Tentative Budget Planning

Time Line

Presented by Alice Brekke
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January 11, 2017
Overview (based on Dec. 1, 2016 campus communication)

- As required, UND submitted a biennial budget for 2017-19 at 90 percent of general fund level
  - a reduction of $16.6 million for the biennium or about $8.4 million per year
- Additional reductions for 2017-19 are possible
  - a potential reduction to 85% general fund level for the biennium would equate to a total reduction of $25 million or about $12.5 million per year
  - enrollment for FY17 is slightly down, resulting in less tuition revenue
- Final impacts on the UND budget will not be known until:
  - legislative session adjourns
  - approval of FY18 annual budget requirements including tuition rates, salary increase percentages and health premium increases by SBHE
Time Line

Dates

• December 1, 2016
• December – February
• January – March
• January – May

Actions

• Initial budget planning message sent to campus
• Planning for reductions at 4, 8 and 12% reduction levels based on FY17 base appropriated budgets
• Continuation of tuition and fees model development
• Refine strategic plan and assignment of responsibilities
Time Line (continued)

Dates
• February
• TBD (tentative late February)

Actions
• Divisions submit 4, 8 and 12% budgets
• Support Unit Allocation Committee makes recommendations for FY18 funding levels for support unit cost pools
Time Line (continued)

Dates

• February/March

• February 24, 2017

Actions

• Ongoing budget discussions including strategic focus and subvention expectations; finalize support unit allocations to enable primary unit planning

• Conclusion of first half of legislative session (crossover)
Time Line (continued)

**Dates**
- March/Early April
- April
- April
- April 26, 2017

**Actions**
- Ongoing budget discussions; primary unit budget presentations to Provost and VPFO
- Primary unit budget refinement
- Finalize budget scenarios across all divisions
- Last day for legislative session (limited to 80 days)
Time Line (continued)

Dates

• Early May

• Mid June

Actions

• SBHE finalizes annual budget guidelines; final budget decisions are made at the campus level (president)

• FY18 annual budget due to NDUS (data entry and uploads must be complete to roll into new fiscal year)
Items to Consider

• Aggressively identify and implement collaborative/shared service arrangements that improve efficiency while reducing cost
• Aggressively pursue external funding and assign faculty time to produce outcomes
• Centralize services; elect not to rehire positions when vacant
• Consolidate administrative functions/structures to reduce administrative costs
• Digitize documents, recruitment materials, newsletters, etc., to reduce duplication costs
• Eliminate apps/software not used
• Defer/eliminate specific programmatic, operational, and personnel costs based on UND and division priorities
• Consolidate IT services functionally to reduce software, hardware and staff expenses
Items to Consider (continued)

• Optimize class size; special appointment hires rather than tenure-track
• Maximize efficiencies and economies of scale
• Reduce programs in low enrolled and/or non-priority areas to redeploy personnel to support student success and on-time graduation
• Reduce the number of options/electives, especially with low enrollment
• Re-evaluate productivity/workload
• Restructure areas and redeploy staff to ensure necessary skills are available consistent with priorities and functions to be delivered
• Scrutinize and limit operational costs and be as frugal as possible without jeopardizing mission objectives
• Use space management techniques to maximize classroom use
Tools

• Voluntary separation program
• Voluntary reduced FTE
• Early retirement
• Phased retirement for faculty
• Freeze tenure-track faculty searches through remainder of FY
• Soft freeze (additional review) staff searches through remainder of FY