



EAST TENNESSEE STATE UNIVERSITY

Budget Redesign Committee

Final Recommendations

May 1, 2017

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Budget Redesign Committee

Charge

The Ad-Hoc Committee recommended that ETSU implement a revised budget process incorporating elements from Responsibility Centered Management (RCM) which focuses on budget decentralization. The Interim University Council (IUC) unanimously approved this recommendation on August 10, 2015. The Budget Redesign Committee is charged with recommending to the President the process and details to implement a decentralized budget for ETSU. Additionally, the committee should recommend an educational plan to assure transparency across the University related to the new model. Committee deliverables should include policies and procedures that promote incentives and accountability along with supporting responsible growth. This new model and implementation plan should be recommended to the President by the completion of the 2016-2017 academic year.

Budget Redesign Committee Membership

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BUDGET REDESIGN COMMITTEE

Executive Summary, April 28, 2017

The Budget Redesign Committee proposes that ETSU adopt a “Base-to-Base” budget model to be implemented by the University in 2017-18.

Under a base-to-base model, each College should have budget authority and control, and should have a known base budget at the beginning of each fiscal year. The Committee proposes that each College’s annual budget should be based on the budget from the previous year and adjusted on the basis of its growth or decline.

The Committee recommends that unallocated new revenue (for example, tuition increases or enhanced state appropriations) be distributed on a 70:30 basis, reflecting credit hour generation and number of graduates, respectively, on a three-year rolling average. Credit hour production and graduation rates were chosen because they best reflect the University’s two major sources of funding, namely, student tuition and the Tennessee higher education funding formula. In addition, the budget of the Colleges will be adjusted based on growth or reduction in total credit hour production, such that Colleges that report increased credit hour production compared to the previous year will have a proportionate increase in their budget, while those that report a decrease in credit hour production will have a proportionate decrease in their budget.

In an effort to assure that no College is significantly disadvantaged by the new model, before it has been fully implemented, it is recommended that, in its first year, resources be allocated in such a way as to minimize budget reductions associated with decreasing credit hour revenue.

Anticipated revenues from the so-called “entrepreneurial activities” (summer school, cohort/cost centers, etc.) will be folded into college base budgets but, in the initial implementation of the new budget model, these functions should remain intact as separate entities, until a more comprehensive administrative review can be undertaken. Grants and contracts (both direct and indirect costs), specialized fees, and philanthropic revenues should continue to be treated separately.

The proposed model focuses primarily on the revenue generating Colleges of the University. For those units outside these Colleges, it is anticipated that budgets would be held stable at their baseline year. The Committee recognizes, however, that there must be a process by which these units can make requests to an appropriately constituted Committee (currently the Budget Advisory Committee) for changes to their budgets based on changing demands on those units. The Committee also recognizes the need for ongoing review of the funding levels and operational requirements, for both academic and administrative support centers.

The Committee believes that the University, its students, and its many other partners, will be served best by a collaborative, well-understood, and transparent process by which all University budgets are tightly aligned with the University’s strategic goals, and devolved, to the greatest extent possible, to the Colleges, and where College budgets are adjusted based on changes in

credit hour production and the number of graduates, and protected from overly disruptive year-to-year variations.

Background, Purpose, and Recommendations

With the creation of the Ad Hoc Budgeting Process Committee in 2013, the University began a systematic review of its existing budget processes with the goal of determining whether those processes should be retained, modified, or replaced. After extensive discussions and data-gathering, the Ad Hoc Budgeting Process Committee recommended that the University adopt a new budget model that would be designed along two basic operating principles: 1) Responsibility for budget development, control, and execution should devolve to the Colleges, and 2) The budget process should be fully integrated into the strategic planning process.

Following the presentation of the Ad Hoc Budgeting Process Committee's recommendations to the President in June 2015, the Budget Redesign Committee was established and charged with recommending to the President the process and details for implementing a decentralized budget for ETSU, and was asked to recommend an educational plan to assure transparency across the University related to the new model. The Committee was charged with producing policies and procedures that promote incentives and accountability along with supporting responsible growth.

During the Spring 2017 semester, the committee provided numerous opportunities for faculty, staff, and students to attend educational sessions related to the proposed model. (See attached list of presentations) At these meetings, the proposed model was presented along with representative financial information to better explain the model (See Attachment A). The committee reviewed the feedback from all stakeholders. (See attached feedback document) This information was utilized by the committee in their deliberations to inform the final recommendations.

Throughout its deliberations, the Committee has sought to uphold several overarching principles, such that, any new budget model would:

- Be tied to the overall University's Strategic Plan;
- Devolve budgetary control to the Colleges;
- Be simple, accessible, and transparent to all members of the ETSU family;
- Provide the Colleges with greater year-to-year budgetary predictability;
- Assure that budgetary and personnel resources, assigned to each College, remain under the control of that College;
- Allow the Colleges to roll-over the majority of unexpended resources at the end of each year;
- Link changes in each College budget, proportionately, to increases or decreases in credit hour production and graduation numbers;
- Prevent any catastrophic impact on any College, either in the "startup" phase of the new budget model, or as a result of year-to-year changes;
- Create a process of accountability and periodic review for "centralized" spending with the general expectation that every "centralized" function should be evaluated both for its cost efficiency but also, more generally, for whether it should be devolved to the Colleges;
- Create sufficient funds for the President to invest in strategic initiatives; and
- Be periodically reviewed to assure that the model remains consistent with the goals of the University.

The Committee identified and explored several different budget models, and ultimately selected a “Base-to-Base” budget model. Under a base-to-base budget model each College at ETSU would begin the first fiscal year at the previous year’s budget.

Critical to this process is a fundamental change in the current budget process. Rather than authority and control residing at the level of the University, control and responsibility for distribution of resources within each College would be under the control of that College, as long as the actions of the College are consistent with the University’s overall Strategic Plan.

Each College would begin each year with full responsibility for all budgetary and personnel resources identified as being in that College’s “base.” Each subsequent year’s budget would be based on growth or reduction in student credit hour (SCH) production and based on the allocation of new funding increases or reallocation of funding as outlined in section 3 of the Technical Sub-Committee report included in this document.

For those units outside the Colleges, budgets would be held stable at their baseline year. The Committee recognizes, however, that there must be a process by which these units could appeal to an appropriately constituted committee for increased funds based on changes in demand. Equally important for units outside the Colleges is the creation of a process by which these units would be periodically reviewed to assure that their mission is maximally aligned with the University’s overall mission, and that their funding is appropriate for their mission. This review would also include a determination of whether there are centralized functions that could be devolved to the Colleges, and/or significantly modified or discontinued.

The Committee recognizes that there are certain decisions that require detailed budget expertise. To this end, and with the concurrence of the President, the Committee created a Technical sub-committee. The members of the Technical Sub-Committee and issues that were addressed are outlined in the Technical Sub-Committee report in this document.

The Committee recommends that all budget sources, except money raised by research grants and contracts, course-specific fees, and money raised through philanthropic efforts, be included in the calculation of the initial base. As such, funds currently known as entrepreneurial funds (summer and winter session funds, cohort funds, and cost center funds) would be included in the base budget. Going forward all sources of revenue, except those related to research, specialized fees, and philanthropy, could be treated identically.

The Committee recognizes the importance of providing the President with sufficient resources to allow the University to rapidly invest in strategic initiatives. As such, it recommends that a fund should be created by a mechanism to be proposed by the Technical Sub-Committee. Additionally, the Committee recognizes the importance of the University having a “reserve” fund that could cover unexpected expenses or reductions in revenue. The Committee recommends that such a fund, distinct from the strategic initiative fund, described above, be created.

The Committee feels strongly that new budgetary investments, both by the Colleges and by other units, should be consistent with the University’s over-arching goals and objectives as described

in the Strategic Plan. Any proposals for significant new spending would need to be carefully aligned to the Strategic Plan, and reviewed and approved by an appropriately constituted Committee. While Deans and Senior Leaders will be included in the approval process that currently exists, any significant spending or movement of funds between Departments and Colleges should be transparent and well vetted with leadership at all levels. (Utilizing the BAC when possible or appropriate)

The Committee recommends that the University provide targeted training to Department Chairs, Deans, and other College leadership about how to successfully operate in the new budget model. This could include training in innovation and entrepreneurship as well as basic training in understanding and working with operational budgets.

Finally, the Committee recognizes that, as with any significant change, it will be necessary to regularly and carefully review the impact of this new budget model. Is it having the desired impact? Are there unexpected consequences? Should additional changes be suggested? Ultimately, is the budget model supporting the University's over-arching strategic goals?

The nature of a base-to-base budget model, as described above, is such that the Committee feels that the model could be implemented starting in the next budget year.

Guiding Principles

From the outset, the Budget Redesign Committee has endeavored to ensure that it upheld four overarching guiding principles: transparency, decentralized authority structure, responsibility, and fidelity.

Transparency

By “transparency” the Committee refers both to the ability of the public to make suggestions during the process of developing a new budget and to the accessibility and rationale of any final budgetary recommendations that may serve as the Committee’s products. With regard to the former, the Committee has maintained a web presence identifying its charge, has uploaded meeting minutes, and has made periodic “town-hall” presentations to the faculty and staff senates at important junctures in its deliberations. With regard to the latter, the Committee has maintained its conviction that any revised budgetary operating procedures it recommends would be clearly reasoned, clearly operationalized, and collaborative at the College and unit level.

Transparency also implies clear linkages between budgetary actions and strategic planning at the University, College, and unit levels. Hence, budgetary activity at all levels should be linked to strategic planning at corresponding levels. These horizontal linkages should be complemented by vertical linkages in which units, Colleges, and institutional executives collaborate in the identification, development, and prioritization of budgetary actions. Maximal transparency through these linkages will help ensure that the left hand is always aware of what the right hand is doing.

Decentralized Authority Structure

By “decentralized authority structure,” the Committee means that Colleges, in collaboration with the departments that comprise them, are granted institutional authority to direct their base budgets in pursuit of initiatives that align with their own and institutional strategic plans; and to allocate financial, material, and human resources as appropriate toward the achievement of those initiatives.

Accountability

With transparency and decentralized authority comes local accountability, which the Committee terms “responsibility.” Thus, in collaboration with the departments that comprise them, Colleges are responsible for assessing both the merits of their daily operations and new initiatives and for the consequences of their implementation. Accordingly, just as revenues from College ventures are returned directly to the College, so are unanticipated costs.

Fidelity

Finally, throughout its deliberations the Committee has assumed an institutional “fidelity” to these budget redesign principles and policies, and believes that failure of the institution to faithfully adhere to them will ultimately undermine the recommendations contained herein.

Collectively, these principles have guided the Committee in its move toward a new budget model that will be aligned with the University's Strategic Plan.

TECHNICAL SUB-COMMITTEE OF THE BUDGET REDESIGN COMMITTEE

Membership: James Batchelder, Chair
 Gordon Anderson
 Margaret Pate
 Mark Proffitt
 Randy Wykoff

Recommendation for Budget Model, April 2017

The Technical Sub-committee of the Budget Redesign Committee recommends the following budget model based on the charge given to the sub-committee.

1. *Define Base Budgets*

What should be the “base” budget for each college?

Recommendation: The base budget for each college in 2017-18 should be the October 2016-17 revised budget. As a consequence, no permanent transfers of funds between colleges, or between a college and an administrative unit should be made following the October 2016 budget revisions, except as part of the formal spring 2017 budget process. In subsequent years the base budget should be the revised March budget.

2. *Authority and Control*

What steps can be taken to assure that colleges maintain control of their budgets, personnel, and other resources?

Recommendation: Budget and position authority resides with the Dean of each college. Transfers of positions or funding between colleges, or between a college and another unit, should be kept to a minimum and should occur only as part of the formal spring budget process. Transfers between colleges should be rare because the budget model will assign additional funding to colleges that experience growth.

3. *Changes in College-Level Funding*

What formula should be used to calculate year-to-year budget changes (based on changes in SCH production and graduation rates)?

Recommendation: The revised March budget, for 2017-18 and subsequent years, will be the base budget for the new fiscal year. College funding will be adjusted based on the change in credit hour production from the prior year to the current year. The base will also be adjusted to reflect changes in state appropriations and tuition price changes. New funds will be allocated to colleges based on a 70/30 three year rolling ratio of credit hours produced and degrees conferred (70% SCH/30% degrees) after any mandated allocations of new money, e.g. salary increases tied to state appropriations or a tuition increase, and budget allocations recommended by the Budget Advisory Committee(BAC) have been made.

4. *Review of and Changes to Administrative Unit Funding*

a) *What process should be put in place for administrative units to request changes in their funding levels?*

b) *What process should be put in place to identify administrative functions that might be devolved to the colleges?*

Recommendation: The Budget Advisory Committee will conduct budget hearings annually in the spring to review proposals for changes in funding for administrative units and strategic initiatives (college or university) that require allocation of new funds or reallocation of existing funds. A designated team or committee should be appointed by the President and charged with ongoing, systematic review of administrative unit functions that is both deep and disciplined. This review should assure that administrative units are appropriately funded and appropriately functioning. This review should protect the core educational mission of the university with the overall perspective that activities and oversight that can be devolved to colleges, should be. Activities that are not central to the core mission of the university, that could be devolved to the colleges, or that are not meeting their intended outcomes should be restructured, relocated or discontinued.

5. ***Other Sources of Funding***

Which other sources of funding (specialized fees, “entrepreneurial funds,” research funding, philanthropy, etc.) should, or should not, be included in the “base”?

Recommendation: Philanthropic and research funding are considered as separate entities to the university budget process and as such are not addressed in this budget process. Specialized lab, material, and course fees will remain separate from the budget process and their administration will remain unchanged. Please refer to the recommendations for “Entrepreneurial Funding”, including research indirect costs (F&A) under #9.

6. ***Budget Carryover***

How much should each college be able to “carry over” into a new year?

Recommendation: When the model is fully implemented, colleges will be able to carry over 75% of unexpended funding, i.e. fallout dollars, to the next fiscal year (these should be moved to a separate index or budget line that would not be subject to a 75:25 split in future years) in order to be able to address fluctuations in enrollment. The remaining 25% will be transferred to the general fund, initially to build back reserves.

Administrative units will be able to carry over 50% of unexpended funding to support specific strategic goals, with the remaining 50% being transferred to the general fund. In the initial years, and until the university’s reserves have been rebuilt, colleges will carry over 50% of remaining funds, with the other 50% being transferred to the general fund.

By allowing all units to carry over a portion of their year-end funds, it is anticipated that there will be a decrease in late spring spending resulting in greater year-end balances.

7. ***Cap on Changes in College Budgets***

a) *What should be the maximum amount that a college can increase or decrease in a given year (excluding years of exceptional change university-wide)?*

b) *Should this maximum amount be amortized over several years?*

Recommendation: No maximum increase or decrease is recommended given the varying sizes and activities of the different colleges. Significant increases in funding based on a college's enrollment growth should be provided to that college for further investment. Modest decreases in funding due to a college's enrollment decline should be borne by that college. In a year of significant decline in one or more colleges, or at the university as a whole, or in face of a significant budget shortfall for other reasons, the Budget Advisory Committee should determine whether funds should be reallocated to help offset the budgetary consequences for the colleges.

Given that the university as a whole has been in a period of enrollment decline, and the budget model would be implemented for 2017-18 without time for appropriate planning within the colleges, it is recommended that in 2017-18 consideration should be given to using a portion of new funding (state funding and tuition price increase), as well as additional funds generated through enrollment growth to cover deficits in any college that shows a significant enrollment decline, prior to returning all remaining funds to the generating colleges. Such consideration should be given in 2018-19 also, with up to 50% of enrollment growth funds being used to cover deficits, if necessary, and in 2019-20 the model should be implemented fully.

8. *Strategic Initiative and Reserve Funds*

a) *How much should be in the University's Strategic Initiative Fund and in the Reserve Fund?*

b) *What would be the source of these funds?*

Recommendation: The University should have a Strategic Initiative Fund and the university should continue to contribute to a reserve fund. Setting a cap or target on a Strategic Initiative Fund seems arbitrary. Currently there is no funding set aside for strategic initiatives. The university will be receiving 25% of the fallout dollars from colleges (50% initially) and 50% from administrative units each academic year which will be used to build reserves and fund one-time projects. The Budget Advisory Committee will recommend funding from new state appropriations and tuition price increases to fund strategic initiatives through the budget hearing process.

9. *Entrepreneurial Funding*

a) *How should entrepreneurial funds be handled in 2018-19 and beyond?*

b) *How should they be handled during the transitional year 2017-18?*

Recommendations: A number of separate instructional models and venues, known collectively as "entrepreneurial activities", has been established over the years with the goal of providing incentives to colleges and departments to increase enrollment. The original incentive models have differed by program as they were established, and in some cases they have been modified over time. It is the view of the Technical Subcommittee that, while the subcommittee does wish to fold anticipated revenues from these activities into college base budgets, the existing administrative offices (summer school, cohort/cost centers, etc.) should remain intact as separate entities in the short-term, until a more comprehensive administrative review can be undertaken. This will foster transparency and continued focus on these enrollment initiatives.

While changes to the distribution of indirect cost (F&A) return might be beneficial in order to promote increased grant activity, this will not be considered here. Also, due to its inherent complexity, RODP revenues and distribution to colleges should be handled separately initially. Thus, entrepreneurial activities to be considered here comprise summer and winter sessions, ITV/on-line fees, cost centers, cohort classes, and special courses and clinic revenue. As noted above, these recommendations refer to the initial implementation of the new budget model. The subcommittee recommends that the Budget Advisory Committee consider integrating each of the following activities more fully into the colleges after the budget model is implemented, consistent with the goal that any program or activity that can devolve to the colleges should be.

i). Summer session

This should continue to provide a fixed dollar amount to the general fund (currently set at \$3.5 million) and to summer school office operations (\$270,000). College contributions to that total of \$3,770,000 should be set at their 2016-17 level. In order to facilitate effective use of college summer revenues, an amount equivalent to the previous year's net college revenue should be advanced to the college at the beginning of the fiscal year, and adjusted when actual net revenue is determined. The Technical Subcommittee recommends that better forecasting of summer enrollment be considered.

ii). Winter session

The approach described for summer session would apply also to winter session, the amounts to be provided to the general fund (\$350,000) and operations (\$25,000) continuing as currently set.

iii). ITV/on-line fees

Currently, colleges receive a share of a \$138,000 sum historically associated with the offering of ITV classes, and 30% of on-line fees paid for courses in that college. Since the ITV funds are no longer directly associated with ITV offerings, but are distributed to colleges based on their share of on-line fees generated, the Technical Subcommittee recommends that this \$138,000 should be transferred permanently to college base budgets based on their ITV/on-line SCH generation in 2016-17. The subcommittee further recommends that colleges continue to receive 30% of all ETSU on-line fees. Again, the subcommittee recommends that an amount equivalent to the previous year's college on-line fee revenue should be advanced to the college at the beginning of the fiscal year, and adjusted when actual revenue is determined.

Currently, on-line fee distribution is based on the previous year's revenue, unlike summer, winter and cohort operations where funds are distributed based on the current year's revenue. The subcommittee recommends that in 2017-18 colleges should receive their portion of on-line fees for both 2016-17 and 2017-18. This one-time catching up would help ease the transition to the new model, particularly for colleges in Academic Affairs, and should enrollments continue to decline as predicted. It is recommended that these one-time funds be placed in an index or budget line (as discussed in section 6) that would allow them to be carried forward in their entirety and not be subject to a 50:50 split at year end.

iv). Cost centers

In order to continue to promote and provide incentives for offerings at remote sites, the Technical Subcommittee recommends that programs defined as cost centers continue to operate as they do currently. Administrative costs should be fixed at their current levels and, after administrative and instructional costs are covered, 100% of revenue should be returned to the colleges. Colleges will charge adjunct costs to a college index and not the cost center index. An amount equivalent to the previous year's college cost center revenue should be advanced to the college at the beginning of the fiscal year, and adjusted when actual revenue is determined.

As noted for on-line fees above, currently cost center revenue distribution is based on the previous year's enrollment. The subcommittee recommends that in 2017-18 colleges should receive their portion of cost center funds for both 2016-17 and 2017-18. This one-time catching up would help ease the transition to the new model, particularly for colleges in Academic Affairs, and should enrollments continue to decline as predicted. As above, it is recommended that these one-time funds be placed in an index or budget line (as discussed in section 6) that would allow them to be carried forward in their entirety and not be subject to a 50:50 split at year end.

v). Cohort courses

Currently, 50% of tuition revenue generated from cohort classes, as well as all increases beyond 2011-12 tuition levels, is assigned to the general fund. Other deductions beyond instructional costs include administrative costs, an amount for "academic support", and a benefits pool. The Technical Subcommittee recommends that the general fund allocation and administrative costs be capped at their current level. Funds currently allocated to instructional costs, academic support and benefits pool should be distributed to the appropriate college. Colleges will charge adjunct costs to a college index and not the cohort index. Again, an amount equivalent to the previous year's college cohort revenue should be advanced to the college at the beginning of the fiscal year, and adjusted when actual revenue is determined. The new carryover procedure will apply to cohort funding; the 75% of spring revenue rule will no longer apply.

vi). Special Programs and Clinic Revenue

The process for handling Special Program and Clinical revenue should not be changed except for the one-year carryover provision of the Special Program revenue. The one-year carryover restriction on Special Program revenue should be removed.

vii). Administrative costs

Pending a meaningful review of centralized administrative functions, as called for in the Budget Redesign Committee's report, the Technical Subcommittee recommends that administrative costs and contributions to the general fund should be maintained at their current levels in each of the above programs. Incremental adjustments to administrative costs, such as staff salary and benefits adjustments, should be addressed through new money. Future requests to increase or decrease administrative costs over time should be reviewed by the Budget Advisory Committee.

In addition to the processes outlined above, it is recommended that general academic scholarship funding remain a centrally funded function and continue in the manner that is currently being utilized. (The effectiveness of the current level of scholarship funding should be included within the scope of review of the Budget Advisory Committee.) The tuition pool funding for Graduate Assistantships and Tuition Scholarships should also continue to be handled centrally. . Current methodology for increasing these tuition pools for tuition price increases should remain in place. Under guidance from Human Resources and the Budget Office, benefit dollars from temporarily vacant or permanently eliminated positions will remain in the appropriate indexes and can be repurposed for other budget needs by the respective Dean, or Vice President for administrative units. Funding increases for benefits will continue under current methodology. Funding for faculty promotion should continue to be managed at the university level.

As noted in point 1 above, in order to transition to the new budget model in 2017-18 it is imperative that the October 2016-17 revised budget be used as the base budget for every college for 2017-18.

Model Implementation Going Forward

Much work has gone into the budget model considerations since the inception of the first budget committee formation in 2013. This effort continued with the Budget Redesign Committee and Technical Sub-Committee applying the principles and learnings into the development of a working model to demonstrate the financial metrics and potential outcomes of different budget scenarios. Once ETSU makes the decision to move to the model as part of the university budget process, the designation of ongoing resources to focus on key elements identified by the Committee will insure a positive and successful transition and implementation.

The Committee recommends implementation efforts give attention to the following:

- Development and deployment of educational recommendations and training on the model, the related fiscal responsibilities and financial management implications to key decision makers in the administrative functions, colleges and departments;
- Continued functional implementation of the Technical Sub-Committee recommendations for handling of entrepreneurial funds, ongoing review of the administrative functions, and future assessment of the process for distribution of indirect costs capture from grants;
- Facilitate in closing gaps in the data and information needs for the college and administration functions to support the decentralized nature of the budget model and the related decision making processes;
- Identify and develop data modeling approaches that would lead to forecasting techniques around the budget model outcomes to support strategic decision making for the university, colleges, departments, and administrative functions;
- Manage the integrity of data used for the budget model inputs while ensuring the correctness of budget model outcomes, while checking on the continued alignment with the guiding principles of transparency, decentralized authority structure, responsibility, and fidelity; and
- Integrate the model and its outcomes, along with the underlying principles into the university budget process, incorporating regular systematic review of the model moving forward.

Attachment A

Budget Redesign Committee Presentation Link

PRELIMINARY RECOMMENDATIONS FEEDBACK
Spring Semester 2017

What follows is a list of issues, comments, and concerns that were shared at the various meetings throughout the semester. The committee tried to post as much of this information as possible on the committee website and the IUC website. While this is certainly not intended to be a comprehensive list of all questions or comments provided at the various venues, it is a representative list that the committee took into consideration as we crafted our final recommendations:

- How will “hold-harmless” be implemented? For how long?
- Concerns about previous growth not be recognized in the new model
- How will leadership readiness be addressed (strong support for an educational initiative)?
- Is the University prepared for this cultural shift?
- Concerns expressed that some Deans will not drive the model to the Chair / Department level
- Will the new model promote competition between Departments and Colleges?
- Will the new model prevent Senior Leadership from shifting resources between Colleges without their knowledge and input?
- How do you account for credit hours that fall across fiscal years?
- Considerable discussion about the handling of cohorts moving forward
- Need was expressed for a strong link between strategic planning and budgeting decisions.
- Will there be “rules for engagement” for Colleges collaborating or completing for students?
- What is the role and makeup of the BAC moving forward?
- How are small departments handled in the new model?
- How are non-college department’s budgets determined? (How do they get additional resources?)
- Will the model assure that student fees stay own the appropriate College?
- Is the 50/50 carryover enough of an incentive to prevent an increase in yearend spending?
- Is the hold-harmless approach just managing anxiety about change?
- How will administrative units that reside in Colleges be handled? (Museum, etc.)
- How will Athletics be handled in the new model?
- Will there be carryover this year?
- Why are we doing this? (Student question)
- General comments: Lots of positive comments pertaining to – transparency, decision making at the College level, role of the BAC, carryover policy, leadership training, rewarding growth, dealing with under producing initiatives, hold-harmless, and the base to base model approach.



EAST TENNESSEE STATE UNIVERSITY

BUDGET REDESIGN COMMITTEE

Presentations Spring Semester 2017

- Senior Staff
- Interim University Council
- College of Education
- Council of Chairs
- College of Business and Technology
- Academic Council
- College of Clinical and Rehabilitative Health Sciences
- Faculty Senate
- SGA
- Staff Senate
- Student Affairs Council
- Open Forums (x2)