

Integrated Planning Taxonomy Summary – Budget Planning

Introduction

The annual budgeting process at the University of St. Thomas is facilitated by the Controller's Office. The budget year begins on July 1st and ends June 30th. The total budget outlay is approximately \$325 million per annum. The ERP tool used for budget planning is called Cognos Planning.

Timeline

- September – Institutional projections for the current year are developed for net tuition revenue, compensation, and non-compensation.
- October – Margin targets for the schools are developed and communicated to the schools
- November – Budget reviews and adjustments with all departments, academic and administrative
- December and January – Executive budget review meetings and further adjustments
- February – Budget approved by the Board of Trustees

Opportunities and proposed solutions for Integrated Planning

- Opportunity 1 – Revenue targets are not entirely clear at the beginning of the budget process.
 - Potential Solution – Set revenue targets at the very beginning (September) of the budget process. Develop ongoing monitoring process to adjust revenue targets as incoming classes are developed, market research becomes available, etc.
- Opportunity 2 – Capital and other big ticket items for the next fiscal year are not always understood at the beginning of the budget process
 - Potential solution – Use the unit level academic department annual reports as a mechanism for collecting potential high cost expenditures. Especially those items impacting support units such as Facilities, Human Resources, and Information Technology
 - Potential solution – Poll individual support unit managers for their initial thoughts on big ticket expense items.
- Opportunity 3 – Operating income targets for each school are not clear at the beginning of the budgeting process. The schools do not have a target to shoot for.
 - Potential solution - Based on the above revenue and expenses projections, establish operating margin targets for each school to establish the operating income they should be trying to achieve.
- Opportunity 4 – Lack of periodic projection (e.g., monthly, quarterly) reports to create awareness around revenue and expenditure patterns
 - Potential Solution – Create a budget manager working group to increase communication and assist in the development of projection and monitoring tools for use throughout the fiscal year.
- Opportunity 5 – Priorities throughout the institution are not available to guide the decision making progress
 - Potential solution – Explore various program prioritization methods with an emphasis on ranking academic and administrative programs based on mission fit, viability, institutional need, learning outcomes, etc.