A budget is a map guiding an institution on its journey in pursuit of its mission.

Source: College & University Budgeting, NACUBO

Plan Drives Budget rather than Budget Driving Plan
Utah Valley University is a teaching institution which provides opportunity, promotes student success, and meets regional educational needs. UVU builds on a foundation of substantive scholarly and creative work to foster engaged learning. The university prepares professionally competent people of integrity who, as life-long learners and leaders, serve as stewards of a globally interdependent community.
- **Student Success**—UVU supports students in achieving their educational, professional, and personal goals.
- **Inclusive**—UVU provides opportunity for individuals from a wide variety of backgrounds and perspectives and meets regional educational needs.
- **Engaged**—UVU engages its communities in mutually beneficial collaboration and emphasizes engaged learning.
- **Serious**—UVU fosters a culture of academic rigor and professional excellence.
ADMINISTRATIVE IMPERATIVES

- Manage Growth—UVU anticipates and appropriately responds to the region’s higher education needs
- Operate Effectively—UVU utilizes best practices and transparent processes to continuously improve and responsibly use resources
- Secure Resources—UVU seeks and obtains public and private resources to fulfill its mission

Not every decision will easily flow from the plans, but the absence of plans will make each decision a struggle.

College & University Budgeting
Numerous decisions must be made throughout the budget process
  - Critical to mundane
  - Budgeting is essentially a decision-making process

Effective budgeting provides a wonderful opportunity to review options and reprioritize an institution’s agenda.
Source: Institute for Strategic Clarity
DECISION ENVIRONMENT

- Collection of information, alternatives, values and preferences at the time of the decision
- Information and alternatives are constrained by time and effort

Introduction to Decision Making—Robert Harris
Every decision
- follows previous decisions
- enables many future decisions
- prevents other future decisions
“Budgetary decisions naturally evolve from the planning process. By the time the budget process is under way, the critical decisions already have been made.”

“The most successful approach to budgeting is to start with an effective plan—one developed with extensive input from all stakeholders—and to develop the budget based on the decisions reflected in the plan.”

(College and University Budgeting, NACUBO)
PLANNING, BUDGETING, AND ASSESSMENT (PBA)

- Process developed in 2003-04; assessed for improvement each year
- Links planning and assessment to resource allocation
- Promotes collaboration, communication and transparency
- Develops unity toward institutional mission and goals
UVU’S PLANNING, BUDGETING & ASSESSMENT CYCLE

State of the University

Campus Conversations

Division/Departmental Conversations and Divisional Prioritization

PBA

Institutional & Divisional Planning and Assessment

Legislative Outcomes and Tuition Setting

President and Cabinet Decision Making

PBA Outcomes with President Holland

Trustees Approve Operating Budget

Jan
Feb
Mar
Apr
May
Jun
Jul
Aug
Sept
Oct
Nov
Dec
## UTAH VALLEY UNIVERSITY
ALLOCATION SUMMARY
Hoagies with Holland, April 19, 2012
(Note: January 2012 and April 2012 allocation included)

<table>
<thead>
<tr>
<th>Appropriated Funds</th>
<th>Non-Appropriated Funds</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>One-time</td>
</tr>
<tr>
<td><strong>SERIOUS:</strong> UVU fosters a culture of academic rigor and professional excellence</td>
<td></td>
</tr>
<tr>
<td>UVU champions learning through outstanding teaching in an academically rigorous environment</td>
<td></td>
</tr>
<tr>
<td>Science Initiative</td>
<td></td>
</tr>
<tr>
<td>Faculty in Geography, Analytical Chemistry, and Physics; Chemistry Central Stockroom/Chemical Waste Manager; Chemistry Lab Manager; Area Technician; Assistant Dean/External Relations (hourly to salary); funding for science equipment; Chemistry lab ventilation</td>
<td></td>
</tr>
<tr>
<td>$582,000</td>
<td>$496,301</td>
</tr>
<tr>
<td>Strengthen Existing Academic Programs and Services</td>
<td></td>
</tr>
<tr>
<td>Tenure track faculty in Personal Financial Planning, Education/Master’s of Education (2), Emergency Services, MBA Strategy, Criminal Justice, Digital Media; Administrative Assistants in MBA, CAL (hourly to salary), Culinary Arts, CTE (hourly to salary); Costume Shop Supervisor; SOA Area Technician; Library Assistant Archivist; Woodbury School of Business MBA transition; Personal Financial Planning program launch</td>
<td></td>
</tr>
<tr>
<td>$20,000</td>
<td>$1,111,002</td>
</tr>
<tr>
<td>Academic and classroom Technology/Equipment</td>
<td></td>
</tr>
<tr>
<td>Music Wenger practice modules, Music sound reinforcement &amp; recording, Info Systems computer forensic server and tools upgrade, Digital Media asset core systems upgrade, Emergency Services burn building and props, Aviation simulator to match new planes, media enhanced classrooms ongoing R&amp;R, upgrade Smart Classrooms, Turnitin license for 12-13</td>
<td></td>
</tr>
<tr>
<td>$655,500</td>
<td>$50,000</td>
</tr>
<tr>
<td><strong>ENGAGED:</strong> UVU engages its communities in mutually beneficial collaboration and emphasizes engaged learning</td>
<td></td>
</tr>
<tr>
<td>UVU faculty and staff engage students using real-world contexts within the curriculum and activities outside the classroom to increase professional competence and confidence</td>
<td></td>
</tr>
<tr>
<td>Engaged Learning Initiatives</td>
<td></td>
</tr>
<tr>
<td>Global Engagement Week, Capitol Reef Associate Director, Engaged Learning adjunct faculty track, governmental/non-profit internships</td>
<td></td>
</tr>
<tr>
<td>$0</td>
<td>$21,060</td>
</tr>
</tbody>
</table>
TAX FUNDS

- State Revenue Projections
  - General Fund
  - Education Fund
- Legislative Process—determines level of tax fund support
  - Regents Budget Request
  - Governor’s Budget
  - Executive Appropriations Committee
  - Higher Education Appropriations Subcommittee
TUITION

- Impacted by Enrollments and Rates
- Tuition Setting
  - **First Tier Tuition**
    - Historically established as part of appropriation process; Regents approval
    - Same for each USHE institution
    - Provides portion of funds for compensation increases
  - **Second Tier Tuition**
    - Differs by institution; provides funds for institutional needs
    - Involves administration, students, and Trustees; Regents approval
    - Statutory requirements
2012-13 USHE Tuition & Fees
Academic Year, Resident Undergraduate

Source: State Board of Regents (www.higheredutah.org)

- USU-CEU: $2,922
- Snow: $3,086
- SLCC: $3,170
- DSC: $4,089
- WSU: $4,768
- UVU: $4,786
- SUU: $5,577
- USU: $5,931
- U of U: $7,139

TUITION
REVENUE PER FTE

UVU Current Dollars Per FTE
Tax Funds and Tuition & Fees

- 2008-09: $3,810
- 2009-10: $4,098
- 2010-11: $4,241
- 2011-12: $4,359
- 2012-13 Budgeted: $4,657

Tuition & Fees per FTE vs. Tax Funds per FTE
EXPENDITURES

- Cost Increases
  - Compensation, fuel & power, etc.
- Maintain Resources
  - Facilities, IT Infrastructure
- Implement New Programs/Services
- Improve Existing Programs/Services
- Emergencies
The budget reflects the relative priorities assigned to different activities.

**2012-13 Appropriated Operating Budget**
by Functional Classification - $162,749,300

- **Instruction**, $82,753,359
- **Scholarships**, $584,600
- **O&M Plant**, $15,698,159
- **Institutional Support**, $30,351,523
- **Athletics**, $2,545,989
- **Student Services**, $13,102,547
- **Academic Support**, $14,558,757
- **Library**, $3,029,355
- **Public Service**, $125,011
IN THE END, THE BUDGET IS

- A financial plan, within constrained resources, that:
  - Reflects priorities
  - Fiscally responsible
  - Flexible to respond to unanticipated circumstances
  - Applies effect of decisions made through the planning process
IN THE END, BUDGETING IS

- Essentially, the process of saying--

---Because requests always exceed available funds

The art of leadership is saying no, not yes. It is very easy to say yes.—Tony Blair
SIMULATION
What was your decision-making strategy?
What challenges did you face?
How might your colleagues perceive the compensation changes?
Did the allocations impact all of the divisions? Winners, losers?
How did your allocations align with the “plan”?
What requests energized your group?
What do you think will have the longest positive impact?