

Planning and Budget Development Guidelines, FY22

Division of Academic and Student Affairs

As announced in Interim President Tillis's memo on "Plan/Budget Development—FY22," dated November 2, 2021, it is time to begin the annual budget development process at UHD. As we build the FY22 budget as a community, we have an opportunity to build on recent achievements and look toward the future. Across the university, we will continue to be guided by the current strategic plan, and we will also look for opportunities to support initiatives that will carry UHD into the new strategic plan that is currently under development.

At this moment, it is not possible to know what the total UHD budget will be when the FY22 budget year begins. What we do know is that the university enrollment picture will continue to be the dominant factor in determining whether the university has increased/decreased total funds to allocate. Another key factor this year is that we are headed into a legislative session, and with the pandemic, the troubled state of the oil industry, and the presidential election, there are additional factors that will directly and indirectly affect our institutional budget as we head into FY22 on September 1, 2021. Our budget will also be shaped by the priorities and vision of the next president of the institution, and that likely won't be determined until the PBDC process is well underway.

As details about what the overall financial picture will look like at UHD in Fall 2021 are worked out over the course of the current academic year, we will use the budget process to develop a university budget that builds on our strengths, invests in the success of our students, expands programmatic options, and ensures that the university enters FY22 with a strong budgetary framework in place.

As each unit develops its budget request for FY22, there are a number of different factors and revenue sources that will be taken into account, including:

- **New Funding:** investments that require allocations of either new base dollars or new one-time dollars;
- **Local Reallocated Funding:** investments driven by redirecting existing unit funds from one cost-center or initiative to another within the same major unit, in order to better align the unit with current goals and objectives;
- **Global Reallocated Funding:** investments driven by redirecting existing unit funding from that unit to another unit, in order to better align the academic and student affairs enterprise with current goals and objectives;
- **Operational Efficiencies:** investments in new or existing enterprises made possible by achieving cost savings (while maintaining effectiveness) in other areas of the enterprise or unit. Such efficiencies can often be achieved through efficient scheduling practices, the elimination of unnecessary expenses, and so forth;
- **Fund Equity:** investments made possible by the strategic allocation of existing fund balances (note, fund equity generally should not be used—except under certain circumstances—to fund items that should be base-budgeted, especially in terms of personnel.)

Details about the process, timeline, and methodology of the budget development cycle will be forthcoming from the Office of the Provost. I look forward to working with each of you on the development of a budget for FY22 that will serve the institution—its students, staff, and faculty—well. Thank you in advance for your participation in this process.