



# INTEGRATION OF PLANNING, BUDGETING AND ACCOUNTABILITY

Task Force Recommendation

# Draft

Submitted on Behalf of the Taskforce on Planning, Budgeting and Accountability by co-chairs  
Rick Whitfield, Vice Chancellor for Business Affairs and Denise Battles, Provost and Vice  
Chancellor for Academic Affairs

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## Background

Public higher education, always dynamic, is in a period of particularly profound change. Costs are increasing, state funding is decreasing, demographics are shifting, and calls for greater accountability are intensifying. Nationwide, trending in higher education affirms the value of the integration of planning, budgeting and accountability cycles to achieve essential outcomes. Planning, budgeting and accountability (PBA) cycle integration promises to ensure both university focus on shared vision and critical issues; and financial and infrastructure strength; and to establish institutional identity and increase public awareness. PBA cycle integration also promises to rationally and efficiently allocate available resources to achieve strategic goals and objectives; and, lastly, promises to improve communication, encourage collaboration, and enable data-driven decision-making.

UNCW's leadership team and stakeholders have undertaken numerous initiatives to ensure the university is adapting to the changing environment. New strategies were adopted over the last 3 years to enhance planning, streamline budgeting, and increase accountability, although these strategies happened in parallel fashion and were not truly integrated.

In 2012, the Planning Council (1994-2011) was superseded by the University Innovation Council (UIC) primarily to encourage, gather and analyze innovative ideas from across the university and secondarily to advise the Cabinet on issues of strategic importance. In 2013, the University Budget Council (UBC) was created to support the budget process by analyzing the financial viability of all budget proposals as they relate to institutional priorities. In addition, a Unified Budget Process was developed in order to merge the disparate processes associated with the multiple sources of funding on which the university operates, for the purpose of making decisions more strategically.

Shortly thereafter, the Strategic Action Plan Workgroup was charged with revising UNCW's strategic plan and identifying actionable steps and benchmarks for assessment of plan goals. As analytics were becoming a priority to the university, a Revenue and Cost Allocation Model (RCAM) was created to inform investment decisions as related to academic programs. In the meanwhile, accountability measures were being developed at the UNC system level for constituent institutions to measure and monitor efficiency, effectiveness and financial performance.

The abovementioned developments, both locally and system wide, have resulted in a complex and interrelated system of processes that highlight the necessity to reevaluate the current planning method at UNCW and how it links to the budget process and progress measures. As the university prepares for transition in leadership, Interim Chancellor Bill Sederburg recognized this as “an

opportunity for UNCW to demonstrate leadership” in a comprehensive and integrated planning approach and therefore created the Task Force on the Integration of Planning, Budgeting and Accountability. Co-chaired by Vice Chancellor for Business Affairs (VCBA) Rick Whitfield and Provost and Vice Chancellor-Academic Affairs Denise Battles, this Task Force was charged with providing recommendations to the next Chancellor on the following points:

- Changes in the planning process so that key campus constituencies are engaged in shaping strategic initiatives and programmatic directions.
- Changes in the budgeting process so that it aligns with state, campus, and unit plans and requirements, including the appropriate roles for administration and the Board of Trustees.
- Strategies for measuring outcomes and their use in the recommended planning and budgeting processes, including the appropriate role of analytics.
- A comprehensive and coordinated planning, budgeting, and accountability (PBA) system, based on extensive participation, openness, pragmatism, and clarity.

The nineteen-member task force, made up of UNCW faculty, staff, upper level administration, and student representatives (Appendix A), reviewed the following materials in preparation for meeting discussions and a two-day facilitated retreat:

- *Integrated Strategic Plan* - The Society for University and College Planning (SCUP) 2014 Award Winning Model
- *A Practical Guide to Strategic Planning in Higher Education* – SCUP
- *Strategic Plan Alignment* – Education Advisory Board

The retreat, led by VCBA Rick Whitfield and facilitated by Huron Education Managing Director Andrew Laws, focused on the four main points in the Chancellor’s charge. In conclusion, the Task Force has issued the following recommendations with the goal of informing and providing guidance to the next Chancellor:

## Recommendations

The development and timely implementation of a ***comprehensive and coordinated planning, budgeting, and accountability system***, based on extensive participation, openness, pragmatism, and clarity.

The Task Force acknowledged that UNCW does not effectively integrate *planning, budgeting, and accountability*, yet affirmed their commitment to a comprehensive and coordinated PBA system, rooted in extensive participation, openness, pragmatism, and clarity. Based on this commitment, the Task Force advised the following:

- Creation of an executive level integrated planning and budget infrastructure.
  - Infrastructure should have broader representation than the current UNCW Cabinet.
  - Infrastructure should have and maintain key characteristics such as transparency, inclusivity, and open communication.
  
- Infrastructure should facilitate discussion and collection, analysis and dissemination of available data.
  - Supported by numerous campus units, including the UIC, budget managers, faculty senate, staff senate, and student body.
  - Provide insights to the UBC, senior management and/or Cabinet for decision making.
  - Identification, review and dissemination as needed of numerous documents to inform planning discussions, such as the campus master plan, UNC GA strategic plan, system performance funding plan, and the enrollment growth plan.
  
- Infrastructure should assist in the articulation of metrics, dissemination of information and recommendations through membership, frequent and regular communications and open meetings.
  - Institutional Research would support data analysis and reporting.
  - The Office of Budget and Management Analysis (the current University Budget Office) continues to support resource analytics and business plan development of new or expansion of existing programs.

Implementation of changes in the *planning process* so that key campus constituencies are engaged in shaping strategic initiatives and programmatic directions.

In reference to the *planning process*, the Task Force developed the following points for reflection by UNCW’s new leadership:

- A Planning Officer should be installed and assigned responsibility for ensuring successful integration of all aspects of the PBA process.
  
- The planning process should identify strategies that distinguish UNCW and be nimble enough to changing environmental factors through periodic (every 2-4 years) reviews, reprioritization, or reaffirmation of strategies.
  
- University stakeholders are eager to “tell their story”; UNCW’s new leadership is advised to engage in a continuous listening tour to learn about the points of pride, areas of need, and hopes for the future within each unit on campus.
  
- UNCW’s new leadership should recognize the substance of the action items identified in the Strategic Action Plan, while ensuring that the items pursued are driven by a set of core values and a clear UNCW story.
  - The 22 action items need to be prioritized.

- Future planning efforts should be inclusive and balanced, with both bottom-up input (students, faculty, and staff) and board level confirmations – ultimately yielding a shared vision that can be embraced campus wide.
- Planning should be integrated with budget and assessment; resource allocation aligned with priorities; and, accountability and outcome assessment tracked through reports and metrics.

Implementation of changes in the ***budgeting process*** so that it aligns with state, campus, and unit plans and requirements, including the appropriate roles for administration and the Board of Trustees.

Regarding *budgeting* and resource allocation, the Task Force noted a willingness of senior leadership to engage and explain financial numbers and indicated that improvements have been made, though a number of weaknesses persist, including limited ties to strategic priorities, communication gaps, and notable data limitations. The following points are offered for consideration:

- Simplify the resource allocation process to create more transparency, understanding and financial flexibility.
  - Explore the appropriate managerial/financial balance between central and local decision rights.
  - Provide training and support for administrators at different levels about budget management and request processes.
- Develop standardized set of clear and consistent financial reporting in order to establish a base point of reference for departmental budgeting and provide a comprehensive view of available resources.
- Enhance campus communication by creating face to face and virtual methods and modes of communication to explain budgetary processes, metrics, and decisions.
  - Use various methods and modes of communications to encourage strong linkages between faculty activities and financial resources.
  - Ensure that all staff and faculty are aware of current tools and resources available to them at the university.
- Identify and communicate clear strategic objectives and parameters early in the budgetary process.
  - Create incentives to promote strategic priorities, encourage collaborative initiatives and reduce budgetary silos.
- Use more transparent and methodical processes to build trust and promote effective management both in good times and bad times.
- Determine the best levels to make budgeting decisions that allow the university to be nimble; respond to challenges, needs and opportunities; and reflect our core values.

Strategies for *measuring outcomes* and their use in the recommended planning and budgeting processes, including the appropriate role of analytics.

In reference to *measuring outcomes* and accountability, the Task Force noted the existence of a number of current reporting activities employing both university-wide and system-level metrics. The Task Force has issued the following points for consideration:

- Continue use of existing university-wide and system-level reporting metrics.
  - Retain performance metrics reported to General Administration.
- Balance the augmentation of existing metrics with:
  - Locally owned management reports to serve as strategic planning tools, and
  - Select accountability metrics and common dashboard reports made available to unit leaders to serve as periodic progress checks and inform planning and budgeting processes.
- Inform metrics by local units, vetted by leadership teams and mapped to strategic priorities.
  - Time should be spent ensuring that stakeholders are oriented/trained on the application and interpretation of metrics.
  - Units should have the opportunity to add narratives to explain metrics.
- The process for accountability should incorporate common data sets.

## Concluding remarks

The Task Force looks forward to working collaboratively with UNCW's new leadership and is optimistic that its suggestions will help inform the next Chancellor and provide a roadmap to an integrated planning, budgeting and accountability infrastructure that will ultimately strengthen this institution's fulfillment of its strategic objectives. The Task Force feels the approaches discussed here will provide institutional stability in this time of transition, while ensuring that stakeholders are not disenfranchised by a new planning process. The core values of UNCW have driven our initiatives and suggestions and should continue to do so. Our aim is to provide a campus where trust, communication, and transparency are prevalent in our planning, budgeting, and accountability practices. We look forward to the collaboration that will be done in the near future.

## Appendix A: Task Force Members

Denise Battles	Provost and Vice Chancellor-Academic Affairs, Co-Chair
Rob Burrus	Interim Dean-Cameron School of Business
Raymond Burt	Professor, Foreign Languages and Literatures
Steffaney Cohen	Associate Director-Institutional Research and Assessment
Michael Drummond	Board of Trustees
Dana Harris	Senior Associate Athletic Director for Internal Operations
Matt Herrington	Associate Director of Business Services-Housing and Residence Life
Cindy Hucks	Interim Director of Budgets-Budget Office
Rick Whitfield	Vice Chancellor-Business Affairs, Co-Chair
David Mautz	Chair, Department of Accountancy and Business Law
Lori Messinger	Professor and Director of Social Work, College of Health & Human Services and Chair, Faculty Senate Budget Committee
David Ulaszek	Assistant Vice Chancellor for Resource Management, Academic Affairs
Brad Walker	Associate Professor, Watson College of Education
Sarah Watstein	University Librarian

### Other Participants:

Russ McBrayer	Institutional Research Analyst
Steve Meinhold	Professor, Public and International Affairs and President Elect-Faculty Senate
Nancy Spirakis	Business Project Manager, Business Affairs

### Other Participants in the Facilitated Sessions:

Andrew Laws	Huron Education Managing Director
Pat Leonard	Vice Chancellor-Student Affairs

### Task Force Staff:

Lynn Aycock	Executive Assistant, Business Affairs
April Morey Query	Doctoral Student, Watson College of Education