

ANSWERS TO FREQUENTLY ASKED QUESTIONS

Q: If my department has an idea that will support the strategic plan but it does not require new resources, do we need to put the proposal through the process anyway?

A: No. Departments and units can implement new ideas, in consultation with deans and directors. This budget process encourages decentralized decision-making so that reallocation of resources can happen where it is needed. Everyone is encouraged to examine how we work to determine what we can give up or do differently in order to focus on strategic priorities.

Q: What kind of big changes can I expect with this new process?

A: The biggest change is the opportunity for everyone to become involved in examining what we do and how we support our priorities. We all need to ask whether we are spending our resources—human and financial—in ways that will enable us to achieve our strategic goals. For the first several years, the University will be transitioning into the new model—there will be no sudden changes to personnel. In the first year, all divisional base budgets remain the same; proposals will be funded from one-time funds. Also, during the first year, our program and services evaluation will take place, which will help the university develop academic and divisional plans. In coming years those plans will help departments, units, colleges and divisions make reallocation decisions, as we align our programs and services in the direction we want.

Q: What kinds of budget proposals should I submit?

A: We encourage all proposals for both unmet needs and new initiatives that support our strategic plan. All proposals need to demonstrate how they contribute to our strategic plan, how they benefit students, faculty, staff or the university, and whether they encourage cross-disciplinary activity. All proposals also need to include a description of how the department, unit, college or division will contribute to the total proposal—in reallocation of funds, outside funding or other resources. Our goal is to begin asking “what can we give up?” instead of just adding new initiatives. Quick Win proposals for January-June 2009 are for projects that can be implemented during that timeframe and will advance our strategic planning goals.

Q: Can a department/unit submit more than one proposal?

A: Departments and units can submit as many proposals as they want. Chairs, deans and directors will determine some proposals can be funded internally by doing something differently; those proposals will not be forwarded. The deans and then the vice chancellors make the final determination as to which proposals are forwarded to be reviewed for funding.

Q: My department's budget is chronically underfunded—even for basic expenses like postage and phone service. Should we submit proposals for these kinds of resources which don't address a strategic initiative, but are critical to our mission?

A: Yes, submit a proposal. This will do two things. As the proposal proceeds through the budget process it will prompt discussion of whether permanent dollars (or a combination of permanent and one-time funds) need to be reallocated to correct the chronic underfunding. At the same time, your proposal will be reviewed in the context of the needs and new initiatives submitted by other departments and units, better enabling the deans, vice chancellors and chancellor to assess how best to allocate our resources.

Q: The majority of the University's expenses are in personnel. How does this process address allocation of FTE?

A: More than 85% of UW-Eau Claire's general operations budget is devoted to salaries and benefits. That is why it is important that we identify our priority programs and services, and staff them appropriately. The comprehensive program and services evaluation process will be an important first step, to enable us to map out a staffing pathway for the future. In the recommended budget model, all FTE that come available, through retirement or change, revert to the relevant vice chancellor and will be reassigned based on the academic and divisional plans and the budget proposals submitted through the process. Because the deans and vice chancellors will have the staffing plans in place, they will be able to plan ahead for anticipated FTE changes so they can be made smoothly and transparently.

Q: How does this model address historic imbalances in funding among departments and units?

A: This process does not require that we “zero-base” our budget to realign all departments and units based on a rigorous analysis of individual program costs, needs and national benchmarks. While this would be an effective way to assure that all programs and services are being funded at levels that promote maximum effectiveness, zero-basing is complex, potentially divisive, and time and resource intensive. Rather, this proposed process facilitates incremental change so that as FTE and resources become available, they are allocated to units based on the priorities of the strategic plan, and the programmatic and staffing priorities of the academic and division plans (these plans will be informed by data from national benchmarks). Over time, this process will realign department and unit funding to better reflect the goals of the university.

Q: What criteria are used for the final selection?

A: The criteria include:

- how well the proposals align with the goals of the strategic plan;
- the proposal’s rank, determined by the chairs/directors, deans and vice chancellors;
- the quality of proposals from other divisions—how the outcomes will benefit students, faculty and/or staff;
- what resources are available to fund a particular proposal (some funds are restricted as to what they can be used for);
- whether they require multi-year, one-time or base funding;
- what level of contribution the individual department or unit is able to make toward the proposal;
- the effect of *not* funding the proposal.

Decisions will be subjective, but discussed across divisions in the Chancellor’s Budget Council (which is composed of the chancellor and the vice chancellors).

Q: This process will add to the responsibilities of deans, chairs and directors. Have you considered this?

A: Yes, the Task Force paid close attention to what this process will ask of the campus. It will change the responsibilities of deans, chairs and directors especially, from *managing* a budget to providing more *budget planning* leadership. We believe that this process is necessary, however, if we are to find meaningful ways to engage the university in implementing

our plan. Everyone will need to assess current work practices and talk with deans and vice chancellors to identify what could be changed or eliminated so we can focus on what will make us a stronger university.

Q: I've heard people say "all dollars should be in play." What about all the pots of money in our system—are all the revenues on the table?

A: This budget process is designed to identify the needs and opportunities for funding and to encourage cross-campus collaboration and reallocation. During the early stages of the process, as proposals are being developed, deans and vice chancellors will work with their chairs and directors to be sure that the proposal is being directed to the best funding source—some proposals are better suited for Differential Tuition, for example, and should be directed to that process.

When the proposals have been prioritized and as the Chancellor's Budget Council makes the final funding determination, Business Services is charged with identifying how best to fund the proposals. The reality is that some of the "pots" of resources we have as a University come with System- and State-mandated restrictions on how the dollars can be used. Not all resources can be allocated to our academic mission. Energy savings, for example, have to stay in the account for our energy needs. That said, our goal is to maximize the flexibility we can to use our resources where they are needed. The Chancellor's Budget Council, where the chancellor and vice chancellors come together to discuss the proposals, will be the forum at which innovative approaches to revenue allocation can be discussed. This budget process gives us the ability to identify needs, prioritize and reallocate in line with clearly established plans.

Q: How does this process work when there are System- or State-mandated budget cuts?

A: The process for budget cuts will also be informed by the academic and division plans and, ideally, will not result in across-the-board cuts. We anticipate that, time permitting, the campus will engage in a discussion of suggested reductions and the chancellor's staff will determine what percentage of the cut is to be borne by each division. This model can accommodate proposals for budget reductions as well as proposals for budget increases. Keeping our strategic vision and priorities in the forefront will be important in any budget reduction process.