1 Assessment Timeframe: December, January, April, & May**3.3.2 Success Criteria:** 10% reduction in number of BAFs processed each month by unit Budget Officers.**3.3.3 Related Objective(s):** Collapse M&O, Capital, and Travel into One Budget Pool**3.3.4 Results Related To Success Criteria:**

Reduction in number of BAFs processed during 4 sample months exceeded success criteria.

3.3.5 Numerical Results:

25.4% total reduction in BAFs processed during 4 sample months; exceeded 10% in each month.

3.3.6 Influencing Factors: Accurate BAF program change by IR, and effective coordination by unit Budget Officers.**3.3.7 Achievement Level:** Met**3.3.8 Further Action:** No**3.4 Report of recommendations for online PAF.:** Complete report of recommendations for improving online PAF process.**3.4.1 Assessment Timeframe:** August, 2007**3.4.2 Success Criteria:** Recommendations accepted by VPBA and President's Cabinet.**3.4.3 Related Objective(s):**

Develop Recommendations for Online PAF and Electronic Submission of Operating Budget

3.4.4 Results Related To Success Criteria: PAF process improvement was put on hold pending assessment and selection of a new system.**3.4.5 Numerical Results:** N/A**3.4.6 Influencing Factors:**

Time constraints and financial resources were limiting factors; decision to wait and pursue development of a new system.

3.4.7 Achievement Level: Not Met**3.4.8 Further Action:** Yes**3.5 Report of recommendations for electronic submission of operating budget.:** Complete report of recommendations for developing electronic submission of operating budget.**3.5.1 Assessment Timeframe:** August, 2007.**3.5.2 Success Criteria:** Recommendations accepted by VPBA and President's Cabinet.**3.5.3 Related Objective(s):**

Develop Recommendations for Online PAF and Electronic Submission of Operating Budget

3.5.4 Results Related To Success Criteria: Report of recommendations not developed, pending assessment and selection of a new system.**3.5.5 Numerical Results:** N/A**3.5.6 Influencing Factors:** Direction from UT System to evaluate alternatives.

3.5.7 Achievement Level: Not Met

3.5.8 Further Action: Yes

3.6 Report comparing actual revenues with Tuition & Fee Model.: Complete report comparing actual revenues with Tuition & Fee Model to determine level of accuracy.

3.6.1 Assessment Timeframe: Semesterly

3.6.2 Success Criteria: Validation against actual financial data within 3% of Tuition & Fee Model computation.

3.6.3 Related Objective(s): Validate Tuition and Fee/Revenue Estimator Models Developed in FY06

3.6.4 Results Related To Success Criteria: Overall, the Tuition and Fee Model computation was within 3.57% of financial results.

3.6.5 Numerical Results: Computation within 3.57% of financial results.

3.6.6 Influencing Factors:

Since the model was developed based on FY 2006 financial results, the student mix of semester credit hours was not taken into account. In FY 2007, there was a shift in semester credit hours to Non-resident Graduate students while the enrollment by other groups decreased.

3.6.7 Achievement Level: Met

3.6.8 Further Action: Yes

3.7 Report comparing actual revenues with Revenue Estimator Model.: Complete report comparing actual revenues with Revenue Estimator Model to determine level of accuracy.

3.7.1 Assessment Timeframe: Semesterly

3.7.2 Success Criteria: Validation against financial data within 3% of Revenue Estimator Model computation.

3.7.3 Related Objective(s): Validate Tuition and Fee/Revenue Estimator Models Developed in FY06

3.7.4 Results Related To Success Criteria: Overall, the Tuition and Fee Model computations were within 3% of financial results.

3.7.5 Numerical Results: Computations within 3% of financial results.

3.7.6 Influencing Factors:

Accounts without prior year history were removed from the assessment, since the estimator assumes that accounts without history will generate the average revenue on a monthly basis, rather than semester basis.

3.7.7 Achievement Level: Met

3.7.8 Further Action: No

3.8 Evaluation report of budget requests for linkage to strategic plan and initiative/imperatives.: Complete evaluation report of budget requests for linkage to strategic plan and initiative/imperatives.

3.8.1 Assessment Timeframe: Summer, 2007

3.8.2 Success Criteria: 100% compliance by budget units.

3.8.3 Related Objective(s): Initiate Budget Process Requiring Alignment of FY08 Budget Requests to Strategic Plan

3.8.4 Results Related To Success Criteria:

Non-academic budget units submitted Annual Plan for Institutional Effectiveness & Budgeting with budget presentations. Academic Affairs budget review handled through Provost's office.

3.8.5 Numerical Results: 100% compliance by non-academic budget units.

3.8.6 Influencing Factors:

Requirement that linkage to strategic plan and initiative/imperative specified in budget presentation instructions along with revised Additional Funding Needs spreadsheet showing description of request, explanation of need, and linkage to strategic plan.

3.8.7 Achievement Level: Partially Met

3.8.8 Further Action: Yes

3.9 Verification that links to strategic plan are reasonable.: Complete evaluation report of budget requests to verify that links to strategic plan are reasonable.

3.9.1 Assessment Timeframe: Summer, 2007

3.9.2 Success Criteria: 75% compliance by budget units.

3.9.3 Related Objective(s): Initiate Budget Process Requiring Alignment of FY08 Budget Requests to Strategic Plan

3.9.4 Results Related To Success Criteria:

Non-academic budget units submitted Annual Plan for Institutional Effectiveness & Budgeting with budget presentations.

3.9.5 Numerical Results:

100% compliance by non-academic budget units in reasonably linking additional funding needs to strategic plan.

3.9.6 Influencing Factors:

First year of requirement; should improve in accuracy as budget units become more familiar with process.

3.9.7 Achievement Level: Partially Met

3.9.8 Further Action: Yes

5. Closing the Loop:

5.1 Incorporate development of online PAF process with FY08 objective.: Incorporate development of online PAF process with FY08 objective of determining viability of implementing new budget system.

5.1.1 Related Objective(s):

Develop Recommendations for Online PAF and Electronic Submission of Operating Budget

5.1.2 Related Measure(s): Report of recommendations for online PAF.

5.1.3 Responsible Person: Mary Trimble

5.1.4 Target Date: Start Fall, 2007 End Spring, 2008

5.1.5 Priority: High Priority

5.2 Incorporate development of electronic submission of operating budget with FY08 objective.:

Incorporate development of electronic submission of operating budget with FY08 objective of determining viability of implementing new budget system.

5.2.1 Related Objective(s):

Develop Recommendations for Online PAF and Electronic Submission of Operating Budget

5.2.2 Related Measure(s): Report of recommendations for electronic submission of operating budget.

5.2.3 Responsible Person: Marty Baylor

5.2.4 Target Date: Start Fall, 2007 End Spring, 2008

5.2.5 Priority: High Priority

5.3 Continue to assess the changes in tuition and fees structure and student population over the next several fiscal years.:

Continue to assess the changes in tuition and fees structure and student population over the next several fiscal years.

5.3.1 Related Objective(s): Validate Tuition and Fee/Revenue Estimator Models Developed in FY06

5.3.2 Related Measure(s): Report comparing actual revenues with Tuition & Fee Model.

5.3.3 Responsible Person: Virginia Smith

5.3.4 Target Date: Start Fall, 2007 End Summer, 2008

5.3.5 Priority: Medium Priority

5.4 Continue to work with departments, including Academic Affairs, to link budget requests to strategic plan and initiative/imperatives accurately and timely.: Continue to work with departments, including Academic Affairs, to link budget requests to strategic plan and initiative/imperatives accurately and timely.

5.4.1 Related Objective(s): Initiate Budget Process Requiring Alignment of FY08 Budget Requests to Strategic Plan

5.4.2 Related Measure(s):

Evaluation report of budget requests for linkage to strategic plan and initiative/imperatives.

5.4.3 Responsible Person: Marty Baylor/David Gaarder

5.4.4 Target Date: Spring, 2008

5.4.5 Priority: High Priority

6. Analysis:

6.1 Program/Unit Strengths:

6.1.1 Objectives/Outcomes Exceeded or Met: The Budget Office successfully implemented the collapsing of M&O, Capital, and Travel into One budget pool. Success criteria including 100% accuracy, approval by unit Budget Officers, and reduction in BAFs processed was met.

Validation of the Tuition/Fee and Revenue Estimator Models was successful within the 3% success criteria goal and will continue to be monitored for increased accuracy.

6.1.2 Other Strengths:

The Budget Office continued to make improvements in customer service by conducting a written survey to assess and improve Budget Office staff service to budget units. Conducting meetings with School Budget Officers continues to be an important priority each year to discuss and improve the budget process.

6.2 Program / Unit Weaknesses:

6.2.1 Objectives / Outcomes Partially or Not Met: The objective to “Develop Recommendations for Online PAF and Electronic Submission of the Operating Budget” was not met due to the pending development of a new system (financial, budget, HR, and payroll) in coordination with UT System.

The objective “Requiring Alignment of Budget Requests to Strategic Plan” will continue to be a priority for future budget development. The Budget Office will work with the Provost’s office to provide better linkage documentation for Academic Affairs budget units. We will continue to work with budget units during the budget process to increase their understanding of the importance of developing accurate and timely linkages to the strategic plan.

6.2.2 Other Weaknesses: N/A

6.3 Other Areas Needing Improvement: N/A

7. Report:

7.1 Executive Summary:

The Budget Office continued its efforts towards on-going improvement of the operating budget development, implementation, and monitoring process. Evaluation and improvement of this process involves the Budget Office staff, the School Budget Officers, representatives of non-academic units, and executive management.

A new Associate VP for Budget and Resource Planning was named to head the Budget Office, with the appointment of Marty Baylor effective on February 19, 2007.

Major accomplishments during the year included the collapsing of M&O, Capital, and Travel into one budget pool, accuracy validation of the tuition and fee and revenue estimator models, and initiation of the budget process requirement that budget requests be linked to the strategic plan.

Other highlights included analysis of over 230 fiscal notes and BAMs (Bill Analysis Management System) requested by UT System, and the assessment and development of the “Future Perfect” financial model for forecasting strategic initiatives of the university.

7.2 Top 3 Program/Unit Accomplishments: The top 3 program accomplishments during FY 2007 included the collapsing of M&O, Capital, and Travel into one budget pool, accuracy validation of the tuition and fee and revenue estimator models, and initiation of the budget process requirement that additional budget requests be linked to the strategic plan.

7.3 Research Activities or Publications: N/A

7.4 Instructional/Training Activities (presented or received): The Budget Office provides instructional meetings and training as needed to budget units regarding the annual budget process. Individual training is also provided to budget units upon request.

Two budget staff members attended the College Business Management Institute held in August, 2007 at the University of Kentucky, sponsored by NACUBO.

7.5 Public Service: N/A

7.6 Other External Activities: N/A

7.7 Contributions to UTD:

Each year, the Budget Office prepares revised guidelines in response to the dynamic economic climate and changing budget needs of the University. Prior to the budget planning process, the Budget Office staff meets with the School Budget Officers to discuss the budget development calendar, current procedures, and to solicit suggestions for improvements.

During the 2007 Legislative session, the Budget Office coordinated the analysis of proposed legislation affecting higher education, and completed over 230 fiscal notes and BAMS (Bill Analysis Management System) requested by UT System.

In addition, UT-Dallas began the assessment and development of the “Future Perfect” financial model for forecasting strategic initiatives of the university. This project is in coordination with UT System.

7.8 Top 3 Program / Unit Challenges:

The Budget Office will continue to seek ways to reduce the unnecessary processing of paper forms and to improve budget control by departmental units through training sessions, meetings, and written communication. The top 3 program challenges for FY08 include analyzing and determining the viability of implementing a new budget system for the university, initiating the development of the selected automated budget process, and continuing to verify compliance that departmental units link their FY09 budget requests to the strategic plan.

7.9 Detailed Resources Needed to Improve and Fulfill Mission: The highest priority for needed resources will be UTD's commitment and funding of the development of an automated budget process.