15-17 Planning Memo from President
MEMORANDUM

To: Rex Fuller, Provost & Vice President of Academic Affairs
Mary Voves, Vice President for Business and Finance
Stacey Morgan-Foster, Vice President of Student Affairs
Michael Westfall, Vice President of Advancement
Gary Pratt, Chief Information Officer
Bill Chaves, Athletic Director

From: Rodolfo Arevalo, PhD
President

Date: July 1, 2014

Re: Internal State and Self-Support Budget Planning for 2015-17 (FY 2016 and FY 2017)

Eastern’s internal state and self support budget planning period for the 2015-17 biennium will be beginning soon. This past two biennia the leadership team and campus community spent considerable time planning for the next four years through the strategic planning process culminating in the adoption of Inspiring the Future, the strategic plan for 2012-2017. This resulted in the following university wide strategic goals and priorities through 2017:

1. Student Success
2. Institution of Innovation
3. Community Engagement and Impact
4. Visibility

Operating within these priorities, Eastern begins university-wide participation in the budget planning process in August 2014. As part of any thorough and comprehensive budget process, we must proceed in a strategic manner to allocate the university’s current and future resources to optimally position Eastern for the future and the success of our students.

The 2015-17 budget planning process and timeline continues to move toward full implementation of the biennial budget model, with the consolidation of the self-support budget planning and state budget planning. Budget hearings with the President are incorporated into the timeline for the 2015-17 state and self-support budgets.

The budget recommendations for each unit for the stable funding level, any new investment requests, and the self-support budgets must be submitted to the budget planning center no later than November 21, 2014.

1. Reduction levels in your state operating budget. The campus will begin the 2015-17 with a 8% permanent reduction target. This may change depending on the outcome of the legislative budget, tuition authority, and enrollment projections which are balanced with increased institutional costs. The budget office will provide the calculated 8%
reduction for each unit. These budget plans require each budget manager to reduce budgets by the targeted level, establish budget connections with the university strategic plan, and to establish priorities within the units. Each budget manager should determine whether reallocation within your area of responsibility is necessary to achieve the highest level of service to the university within the discrete funding levels.

2. **Stable funding level in your state operating budget.** This budget plan requires each executive level to establish budget connections with the university strategic plan, to establish priorities within the unit, to justify expenditures and to prepare an assessment plan for accountability. Each budget manager should determine whether reallocation within his/her area of responsibility is necessary to achieve the highest level of service to the university.

3. **Self-Support Budget Planning.** Units will plan budgets for each year of the 2015-17 biennium. Budget plans must be accompanied with clear goals and be inclusive of all position changes, new initiatives, and other budget needs (including but not limited to equipment replacement requests, technology implementations, and rate or fee increases) for the entire two-year period.

It is the goal of the university to engage all campus stakeholders in the budget process. Campus forums as well as opportunities for staff, faculty, students, and others to provide recommendations and suggestions will ensure budget recommendations are made in careful consideration of our diverse campus.

The following timeline will allow sufficient time for strategic budget planning prior to Board of Trustee approval of the 2015-17 budgets in June 2015.

- **Summer/Fall 2014** – Units establish strategic goals in direct alignment with university priorities stated above. Unit budget planning for both state and self support funds completed and submitted to budget office. Accountability reports are completed and submitted.

- **December 2014** – Budget Services review of budget plans and preparation of summary information as needed for the president.

- **January 2015** – President’s review of both state support and self-support budget requests. Hearings held with division heads and deans to justify and support budget requests. Modifications of budget requests made as requested by the president.

- **February 2015** – University Budget Committee (UBC) hearings and campus community hearings on proposed budget plans.

- **March 2015** – Presidential decision on budgets made with consideration of UBC recommendations. President recommends 2015-17 budget to the Board of Trustees (BOT).

- **May 2015** – BOT first read of budget plans for 2015-17.

As in the 2013-15 biennial budget process, a secure web based budget planning center will be available to aid in submitting the various budget plans noted above. The budget planning center will provide prior and current year financial information, current and future year budget detail, as well as a variety of reports to assist you in estimating the cost of benefits, enrollment growth assumptions and the fiscal growth factor. A representative from Budget Services will contact your office to provide password access and an overview of the budget planning center as well as answer any questions. The projected timeline for the system and assigned reduction targets is as follows:

August 1, 2014       Reduction targets provided to units
August 15, 2014      Budget planning portal is available

Thank you for your thoughtful process in preparing your budget requests for the upcoming biennium.

Cc:       Mary Voves
          Rex Fuller
          Mike Westfall
          Gary Pratt
          Stacey Morgan-Foster
          Bill Chaves
          Catherine Moss
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