

Northern Illinois University

Your Future. Our Focus.

President's Budget Roundtable

Budget Philosophy 3/6/2023

Outline

- State update
- Role of a CFO
- University Strategic Goals: Theme 6a
- Budget Resource Planning Group
- Next steps

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State Update

- Governor's recommendations
 - 7 percent increase to Higher Education
 - \$6.5 million to NIU
 - \$100 million increase to MAP
 - Maintain Aim High
 - IBHE request
 - 7.5 percent increase to higher ed
 - Distributed Based on Pell
 - \$10.5 million increase to NIU
 - State Process
 - House Higher Ed Appropriations hearing March 2
 - Senate Higher Ed Appropriations hearing March 22
 - Legislature adjourns May 19



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Collaborator and partner

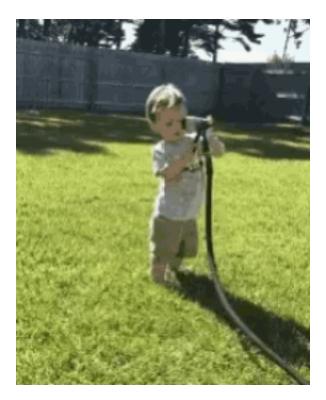
Role of a CFO

- Provide financial leadership
 - Guidance and oversight of the University's finances
 - Disciplined decision making
 - Toes in and fingers out after budget allocated
- Advocate for reasonable change
 - Processes
 - Rules



What I've Done the First 45 Days

NIU



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Theme 6a: Resource Development and Fiscal Responsibility

- Developed the structural and nonstructural budget information for theBoT
- Created annual budget guidance
- Created budget guidelines
- Hired Director of Financial Planning
- Eliminated budget error checking and position control
- Created Innovation Fund
- Implemented the BRAIN group

Budget Resources Planning Group Priorities

- Prioritization
 - Budget decision making that is disciplined
 - Document budget decisions to give clarity and transparency
 - Senior Leadership (SL) and President's Budget Roundtable (PBR)
 - SL develops, maintains, and manage budgets for respective areas
 - Advises President on University budget strategy, planning, and policy based on University priorities, goals, and mission
 - PBR provides perspective on budget proposals and policy, and other University planning for the President's consideration
- Equity
 - All budget decisions balance the mission, values, and goals of the University placing student needs at the forefront
- Rightsizing
 - Metric based approach to allocating, reallocating and reducing budgets to address the structural budget deficit while balancing the need to not solely focus on the "bottom line"

BRPG Priorities



- Innovation
 - Leverage existing funding sources outside of the "02" Fund
- Education
 - Budget 101 training
 - Fiscal responsibility training
- Timeline
 - Develop a strong budget calendar to drive process and decision making

Next Steps



- Post the President/Provost/CFO's letter to the BRPG, BRPG report to the President's Website By April 2023
- Create a budget education program by December 2023
 - Develop an understanding of the differences and similarities of a Planning Process Bredget Process vs Accounting Activities
- Establish a budget process and timeline to phase in a multi-year budget plan by October 2023
- Understand the true nature of the deficit
- Understand the flow of funds in the University's general ledger
- Establish realistic budget targets



Questions

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