Budget Model

“Old Way” = Incremental Budget

“New Way” = Incentivized Resource Management
Or IRM Budget Model
Budget Redesign

Expected Outcomes

• Focus on revenues and revenue development
• Encourage efficient and competitive administrative services
• Identify the true nature of internal subsidies
• Translates strategic goals to align with budget planning
• Optimize incentives to create win-win across university

TRANSPARENCY
New Governance Process

Tentative Plan – Not Yet Final

**Executive Budget Committee**

Charge: To review all final annual budget recommendations from each of the review advisory committees for acceptance into the final budget submission for Board of Regents approval.

**Various Advisory Committees Include:**

- Auxiliary, Space, Support Units, Academic Areas and “New” Strategic Investment
Future Evolution of the Budget Model

Over time, the IRM Steering Committee of academic and administrative stakeholders will periodically review the budget model to consider refinement suggestions to the Executive Budget Committee regarding the incentive structures built into the model.
Annual Budgeting Calendar

- October – Data Gathering for Revenue Forecasts
- November – Begin Advisory/Committee Meetings
- December – Preliminary Revenue Projections
- January thru March
  - Start Hyperion Process
  - Finalize Revenue Projections
- April – July (Legislative vs. Non-Legislative Year)
  - UT System Goals and Priority Hearing with President
  - Draft and Final Submission of Operating Budget
- August – Request BOR Approval for Annual Operating Budget

Budget and Financial Planning
FY 2020 Process

Abbreviated Process

• Currently
  • Working on Revenue Projections
  • Planning for initial advisory/committee meetings
  • Preparing Hyperion for Mid February – Mid April Updates

• Legislative Year
  • UT System Budget Goals & Priorities Hearing – June
  • Final Budget Due July
<table>
<thead>
<tr>
<th>Week of February 4</th>
<th>Hyperion is loaded for both positions and non-position budgets and reconciled to FY 2019 Original Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Week of February 4</td>
<td>FY 2020 Budget Team is set up in Microsoft Teams to share information with FLG Members</td>
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</table>
| **Week of February 25** | Reports provided for the Position Updates:  
1. Positions Budgeted in the prior year  
2. Unbudgeted Position List of current active positions  
3. Unbudgeted Vacant Position List |
| **February 25 thru March 15 (3 weeks)** | Excel Spreadsheets distributed to FLG Members for Hyperion Position Budget Changes  
**IMPORTANT DEADLINE** |
| **Week of March 25** | 1. Central Budget Office Guidelines will be provided to assist with required Hyperion updates by Users.  
2. Hyperion Budget Training  
   a. Post on Online Training Materials for Refresher Training for returning users  
   b. Training Date will be set for any new users added to Hyperion for access  
3. Finalize Hyperion Access for Users (Returning and New) Area Budget Coordinators and FLG Members  
4. Provide Reports needed for FLG Members to complete their Hyperion updates |
| **April 1 thru April 19 (3 weeks)** | Hyperion **OPENS** to Area Budget Coordinators  
Hyperion **CLOSES** to Area Budget Coordinators  
**NOTE:** Cost Centers must be Balanced by this Deadline  
**IMPORTANT DEADLINE** |
| **April 22 thru May 10** | Wrap up by Budget Office:  
1. Finalize Hyperion Budget reports  
2. Prepare Draft Operating Budget and all supplemental schedules for VPBA/President  
3. Preparation of UT System Budget Goals & Priorities for Hearings with President |
| **Early June** | Adjust as a result of UT System Budget Hearings |
| **Late June** | Finalize and Submit Draft Operating Budget and all supplemental schedules to UT System |
| **Early July** | Finalize and Submit Final Operating Budget and all supplemental schedules to UT System |
| **August** | Operating Budgets presented to Board of Regents for Approval |

**FY 2020 Operating Budget Hyperion Timeline**  
Updated 1/30/2019
Budget and Financial Planning

Questions

Discussion