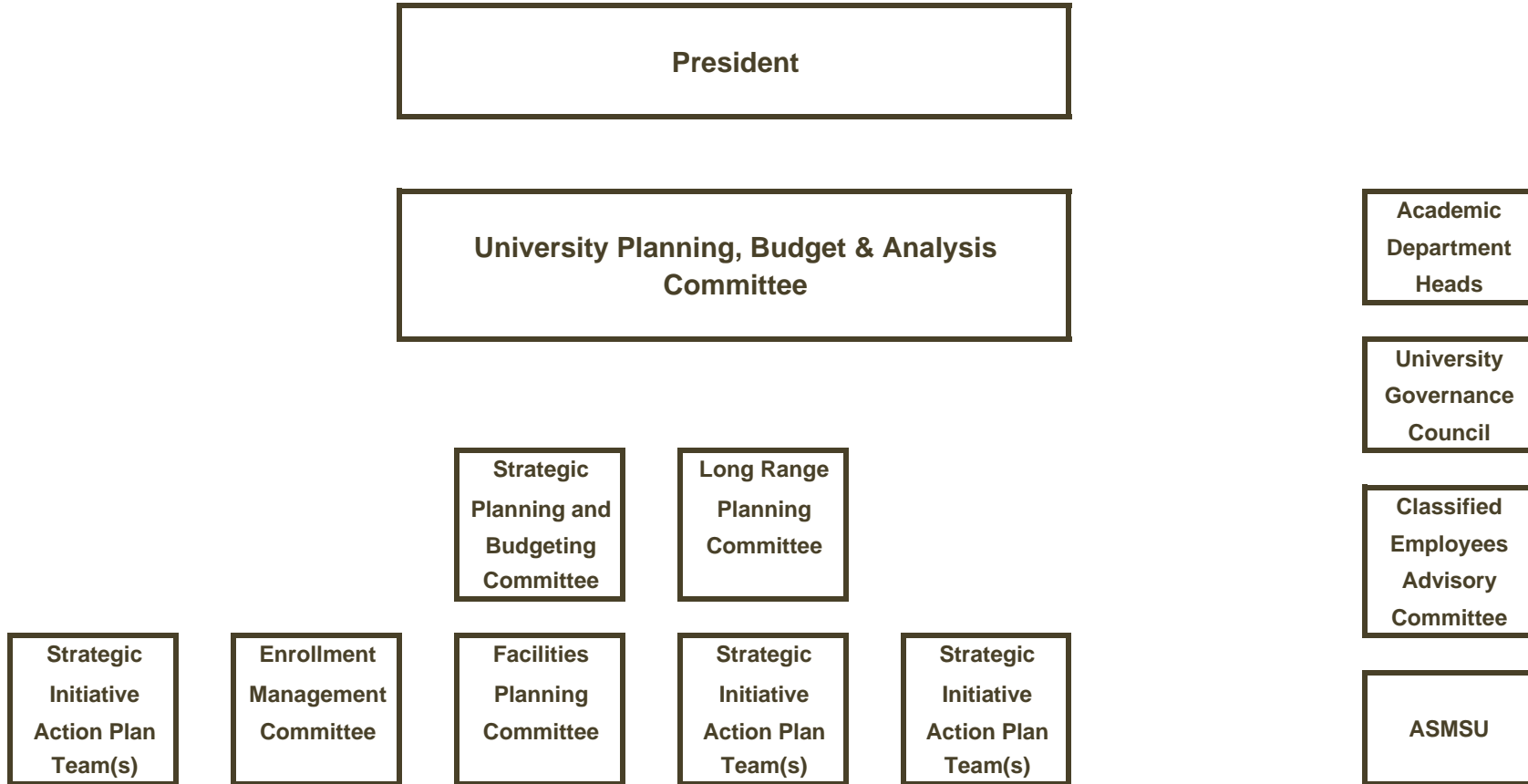


DRAFT
MONTANA STATE UNIVERSITY - BOZEMAN
Annual Planning & Budgeting Cycle



MONTANA STATE UNIVERSITY - BOZEMAN

Planning & Budgeting Committee Organization



MONTANA STATE UNIVERSITY - BOZEMAN

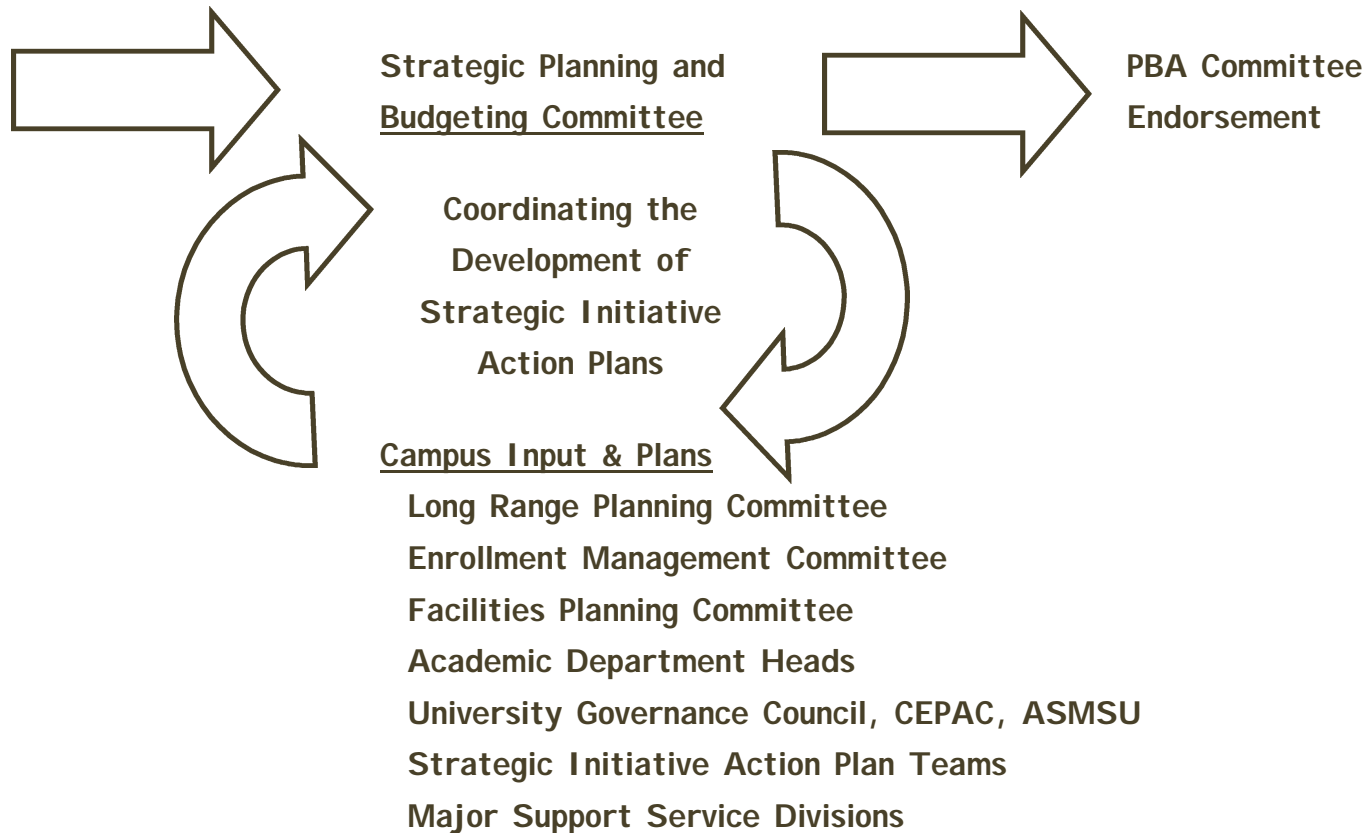
Annual Long Range (10 yr) Plan Development & Revision Cycle



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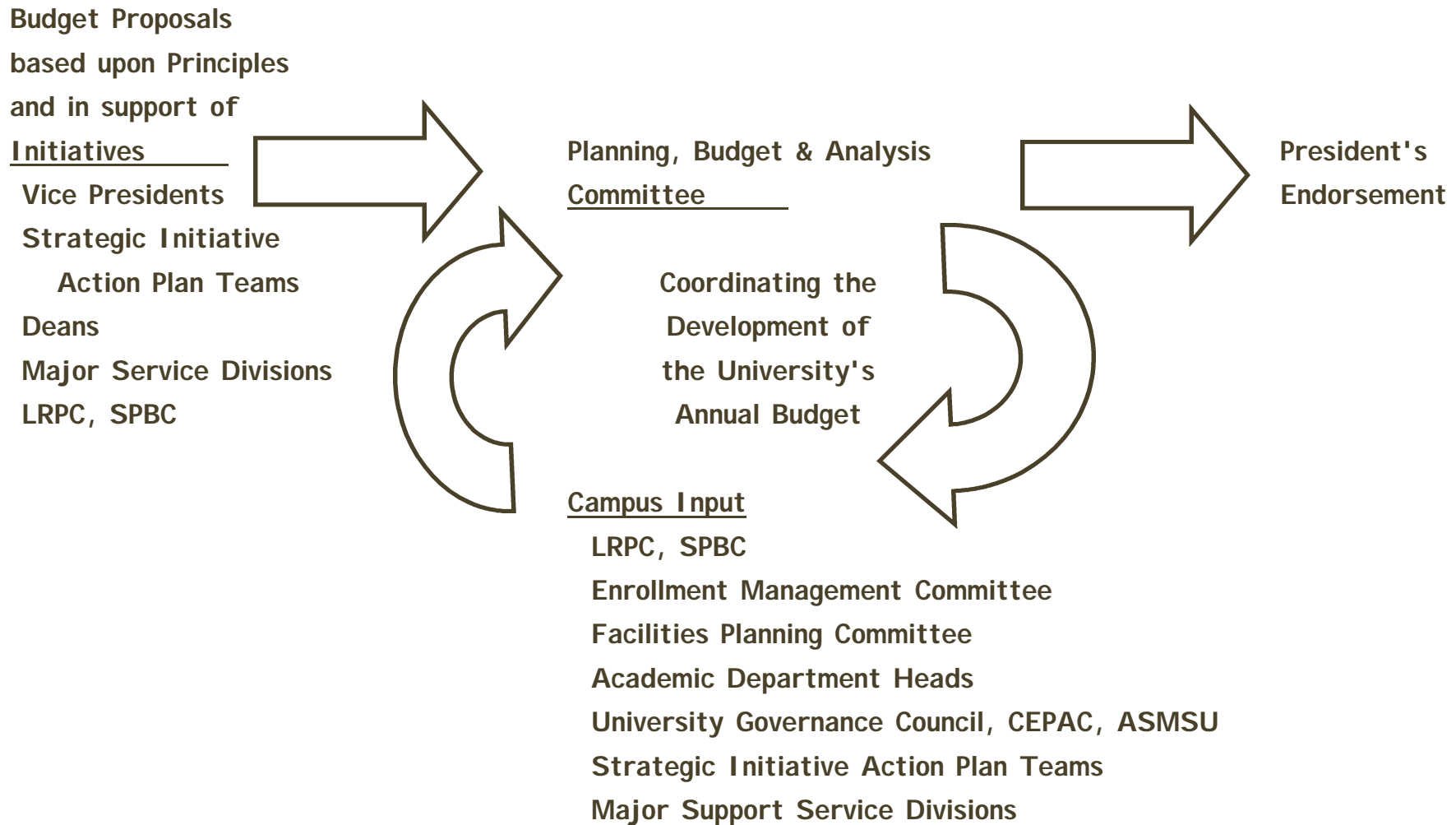
Annual Strategic Initiative (5 yr) Development & Revision Cycle

Long Range Plan and
Strategic Priorities
Endorsed by PBA Committee

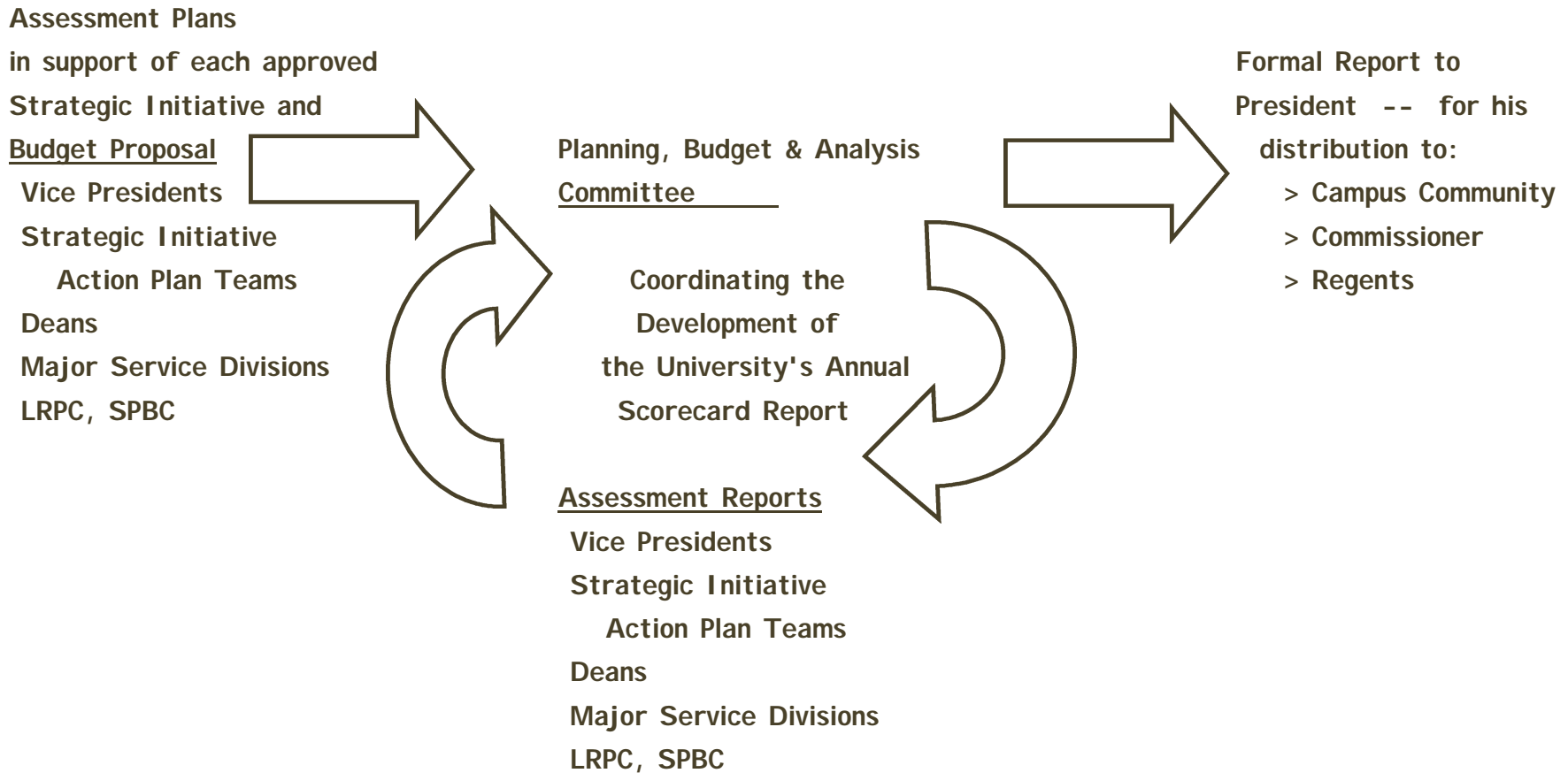


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Annual General Operating Budget Development Cycle



MONTANA STATE UNIVERSITY - BOZEMAN Annual Proposal & Initiative Assessment Cycle



MONTANA STATE UNIVERSITY - BOZEMAN
Multi-Year Plan for Establishing the New Planning & Budgeting Cycle

1. Initiation Phase

- > create organizational structure
- > establish Chairs
- > identify staff
- > assign members
- > describe general cycle
- > define charge and role
- > define objectives for FY02 and FY03
- > establish a process for maintaining regular communications with Campus Community

2. Implementation

- > all members of the PBA Committee are expected to be leaders and implementers, who will act as representatives of the University as a whole, rather than a specific interest or campus group -- and who will accept responsibility for the outcome of Committee plans, decisions, and allocations.
- > this process is intended to include participation from ES, AES, G&C, Auxiliaries, and all other entities affiliated with MSU, so that the Long Range Plan and Strategic Initiatives will be shared, and supported, by all.
- > as the Long Range Plan, strategic initiatives and budget proposals are developed through this process, it is intended that all funding sources will be made part of the planning and budgeting process.
- > for FY02, it is expected that the PBA Committee and all related (process) committees will essentially adopt the University's existing Mission & Vision statements, which were made part of our recent legislative presentation

MSU's Land Grant Mission -- serving Montana and its people through a tripartite mission:

- > providing quality undergraduate and graduate educational programs
- > conducting research and creative activity, both basic and applied
- > providing service through outreach to the state, region and nation

MSU's Vision for the Future

- > improving undergraduate education
 - > fostering entrepreneurial and business development
 - > increasing agricultural productivity, and adding value
 - > growth of graduate programs
- > for FY03, the PBA Committee will be responsible for reviewing both the Mission and Vision statement

3. FY01 Budget Balancing and Closing Process

- > the PBA Committee will be responsible for overseeing the development of a plan for the balancing and closure of the FY01 General Operating budget

4. FY02 Budget Development Process

- > the PBA Committee will be responsible for overseeing the development of the FY02 General Operating budget, and to:
 - > establish the general process that will be followed
 - > Committee organization will be used to seek input on all FY02 processes & elements
 - > objective of FY02 process will be to develop a balanced budget, initiate a process and set of principles, establish certain standard measures, and establish a foundation for future years
 - > confirm, or suggest modifications to, the following general principles that will be observed when making resource allocation decisions
 - > our budget must reflect that higher education is an investment for the State
 - > we must be accountable to the State
 - > our budget must ultimately reflect a Strategic Plan, and set of Priorities for the University, and during this interim, must reflect strategic thinking and institutional priorities
 - > our budget decisions must be based upon data
 - > our budget process must measure the results of our decisions and investments
 - > the University must live within its means
 - > the University must maintain a balance of investments among all elements and assets of the organization
 - > the University cannot be all things for all people
 - > the reallocation of funds within programs, colleges or divisions will be a significant source of "program investment" revenue in future years
 - > agree upon a tentative set of University Core Values, to guide the focus of our investments, such as those stated in our recent legislative presentation
 - > creating a community of discovery, learning and service
 - > integrating teaching and research
 - > fostering multi-disciplinary instruction and research
 - > creating partnerships for economic impact and workforce development
 - > agree upon a tentative set of University Priorities, for the outcome of our investments, such as those stated in our recent legislative presentation
 - > quality of academic offerings
 - > affordability and accessibility
 - > accountable for investments in the University
 - > drivers of economic development
 - > partnerships

- > establish the general issues/questions to be considered in each department budget proposal
 - > how is the department/program "central" to the mission, priorities and values of the University?
 - > is the department/program of high quality, and a credit to the University?
 - > are the services/programs desired by our constituents, as demonstrated by demand or workload?
 - > is the department/program cost effective?
 - > is the department/program mandated?
 - > is the department/program distinctive, or does it enjoy a "comparative advantage" relative to other Universities?
 - > is the department/program related to an emerging mandate, or opportunity?

- > establish a specific process for FY02
 - > review study showing historical overview of funding, workload, etc. for all General Operating departments and cost centers
 - > review reports from Enrollment Management committee
 - > prepare budget review worksheets for each department to complete
 - > have each department:
 - > prepare budget plans reflecting FY01 at 90%, 95%, 100%, and 105%
 - > address "budget review" issues/questions noted above

5. FY03 and Future Year Budget Development Process

- > the PBA Committee will be responsible for overseeing the development of more detailed processes for future year cycles, including the following:
 - > updating the Long Range Plan to reflect University priorities

 - > creating a Strategic Plan to pursue University priorities
 - > establishing Action Plan Teams
 - > assessing current status
 - > setting goals and benchmarks
 - > identifying steps toward, and resources necessary for, attaining objectives

 - > developing measures of assessment for the University, in regard to;
 - > accountability (to campus, Regents, public, etc.)
 - > institutional (fiscal Health) performance
 - > management/budget measures
 - > to serve as reference for budget allocation
 - > to provide analysis of PY decisions
 - > to support and/or analyze strategies

MONTANA STATE UNIVERSITY - BOZEMAN
FIRST DRAFT FY02 Calendar for Implementing the New Planning & Budgeting Cycle

February 21st

Creation of new Planning, Budget & Analysis Committee

March 1 - 9

PBA Committee works with all other (process) committees to:

- > establish organizational procedures
- > finalize roles of all other (process) committees
- > identify special study/initiative committees (as necessary)

March 12 - 23

Prior to reviewing Departmental Budget Worksheets, or developing the budget, the PBA Committee will work with all other (process) committees to reach consensus on:

- > tentative mission & vision
- > initial principles, priorities & values
- > specific elements of the historical "departmental overview" report
- > specific format & elements of the departmental "budget review" worksheets
- > final issues/questions to be addressed in the budget review worksheets

March 26th

PBA Committee receives FY02 Enrollment Projection Report from Enrollment Management Committee

March 26th

PBA Committee receives FY02 Revenue Projection Report from University Budget Office

April 2 - 20

PBA Committee reviews the Departmental Overview Report, all individual Departmental Budget Worksheets, and all other budget proposals that have been submitted

April 23 - 27

PBA Committee constructs its first draft of the FY02 General Operating Budget

April 30 - May 11

PBA Committee conducts public hearings on its first draft of the FY02 General Operating Budget

May 18th

Regents' approve the FY02 Tuition Rates

May 21st

PBA Committee finalizes its FY02 General Operating Budget Recommendation

May 25th

President approves the FY02 Budget

June 1st

Reappointment of permanent, continuing Faculty, Administrative, Professional and Classified employees

June 14th

Faculty Salary Review Process

June 18th

Budget Allocation to VPs

June 19 - 25

On-Line Departmental Budget Building