Back to the Future

Connecting Financial Planning & Academic/Programmatic Planning For Future Success

Budget & Fiscal Affairs Workshop

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Budgeting at Indiana University Bloomington

• Why is it important?
  • Understand the “3 Where(s)”
  • Plan for future changes
  • RCM

• Topics in some of the breakout sessions
  • Budget Planning
  • Data- New Tableau Features & Share Point
  • Fund Balance
Strategic planning & Improved efficiencies can help lead us to......

OPPORTUNITIES FOR FUTURE SUCCESS
RCM has changed over the past 20 years but *still allows* for:

- Creating & maintaining a transparent environment
- Aligning responsibility with authority
- Incentivizing for growth and change that mirror our campus mission and objectives
What is Budgeting?

Making *Decisions*

That Allocate *Resources*

To Enable *Action*

Budget Planning is Strategic Planning

Having a strategic plan when budgeting can help facilitate the discussion on the 3 “Whos”.

- Who we were
- Who we are now
- Who do we want to be
Factors in Strategic Planning

Culture (strengths & weaknesses)

Upcoming Fiscal Year Financial Plan

External Environment (opportunities & threats)

Long Term Strategic Vision & Financial Plan (Academic & Programmatic)

Budget (strategic planning)

Internal Environment (strengths & weaknesses)

Academic Programmatic Priorities
Financial Outlook—why the concern?

“I thought our state appropriation was flat?”

“I thought we had an increase in non-residents?”
State Appropriation as PCT of IUB Operating Budget

Source: Fiscal Year July 1 General Fund Base Budget

<table>
<thead>
<tr>
<th>Year</th>
<th>State Appropriation</th>
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<tbody>
<tr>
<td>FY 2008</td>
<td>26.7%</td>
</tr>
<tr>
<td>FY 2009</td>
<td>25.6%</td>
</tr>
<tr>
<td>FY 2010</td>
<td>23.6%</td>
</tr>
<tr>
<td>FY 2011</td>
<td>21.4%</td>
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<tr>
<td>FY 2012</td>
<td>19.6%</td>
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<tr>
<td>FY 2013</td>
<td>19.0%</td>
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<tr>
<td>FY 2014</td>
<td>18.9%</td>
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</table>
Increasing Gap in Funding

Percent Change in State Appropriation and Operating Budget
FY 2008- FY 2014
Source: Fiscal Year July 1 General Fund Base Budget

<table>
<thead>
<tr>
<th>Year</th>
<th>State Appropriation</th>
<th>Operating Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY 2008</td>
<td>4.3%</td>
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<tr>
<td>FY 2009</td>
<td>4.3%</td>
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<tr>
<td>FY 2013</td>
<td>-4.7%</td>
<td>34.8%</td>
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Percent Change since FY 08
State Appropriation and Student Fee Income as PCT of IUB Operating Budget
FY 2008- FY 2014
Source: Fiscal Year July 1 General Fund Base Budget
What’s impacting our revenue & what can be done?

External
- Price Sensitivity
- National strain on non-tuition revenue sources
- Rising Student Loan Debt

Internal
- Continue to explore efficiencies (unit, campus, university levels)
- Online Education
- Partnerships & Collaborations
- Programmatic Review
Strategic Budget Planning Process

Communication
At the Unit, RC, and Campus Level

Budget
Planning

Transparency