

## 2010-11 Budget Reductions and New 2011-13 Budget Request Principles, Procedures, and Timelines

### Introduction

Western was recently informed by the Office of Financial Management (OFM) of the need to submit a new budget for the current fiscal year that includes a \$2,925,000 additional reduction and a budget proposal for the next biennium that builds in a 10% budget reduction. That latter 10% reduction, we estimate, will be about \$11,600,000 for the biennium. That is an estimate; we have yet to receive detailed direction from OFM and are simply assuming, at this point, that that next-biennium 10% is on top of the series of reductions already made.

We are to have the revised 2010-11 budget to OFM on October 13<sup>th</sup>. The new 2011-13 budget proposal is to be submitted to OFM by September 30<sup>th</sup>. So, our usual budget procedures will not work within the timeframes available. We must employ alternative procedures. This document outlines the principles, procedures, and timelines we will follow.

### Additional Budget Reductions for 2010-11

#### Principles:

1. [Priorities and principles](#) established for the previous 2010-11 Supplemental Budget Reductions remain in effect.
2. These are further focused by giving priority to the goal and the four strategies stated in the 2011-13 Budget Request recently adopted by our Trustees.
3. We will not suspend enrollment of first year students.
4. Assume the cuts are to the base budget.
5. Savings must be realized during 2010-11.
6. With the approval of the relevant vice president, **budget reductions, savings from efficiencies, or possibilities to increase revenues should be implemented immediately** if feasible (i.e., without waiting for final approval but subject to possible adjustment when final approval occurs).
7. Transparency, engagement, and accountability will be sought by relying upon engagement of representative campus groups at key points. The timeframe (and time of the year) limits our ability to proceed entirely bottom up, and so, in lieu of those usual practices, leadership of the University Resources Planning Council and the broadly representative President's Cabinet will be more fully involved than our usual budget process provides for.

## Procedures and Timeline

Timeline would be subject to change as further developments may dictate. Plan is designed to provide maximum time for consideration within planning units. The schedule does allow the possibility of presentation and deliberation by UPRC after the academic year has begun but that will be for UPRC to decide.

Step	Who	Completed By
Discussion of budget reduction possibilities begin	Planning unit leaders, consulting as feasible, and without waiting for final process, targets to be set	August 24 <sup>th</sup>
Principles, Procedures, Timeline, targets Finalized	President in consultation with Vice Presidents and UPRC Chair	August 30 <sup>th</sup>
Planning Unit Recommendations Submitted by Vice Presidents	Vice Presidents and Planning Units	September 24 <sup>th</sup>
Formulate Recommendations to President	Vice Presidents, Deans + UPRC Chair	October 1 <sup>st</sup>
Counsel provided to President on Recommendations	Cabinet	October 1 <sup>st</sup>
Decide Recommendation to Trustees; Provide to campus and Trustees	President	October 4 <sup>th</sup>
Approved	Trustees	October 8 <sup>th</sup>
Submit to OFM	University Planning and Budgeting	Oct 13 <sup>th</sup>

## New 2011-13 Biennial Budget Request

### Strategy

Preparation of the new 2011-13 Budget Request will not involve planning units. Rather, centrally and considering the university as an aggregate, we will prepare a submission that explains, at a very high level of generality, how a 10% reduction would affect us: e.g., in total positions affected, in overall instructional capacity and quality, in enrollment management strategies, and such. We could do significant and unnecessary damage to the university if we were too specific about cuts that, in the end, needed not be made. And, we simply do not have the time to follow the procedures we depend upon, bottom up, to make the best possible choices.

Specifics will emerge exactly as has been done the last two years. In the winter and spring, our usual processes unfold as we target not a 2011-13 budget *request*, but, rather, our best estimate of what the actual 2011-13 operating budget will be once the legislature has acted and such matters as the state's economic situation and tuition policies are clearer.

## Timeline

<b>Step</b>	<b>Who</b>	<b>Date</b>
Draft at high level of generality formulated, placed on web	Budget Office working with president, vice presidents	September 3 <sup>rd</sup>
Critiques, suggestions, improvements provided	Faculty, Staff, Students, President's Cabinet, UPRC	September 17 <sup>th</sup>
Recommendation to President formed.	Deans + Vice Presidents	September 22 <sup>nd</sup>
Recommendation to OFM Formed	President under authority delegated to him by Trustees at their August meeting	September 27 <sup>th</sup>
Submit to OFM	University Planning and Budgeting	September 30 <sup>th</sup>
Adopted	Trustees	Oct 8 meeting