



# 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

# 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

# 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
- Collaborator and partner

# What I've Done the First 45 Days



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# Theme 6a: Resource Development and Fiscal Responsibility



- Developed the structural and non-structural budget information for the BoT
- 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 Budget 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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