



CMU 2010

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Budget Process

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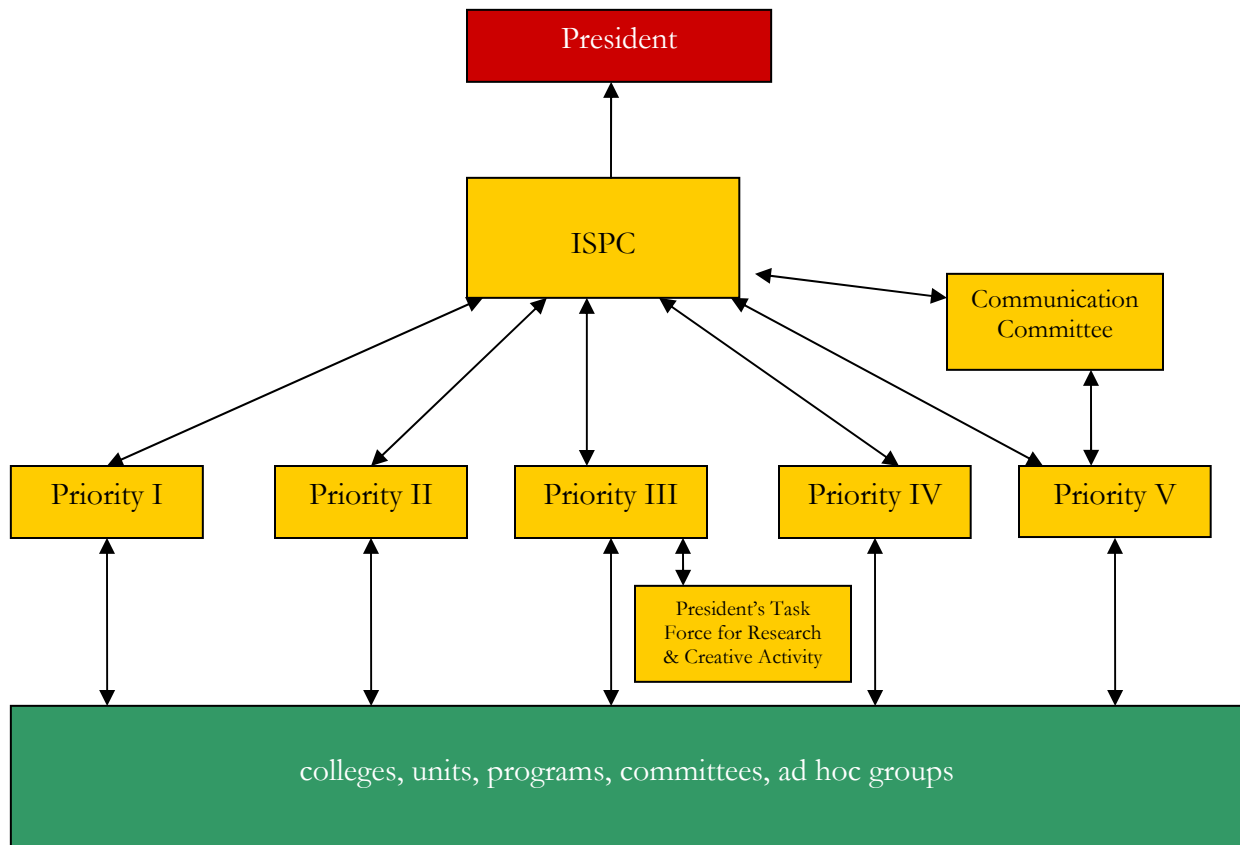
*Unless commitment is made,
there are only promises and hopes;
but no plans.
Peter F. Drucker*

Rationale

Development of an effective means of linking *CMU 2010's* priorities with CMU's budget and spending priorities may be the most difficult aspect of implementing CMU 2010. The overall shortage of financial resources, competing capital priorities and traditions of decentralization and autonomy are just a few of the salient forces that will make this difficult. However, to be an institution with integrity and to fulfill our promises and hopes, a budget process must be developed to fund the implementation of the plan and ongoing planning efforts.

This budget process is built on a number of assumptions about the need for and allocation of resources. It is an annual funding cycle that places annual initiatives as top priorities, followed by opportunistic funding of other activities aligned with the plan. Priority committees will play an important role in recommending funding within each of the priorities and the provost's office will provide overall and ongoing support for the planning effort.

Overview of Project Funding Recommendation Procedure (for projects funded or recognized within CMU 2010)



Assumptions and Procedures

- 1) The priorities within *CMU 2010* will be priorities across campus, with implementation of many initiatives supported by reallocation within existing budgets of units across campus.
- 2) Annually, in CMU's operating budget, there will be recurring and whenever possible new base dollars dedicated to the implementation of *CMU 2010* initiatives for which reallocation within existing budgets is not possible or preferable.
- 3) Funds dedicated to the implementation of *CMU 2010* will be placed in an account called the Vision Fund and will be managed by the provost's office and overseen by the Institutional Strategic Planning Committee (ISPC).
- 4) Decisions regarding spending from the Vision Fund will be guided by the following principles:
 - a) Priorities for spending will align with the priorities within *CMU 2010*.
 - b) The highest priority will typically be for implementation of strategies and initiatives specified within the plan, recognizing there will be occasions when flexibility to accommodate unique opportunities will be needed.
 - c) Allocation of funds may be either to one-time, recurring or base expenditures.
 - d) Formal proposals to secure funding and annual progress reports are required for all projects. Annual reports should detail expenditures, along with evidence documenting how those expenditures furthered the priority toward which they were directed. Typically, annual reports must be received no later than January 15, although the deadline for funding of FY06 initiatives ("year one initiatives") has been extended to December 2006 due to delays in establishment of the FY06 budget.
 - e) Recurring funding (i.e., for second year) will depend on evidence of satisfactory progress toward expected outcomes summarized in annual reports.
 - f) Discontinuation of any base funding awarded as a result of recommendations by the ISPC (i.e., funded by the Vision Fund) will be done in a manner that will allow CMU to satisfy all contractual obligations.
 - g) Each priority committee will provide an annual report on the success of initiatives funded as a result of the committees' recommendations.
- 5) Expenditures associated with the implementation of strategic planning at the institutional level will be funded through and managed by the provost's office. These include those associated with the ISPC and priority committees' operations and communications, as well as the ongoing maintenance of the key performance indicators.
- 6) Each priority committee will have access to discretionary funds to cover its operations.
- 7) An annual budget recommendation for the Vision Fund will be developed, endorsed by the Institutional Strategic Planning Committee and forwarded to the president for approval.

- 8) Beginning in March 2006, proposals for funding from entities wanting to implement initiatives within the plan should be emailed first to the appropriate Dean, Senior Officer or comparable authority. After reviewing, rating and approving the proposal, that person will email the document to Academic Affairs (CMU2010@cmich.edu). After the proposal is logged, it will be forwarded to the relevant priority committee chair for the committee's consideration. All proposals the priority committee deems relevant, worthwhile, the costs reasonable, and the promised outcomes possible within the time and funding requested, will be prioritized and forwarded for consideration to the Institutional Strategic Planning Committee. (See <http://www.planning.cmich.edu/RFP-Documents/RFP-Home.htm>.)
- 9) All requests for funds will follow the guidelines specified by the ISPC and the stipulations put forward by the relevant priority committee. (See <http://www.planning.cmich.edu/RFP-Documents/RFP-Home.htm>.) Note there is a standard cover sheet and budget form that must be used, as well as an outline that must be followed. Faculty should use the two-page vita from the Faculty Information Database (see <http://www.facultycv.cmich.edu>).
- 10) In January 2006 a Request for Proposals will be issued by the ISPC for projects that would begin in FY07. Some priority committees may stipulate the kinds of proposals that are sought, others may leave that open. These stipulations will recognize strategic opportunities and needs for coordinated action. In subsequent years, the RFP will be issued before mid-December.
- 11) Proposals will be due no later than 5pm on March 15 to Academic Affairs (312 Warriner). Proposals should come as attachments to an email message sent to CMU2010@cmich.edu. Confirmation of receipt of proposals will be sent within 48 hours.
- 12) Annually the Integrity Priority Committee will provide the ISPC will an evaluation of the extent to which funds have been used as intended and effectively to achieve strategic and other valuable outcomes.

2006 Timeline

January	<ul style="list-style-type: none"> ▪ Priority committees identify stipulations for FY07 RFP ▪ General FY07 RFP with priority committee stipulations issued
February	<ul style="list-style-type: none"> ▪ ISPC recommends funding for remaining FY06 initiatives
March	<ul style="list-style-type: none"> ▪ ISPC recommends funding for remaining FY06 initiatives
April	<ul style="list-style-type: none"> ▪ Proposals for FY07 received by March 15. ▪ ISPC recommends funding for FY07 to president ▪ President's decisions shared with ISPC and incorporated in FY07 budget ▪ ISPC updates <i>CMU 2010</i> with new initiatives and strategies as appropriate
May	<ul style="list-style-type: none"> ▪ Notification of project leaders, supervisors and campus
July	<ul style="list-style-type: none"> ▪ Annual update given to BOT
October	<ul style="list-style-type: none"> ▪ Pending available funds, second RFP for FY07 proposals issued.
December	<ul style="list-style-type: none"> ▪ Recommendations for funding of second wave of FY07 proposals to president

- Notification of second wave of FY07 project leaders, supervisors and campus
- RFP for FY08 initiatives released by ISPC
- ISPC proposes size of Vision Fund for the FY08 university financial planning
- Annual reports of results from FY06 funding received from project leaders