

# UTSA IRM Budget Model Check-in



# Path Towards Implementation

As part of the original model development effort, Huron was asked to conduct a check-in of UTSA’s IRM budget model implementation progress at the end of 2020.

| Pre-Covid Timeline                | FY 18<br>(September 17 – August 18) |    |                          |    | FY 19<br>(September 18 – August 19)  |    |    |    | FY 20<br>(September 19 – August 20) |    |    |    | FY 21<br>(September 20 – August 21) |    |    |    |
|-----------------------------------|-------------------------------------|----|--------------------------|----|--|----|----|----|-------------------------------------|----|----|----|-------------------------------------|----|----|----|
|                                   | Q1                                  | Q2 | Q3                       | Q4 | Q1   | Q2 | Q3 | Q4 | Q1                                  | Q2 | Q3 | Q4 | Q1                                  | Q2 | Q3 | Q4 |
| Suggested Implementation Timeline |                                     |    | Budget Model Development |    | Parallel Year/Hold Harmless Year + Infrastructure Development + Address Unit Level Modifications |    |    |    | "Live" Model (Year 1)               |    |    |    | "Live" Model (Year 2)               |    |    |    |
|                                   | COVID Pandemic                      |    |                          |    |  |    |    |    |                                     |    |    |    |                                     |    |    |    |

- Covid-19 resulted in unforeseen challenges that impacted initial goals for implementation
- UTSA staff had to support other critical initiatives, diligently continued implementation efforts, and made model alterations in response to operational needs
- Campus stakeholders indicated conversations surrounding strategies for addressing recent budget changes are much more robust and informed (vs. those prior to IRM implementation)
- Higher ed continues to explore budget redesign efforts and UTSA is positioned to contribute to industry colleagues’ level of knowledge, preparation, and development

# Initiative Overview

Huron's IRM budget model check-in is part of President Eighmy's commitment to continuous improvement and in support of implementation success.



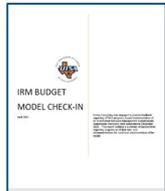
## Interviews

- ~ 4 weeks
- Primary focus – met with 50+ campus stakeholders in 18 different sessions
- Represented academic, auxiliary, and support units



## Document Review

- ~ 3 weeks
- Reviewed model documentation and supporting files
- Reviewed communications from Academic Senate



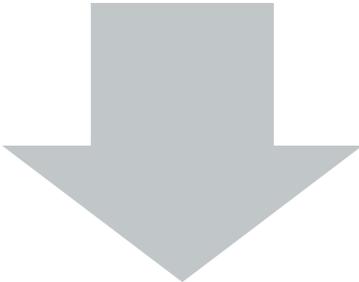
## Report Development

- ~ 4 weeks
- Drafted report and iterated with executive sponsors to provide additional clarity where needed

Budget model implementation is an **iterative process**, and this check-in represents only one part of this process.

# Observations Summary

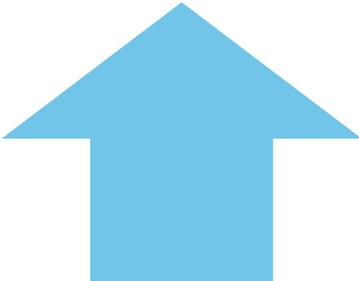
As an outcome of the 50+ stakeholder interviews and review of model information, critical observations surrounding communication, process and technology are summarized below.



Due to unprecedented pressures, efforts to establish model management committees, timeliness of annual budget processes, and budget-related communication were impacted.



Campus stakeholders are supportive of the deployment of a budget model based on incentives and alignment with strategic priorities; deans and department heads expressed enthusiasm for the model's principles and philosophy.



**Net result is a level of inconsistent understanding surrounding effects of COVID-19, the IRM model, and its implementation timeline**

# Observations Detail

As an outcome of the 50+ stakeholder interviews and review of model information, observations surrounding communication, process and technology were summarized as follows:

| Communication  | Processes  | Technology |
|--|--|------------|
| 1. Desire for greater collaboration and communication regarding model and financial decisions            |  |            |
| 2. Opportunity to provide clearer policies, training, SLA's, roles and responsibilities                  |  |            |
| 3. Clarify communication of IRM management structures, budget development timeline, and model incentives |  |            |
|  | 4. Implement budget planning tool to provide robust financial forecasting and ability to develop multi-year budget plans |            |
| 5. Enhance consistent understanding of budget model mechanics and IRM impacts                            |  |            |
|  | 6. Desire for more robust management, reporting and scenario evaluation tools  |            |
|  | 7. Opportunity to refine model mechanics   |            |

# Recommendations by Stakeholder Group

Taking into consideration interviews and observations, the below recommendations were developed for each of the campus stakeholder groups.

- **Senior leadership** should adopt increased channels of communication when discussing alternatives, such as how to address budget reductions or the rationale and support for making potential changes to the budget model.
- **Deans** can improve communication within their colleges by 1) establishing college-level budget advisory resources and ensuring information and data is provided for use in decision-making and 2) clearly and regularly describing to chairs the connections among academic activity and IRM revenue/cost principles.
- To better support unit-level decision-making, **unit staff** could benefit from additional budget training, as well as enhanced budget management and planning tools.
- University-level **support units** should be better resourced to enable staff to devote time to building knowledge and capacity, conduct budget information sessions, engage in robust communication, and begin implementation of enhanced software tools for budget management and planning.

**Huron recommends UTSA continue to implement the IRM model and notes the university is aligned in its budget development maturation timeline.**

# IRM Actions Taken/In Progress

- Added “collaboration” to IRM Guiding Principles and increased regular, iterative discussion with unit leadership regarding potential changes to the model and on overall fiscal planning
- Simplified and addressed unpredictability of expense activity drivers by moving to a support rate concept
- Collaborative discussions with Deans collectively and individually on new revenue for IRMY22 and strategic investment allocation strategy
- Presentations and discussions with consistent messaging to unit representatives and stakeholder groups on IRMY22 planning and IRMY21 Budget Update
- Created activity driver dashboards
- Created one-page IRM overviews for quick orientation to concepts
- Year 1 – Strategic Investment Fund Committee
- Year 1 – Operational Review Committee
- Created IRM dedicated positions to enable more training and engagement, build knowledge in campus units and become more agile to feedback

# Huron IRM Review Presentations

- Deans' Brown Bag – May 25
- University Leadership Council – May 26
- Staff Senate – July 22
- Faculty Senate Executive Committee – July 22
- Auxiliary Units – August 9
- Support Units – August 9
- SGA Executive Committee – fall 2021

A blue-tinted night photograph of a suspension bridge, likely the Golden Gate Bridge, with a city skyline in the background. The bridge's towers and cables are illuminated, and the city lights are visible in the distance. The overall scene is dark with a strong blue color cast.

# Questions?



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