

## UNIVERSITY OF PUGET SOUND BUDGETING PROCESS

Because the operating budget is a document that reflects the University's planning, Puget Sound has relied for many years on an unusually comprehensive process in developing that budget. An advisory committee to the President, the Budget Task Force, reviews reports, analysis and proposals from across the institution and recommends a budget to the President, who considers it and makes a recommendation on the budget to the Board of Trustees. The Budget Task Force consists of two faculty members, two students, two staff members, the Executive Vice President and Chief Financial Officer, and the Provost, who serves as the Budget Task Force chair. The Associate Vice President for Financial Planning and Analysis provides information support.

The Budget Task Force is charged with weighing competing requests and recommending to the President those changes to the base budget which best support and advance Puget Sound's mission and strategic plan priorities. The proposed operating budget includes such key variables as tuition, student fees, increases in the faculty and staff compensation pool, and student financial aid, as well as other revenues and expenses. Specific expectations and parameters for budget development may be presented by the Board of Trustees or President to the Budget Task Force. When revenues for the coming year are projected to exceed current expense levels, the Budget Task Force weighs competing requests for additional funding aligned with the university's strategic initiatives, and recommends budgetary increases to the President. In the more unusual years when projected revenues are insufficient to cover current expense levels, university senior leadership develops their unit's budget proposals to collectively align with the bottom line parameters established by the Board or President. In these situations, the Budget Task Force still will review the overall budget and the reports, analysis and proposals received, and has the discretion to recommend alternative approaches for consideration by the President.

Members of the Budget Task Force are charged with representing the best interests of the University as a whole rather than the interests of any constituent group. All their discussions are to be confidential.

### Budget Task Force Membership

Provost, Chair

Executive Vice President and Chief Financial Officer

Associate Vice President for Financial Planning and Analysis - Information support

Two Students. Each student normally serves a two-year term, one student being new each year. Students apply for membership on the task force by interviewing for the position with the ASUPS President. The ASUPS President then submits two or three recommendations to the

University President who selects the new member.

Two Faculty. The faculty member of the Board of Trustees Finance & Facilities Committee (appointed by the Board Chair on recommendation of the Faculty Senate Executive Committee in consultation with the Provost and the President) serves a simultaneous three-year appointment to the Budget Task Force. The second faculty member normally is the past chair of the Faculty Senate, who serves a two-year term.

Two Staff. Each staff member serves a two-year term with one staff member being new each year. The Staff Senate Chair submits two or three recommendations to the President, who selects each new member.

### Budget Task Force Process and Timetable

The Budget Task Force typically begins meeting in late September or early October to review the current year budget, projections for the coming year, and longer-range multi-year financial modeling. The longer-range projections and goals for enrollment, tuition and fees, student financial aid, and faculty and staff compensation are key elements that inform the budget process. At the start of the process, the Budget Task Force makes open campus presentations to campus constituencies to communicate information about the university's financial status and expected budgetary parameters for the coming year.

As the fall term proceeds, any and all members or committees of the campus community are invited to submit requests or opinions to the Budget Task Force. This generally takes the form of written communication to the Budget Task Force. The campus community is informed of the Budget Task Force deliberations in a variety of ways, e.g. through e-mail, the ASUPS social media accounts, "The Hatchet", and special invitations. Groups or committees that regularly make presentations and requests or recommendations to the Budget Task Force include: ASUPS Executives, Academic Affairs, Communications, Enrollment, Faculty Salary Committee, Finance and Administration, Human Resources Re: Benefits and Salaries, Institutional Equity and Diversity, Staff Senate Compensation Committee, Student Affairs, University Counsel and Risk Management, and University Relations.

Once all have had an opportunity to meet with the Budget Task Force or have their material received by the committee, budget alternatives are considered. The Budget Task Force generally requires the balance of the fall term to come to a recommendation, which it then presents to the President. Formal votes rarely occur. Minority opinions seldom arise. Generally, a broad consensus is developed and agreed to by all members of the Budget Task Force before a recommendation is made to the President.

The Budget Task Force issues a report of recommendations, which is shared with the campus community as a confidential document. The student representatives on the Budget Task Force present the recommendations to the ASUPS Senate, the faculty representatives present to the Faculty Senate, and the staff representatives present to the Staff Senate at the beginning of the spring semester. All students, faculty, and staff are welcome at these presentations. A two-week comment period occurs prior to the February Board of Trustees meeting, during which the Board takes action on the President's recommended budget for the coming year. During this two-week period, any group, committee, or individual of the campus community may write to the President expressing their opinion on any element of the proposed budget. The President has the opportunity to review all material submitted to the Budget Task Force and considers feedback from the campus community and can, of course, change any recommendation made by the Task Force.

The President reviews the recommended budget with the Finance and Facilities Committee of the Board of Trustees in February and final action is taken by the Board of Trustees.