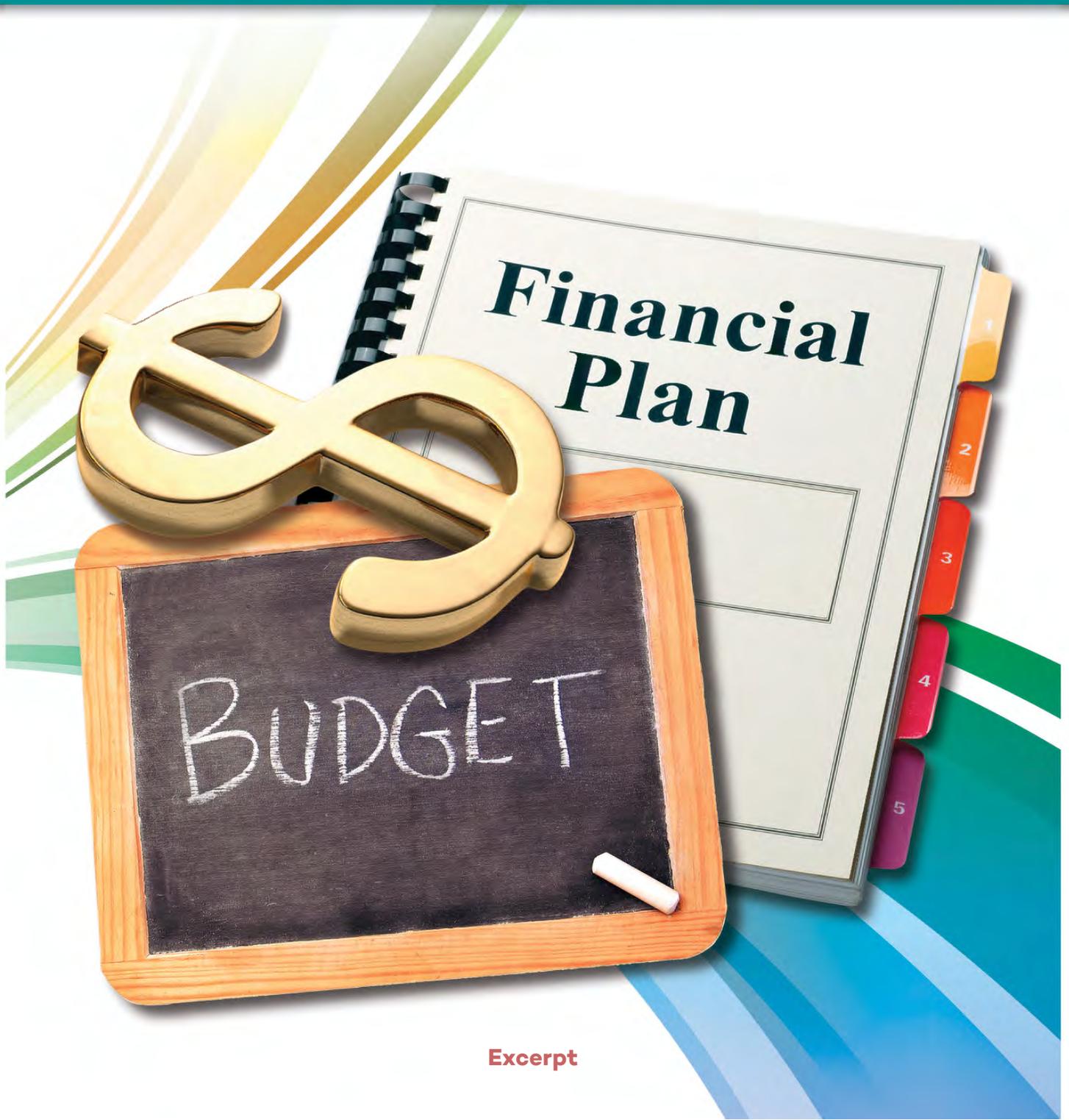


# INTEGRATED RESOURCE AND BUDGET PLANNING AT COLLEGES AND UNIVERSITIES

EDITED BY CAROL RYLEE



Excerpt

**Integrated Resource and Budget Planning at Colleges and Universities**  
**edited by Carol Rylee**

Society for College and University Planning  
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### **About SCUP**

The Society for College and University Planning is a community that provides its members with the knowledge and resources to establish and achieve institutional planning goals within the context of best practices and emerging trends.

### **What is Integrated Planning?**

Integrated planning is the linking of vision, priorities, people, and the physical institution in a flexible system of evaluation, decision-making and action. It shapes and guides the entire organization as it evolves over time and within its community.

### **About This Resource**

SCUP members have asked for more digital resources. It's clear to SCUP leadership that digital and mobile are essential elements of a 21st century knowledge resource. As a response, this is SCUP's first fully mobile publication, downloadable in three file formats which, among them, satisfy the requirements of extant reading devices. Use it. Share it.

*For more information, visit [www.scup.org](http://www.scup.org)*

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## **Introduction & Overview**

**by Carol Rylee, University of Delaware**

*Integrated Resource and Budget Planning*, SCUP's first mobile-friendly publication, is the culmination of several years of discussions, face-to-face roundtables, conference calls, and virtual meetings by the Society for College and University Planning's Resource & Budget Planning Advisory Group.

We had observed that SCUP's publications, professional development events, and communications did an excellent job of assuming the integrated nature of resource and budget planning throughout the campus. Like information technology, resource and budget planning is woven into every aspect of our institutions, and is involved whenever planning takes place regarding learning space, academic program change, transformation of student services. The list is literally endless.

But was that enough? We thought not. The advisory group's work began with the goal of bringing resources to SCUP's membership that highlight, rather than assume, the role of resource and budget planning throughout all segments of an institution's operations. The idea of a collection of articles highlighting the diverse areas in which budget and resource planning are integrated into an overall planning effort eventually became the series of articles in this publication. Many of the chapters were written by members of the advisory group, and all are written from the particular operational expertise of experienced practitioners.

One only needs to browse the table of contents of this book to see the diversity of ways that integration of resource and budget planning are integral aspects of a higher education institution's operations.

Carnegie classification characteristics of colleges and universities help to shape their resource and budget planning needs. This fact is reflected in "Private vs. Public Higher Education Budgeting" and "Community College Budgeting and Financial Planning Issues."

The various realms within which resource and budget planning is critical at an institution are reflected in the diversity of chapters such as "Predictive Modeling: Linking Enrollment and Budgeting," "Budgeting Academic Space," "Budgeting Issues Related to Personnel," "Academic Resource and Budget Planning," "Capital Budgeting," and "A Method for Determining the Cost of Graduate Programs."

Two chapters share insights into budgeting models. "Performance Based Budgeting" is a case study and "Academic Deans' Perspectives on the Effectiveness of Responsibility Management" presents original research and suggestions.

Finally, three chapters address the administrative structure needed for successful, integrated resource and budget planning. "A Primer on University Budgets" is a resource to be shared with professionals new to budgeting, or new to budgeting within a higher education institution. "Implementation of Enterprise Financial Systems" presents an overview of the implementation of financial systems critical to gathering and reporting budget and planning information. "Integrated Budgeting and Planning" explores what an integrated planning and budgeting framework is and the benefits that such a framework can bring to your institution, and does so in a very practical, step-by-step way.

I want to thank once again the authors of these chapters, and my fellow members of SCUP's Resource and Budget Planning Advisory Group for their knowledge, time and effort in crafting such an excellent topic list, and writing or shepherding such excellent articles to production and dissemination. They, and I, hope SCUP members will find this resource valuable in their daily professional lives.

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Thirty-five years ago, when I worked for the Illinois Board of Higher Education, the board brought public and private higher education campus leaders together at statewide public policy and master planning discussions. Those meetings contributed toward public funding being leveraged via the efficient and use of resources, to promote access to higher education and choice across public and private institutions. Higher education was seen as a public good, contributing to a more educated citizenry and economic growth. That has changed.

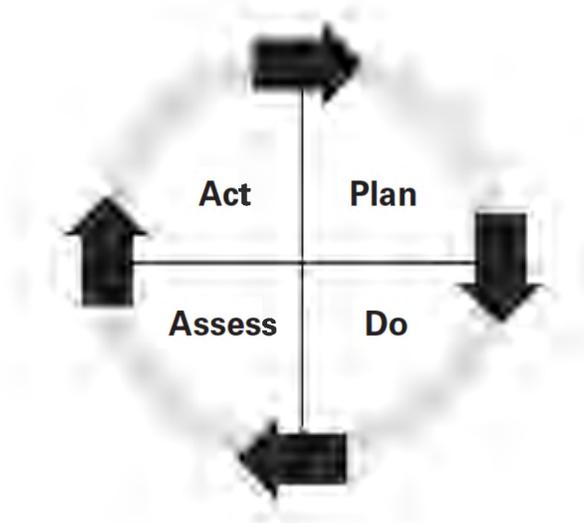
The retreat of state funding for higher education and other factors has increased competition and program duplication among campuses. Subsidies of in-state student tuition has shrunk; the perception of public good investments has transformed into students paying their educational costs, for what is considered private good, by borrowing against future incomes. Students are paying a higher share of costs and both public and private campuses are becoming more enrollment driven. To strengthen themselves in this new environment, campuses have invested in new programs, academic quality, tuition discounting, facility improvements, and philanthropic fund raising.

*61% of presidents chose strategic planning and budgeting as their area of highest current interest.*

For the last 30 years I've led integrated planning processes as a chief finance and planning officer. The role speaks to the importance of directing and redirecting campus funds and effort towards strategic priorities. The goal is positioning the campus to create the highest value for the least cost. While the goal has remained relatively constant, the art and techniques of integrated planning have changed substantially over time.

One of the changes is how **accountability, assessment and continuous improvement** have become integrated into campus planning efforts. The continuous loop of "Plan, Do, Assess, Act" (See [Figure 1.](#)) is not simply theory Assessment efforts and benchmarking performance provide evidence crucial to demonstrating how campus planning priorities are contributing to the value/cost equation. Assessment of knowledge gained in the core curriculum and in capstone projects, and by benchmarking retention rates and costs per student against peer and aspirant institutions, provide valuable evidence to the campus, governing boards, and accrediting commissions that planning priorities are moving the college up the value/cost continuum.

Figure 1 **The Continuous Loop of "Plan, Do, Assess, Act"**



[\(Click here to open a web browser window displaying this figure at its original size.\)](#)

Planning processes which match organizational capacity with environmental needs also need to demonstrate organizational **agility**. Seizing opportunities quickly reduces the risk of start-up expense and accelerates the return on investment; moving quickly helps campuses and their partners fill voids and market needs. Manufacturers and health care institutions need properly trained workforce and they do not have the time to wait for campus responses mired down in process or budgetary conflict.

The reputation for responsiveness to community needs that community colleges have earned for their agility is exactly what public and private colleges are organizing to achieve as well. At Keene State College, New Hampshire's public liberal arts college with 6,000 students, we are starting up a nursing program; creating a new facility to improve our technology, design and safety programs; and forging formal partnerships with the local chamber of commerce, schools and community colleges to help manufacturers meet workforce needs. We simultaneously face a 48 percent reduction in state funding.

That amount of change, where new activities are launched while other core activities experience constraints, takes greater transparency for stakeholders to understand how decisions are made.

Support of strategic priorities underpinned by a shared understanding of how they affect financial performance requires a unity of effort from the president, her cabinet, academic and financial managers, and employee councils. Campus officers, including the president and vice presidents, deans, department chairs and directors, need a familiarity with the data financial managers present for executive decision making and an understanding of the direct and indirect costs of initiatives. This financial acumen is crucial for aligning campus human, physical, technological and financial resources with strategic priorities and emerging opportunities. Indeed, campus community is fostered and empowered by a shared investment in decision making and understanding the relationship to financial bottom lines.

Deliberate effort to add transparency to decision-making helps campuses mobilize to seize opportunities and prepare contingency plans against potential threats. This is particularly valuable as public bodies withdraw their traditional funding support. A lot of institutional parts need to move together to make our organizations more evidence based and agile, while adding transparency to decision making processes.

These elements and concepts provide a context for what you will learn from the following chapters written by my SCUP colleagues. They share best practices for improving our planning outcomes even during these turbulent times.