

“Cliff” Notes version – DRAFT V. 2
Ad hoc Budget Review Committee Report summary notes
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a) Common Concerns and Problems with the Current Budget Process

According to the report, “The unifying theme across these points was a perceived lack of trust among UBC participants, the administration, and the campus community and the lack of transparency of the budget process. The most common concerns regarding the HSU budget process include:

- The lack of a clearly defined and consistent purpose and/or charge for the UBC
- Composition and selection process of UBC members
- Adequate training for UBC members
- A budget timeline that does not support effective decision-making
- The need to clearly articulate and communicate campus budget priorities, policies, and procedures
- The need for clear and consistent data for evaluation and decision-making
- A lack of trust, accountability, and transparency.”

Reorganizing these into two categories and context:

1) Process-related:

- A budget timeline that does not support effective decision-making
- The need to clearly articulate and communicate campus budget priorities, policies, and procedures
- The need for clear and consistent data for evaluation and decision-making

2) UBC-related:

- The lack of a clearly defined and consistent purpose and/or charge for the UBC
- Composition and selection process of UBC members
- Adequate training for UBC members

Context:

- A lack of trust, accountability, and transparency.

b) Recommendations:

1) Process-related:

• All units and committees across campus should review and follow the current campus *Humboldt State University Budget Review Process*.

- Campus administration should develop a clearly articulated and consistent charge for the UBC.
- Campus administration should develop a clear outline of the process by which divisions develop plans to reduce services when budget reductions are required.
- The UBC is better suited to recommend allocations of unbudgeted funds and should not be responsible for recommending where budget reductions should be imposed.
- Campus administration in consultation with the UBC should reexamine the budget time line in the existing budget process.
- The campus should:
 - establish an Office of Institutional Research (OIR).
 - establish a UBC website
 - publish an annual line-item budget book.
- Performance indicators and assessment practices must be developed for all units across campus to initiate a campus culture of institutional effectiveness.
- The UBC should present its recommendations directly to the President and the University Executive Committee in a timely manner and in a public forum. Previous to announcing budget decisions to the campus community, the President should present his/her budget decisions directly to the University Executive Council and UBC in a timely manner and in a public forum.

2) UBC-related:

- The UBC should advise the President on general budget policy.
- The UBC needs training and should become competently informed about the University budget, the budget process, and budget policies.
- UBC should be the year-round oversight body on campus responsible for monitoring the campus budget throughout the year. Such monitoring should include but not be limited to quarterly reports from the University Budget Office on budgeted revenues and expenditures relative to actuals of agreed upon budget categories.
- The UBC should provide timely communication to the Academic Senate, President, University Executive Committee, and the campus community on budget issues, through the internet and other media, as appropriate.
- The UBC should recommend to the President, in accordance with the University Strategic Plan, allocation of unbudgeted funds (including enrollment growth funds) and provide the methodology by which the recommendation be determined.

- The UBC should review the divisions’ plans to reduce services when budget reductions are required and report findings to the President and the University Executive Committee.

- The UBC should review prior year budgets and end-of-year balances to ensure that funding is spent in compliance with campus priorities and prior year allocations as articulated by the President and the Strategic Plan. This requires that at the beginning of the academic year, divisions report to the UBC on outcomes associated with additional allocations received during the prior budget cycle.

- The UBC should employ a consensus decision-making process.

- The UBC should use facilitators rather than chairs/co-chairs.

- It may be an appropriate role for the UBC to undertake a review of the *Budget Policy*, and its addendum, and recommend any needed changes and or follow-up on previous recommendations included in the policy.

UBC composition recommendations:

- Use “campus-wide perspective” as one criterion for membership composition rather than by role or office.

- Remove division vice presidents from membership.

3. Budget issues recommendations:

- Budget priorities must be linked to the university’s strategic plan.