BUDGETING

Process, Problems, Participation, Possibilities
STEPS TO “THE BUDGET”

Legislature
Regents
Systems
Campuses
BUDGETARY MIRAGES

Supplanting
Special initiatives (WISE)
Campus-level LAGRAD incentives
Philanthropy
REVENUE SOURCES

State appropriation
“F&A” (facilities and administration “overhead”)
Other grants and contracts
Self-generated revenues:
  Tuition
  Trademark licensing
  Auxiliary services
  Retail and vendor concessions
  Patents
  Technology transfer
  Consulting
  Parking
  Athletics and ticket sales
  Residential life
  Greek life
  Donations
  Foundations (infusions)
STRUCTURE OF THE BUDGET

An array of “lines”
Levels of abstraction/particularity
Legacy elements (defunct units)
Restricted and non-restricted
Personnel versus everything else
Relation of campus and System budgets
DECISION PROCESS: HISTORY

Budget Committee of the University (perpetual)
Budget Planning Committee (Merget-Hamilton epoch)
Rightsizing committee (Martin epoch)
Budget Crisis Committee (Martin-Hamilton Epoch)
Budget Crisis Committee wind-down (Jenkins epoch)
University Budget Committee (Alexander-Bell epoch)
DECISION PROCESS: MEMBERSHIP

Budget Committee of the University: Administrators and Technocrats

Budget Planning Committee: Deans and Faculty Senate President

Rightsizing Committee: Large array of stakeholders

Budget Crisis Committee: Mix of technocrats; Deans; VCs; faculty

Budget Committee: Technocrats; Deans; System officers; Faculty Senate President; Faculty
LIMITATIONS ON BUDGET ADJUSTMENTS

Personnel contracts (tenured faculty; term contracts)
Accreditation and ranking minima (faculty-student ratios)
Minima for “accredited fields”
Contractual obligations (research agreements; government contracts)
Public-private partnerships
Vendor and concession contracts
Equipment maintenance
Facilities and grounds maintenance
Utilities and related equipment
Tuition discounts
Scholarship programs
Satellite facilities (e.g., museums)
Off-campus commitments (e.g. Arboretum; LUMCON)
Mission statement for the University
NON-REVENUE UNITS AND SERVICES

Libraries
Databases
Business functions
VARIABLE OBLIGATIONS AND REVENUE

Marching band
Athletics-funded facilities
Athletics-derived monies
Debt and bond service
Insurance
Fund swaps
UNFUNDED MANDATES AND COSTS

The big one: The Unfunded Accrued Liability (UAL) Obligations to retirees Litigation
THE DECISION PROCESS, PART II

Setting core principles
Ranking even the core principles
Line-by-line inspection of the budget
Investigation of dozens, even hundreds of obscure lines
Measuring impact on personnel
Measuring gain and loss for unit consolidation
Measuring impact on (physical) campus
Measuring impact of student recruiting (tuition)
Measuring in versus out of state recruiting impact
Creation of scenarios by cut level
Consideration of public messaging
THE DECISION PROCESS, PART III

The new era of no information

The new era of accelerated decision-making

The new era of pre-fabricated scenarios

The sort of new era of mid-year cuts

The “July decision”

Upgrading faculty consultation: The Faculty Senate Budget Committee
THE UNKNOWNS

Impact of LAGRAD Act autonomies
Impact of possible fees
Impact of bad press on tuition revenues
Impact of near-post-Jindal legislature
Oil prices