



Fiscal Year 2019 Budget Listening Session - **Updated**

September 13, 2017

Max Baca, Vice President for
Finance and Administration and

Budget Process Overview



Step 1 Priorities

Strategic Planning
Group FY19 Budget
Priorities

President Minner's
FY19 Budget
Priorities

Timelines / Forms

What's New

Step 2 Listening Sessions

Fiscal Update

Questions

Deadlines

Step 3 Campus Review

Departmental
Review with Chairs,
Directors, Etc.

VPs / Deans Review
with Departments

Step 4 Executive Review

Executive Team
Review

President Minner's
Presentation of FY19
Budget Priorities to
Campus Community

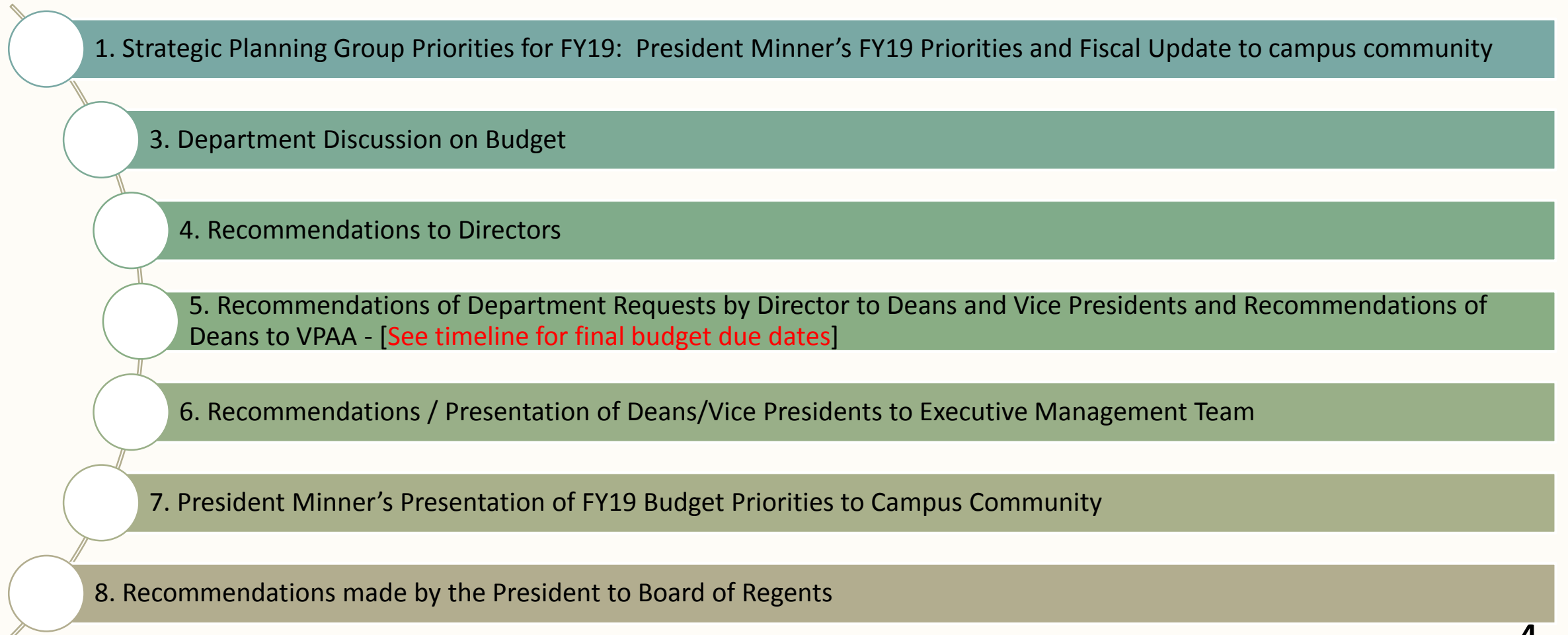
What's New This Year....

After the first year of the budget cycle, we assessed that more conversations were needed between the academic departments and the Deans and the units and their respective VPs. Because the Deans, Provost, and VPs are responsible for the prioritization presented to the Executive Management Team and President, there needs to be adequate discussion and chance for input for the prioritization process. To facilitate this process in 2018-2019, the following steps will be implemented to replace the hearing discussion with the Budget Officer and VPFA:

- All Deans or VPs are to provide explicit feedback, including, but not limited to, their list of priorities to the departments chairs and/or unit heads. This feedback shall be in written form to the chair/unit head.
- The Deans and VPs will hold a meeting with the chair/heads of their respective units to discuss their priority list.
- The chair/head may appeal to the Provost or appropriate VP by providing a written explanation, with the introduction of new evidence not considered by the Dean, and with an indication of where they think their priority should appear on the Dean's list. The Provost or VP shall respond with a "Yes" or "No" to the appeal, following the process established last year.

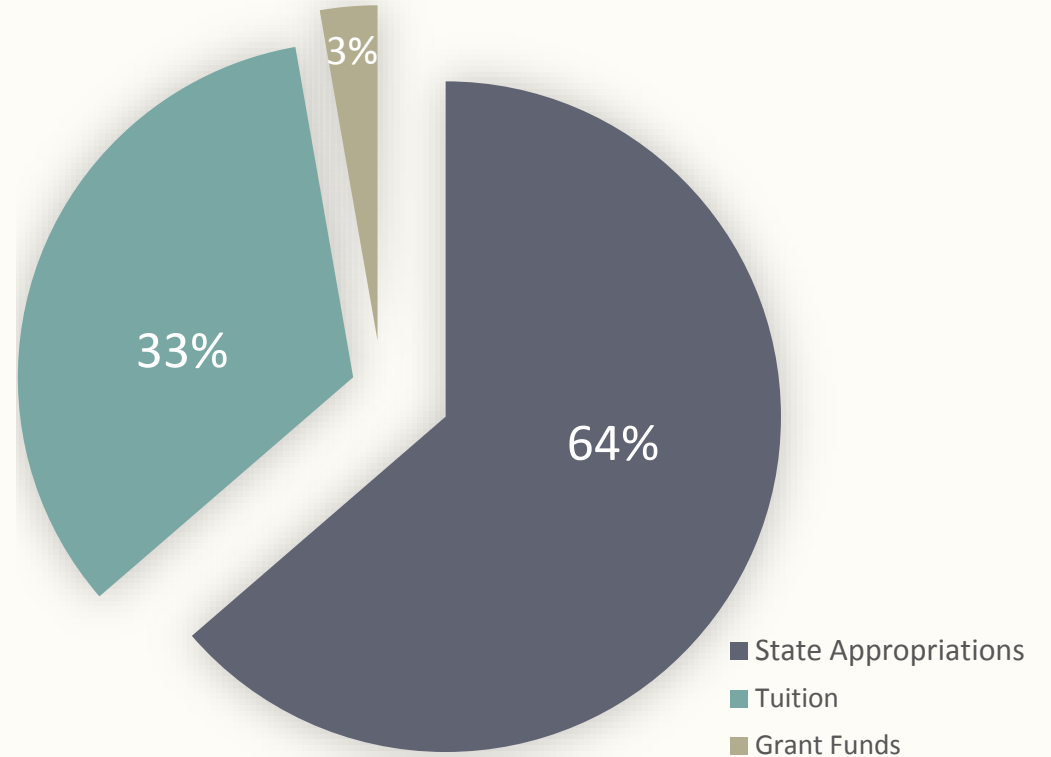
BUDGET PROCESS FLOW FOR FISCAL YEAR 2019

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This Year's (FY18) Budget

| <u>Revenue Source</u> | <u>Dollars</u> | <u>Difference from FY17</u> |
|-----------------------|----------------|-----------------------------|
| State Appropriations | \$29,090,890 | (\$1,830,710) |
| Tuition | \$15,344,150 | \$1,346,050 |
| Grant Funds | \$1,260,633 | Flat |
| | \$45,695,673 | |



Since the Beginning of Fiscal Year 2016, NMHU was cut over \$2.6 Million in State Appropriations.

FY19 State Revenue Update

- FY17 end of year revenues are up by \$140 Million. This additional revenue will help boost the university's reserves.
- FY18 revised revenues are up by \$12 Million. This will assist with building the state's reserves.
- FY19 revised revenue forecast is "\$25 Million" in new reoccurring dollars – This money will likely be allocated to programs that were funded during FY18 with "one-time" dollars. FY19 will likely be "flat" throughout most of state government.
- FY19 General Obligation Bonds (GOB) - (Property Based Tax) forecast is \$164.4 Million
- FY19 Severance Tax Bonds (STB) - (Oil & Gas and other Extract Proceeds) forecast is \$ 113 Million – "Pork Projects"

Risks to Revenue Forecasts: **Uncertainty on Reporting of Tax Revenues, Oil & Gas, and changes to Tax laws**

This Year's Data

Reductions in State Appropriations from FY17

(\$1,830,710)

Increased costs (e.g. Banner, Utilities, Insurances, Collective Bargaining Agreements Financial Commitments, etc.)

\$454,700

Combined Enrollments Summer & Fall*

| | Headcount | | % | Student Credit Hours | | % |
|-------------|-----------|-------|------|----------------------|--------|------|
| | 2017 | 2018 | | 2017 | 2018 | |
| Overall | 6,741 | 6,431 | (5%) | 43,816 | 41,346 | (6%) |
| Main Campus | 3,702 | 3,600 | (3%) | 33,351 | 31,508 | (6%) |
| Centers | 3,040 | 2,831 | (7%) | 10,285 | 9,838 | (4%) |

*As of September 13, 2017

Fiscal Year 2019 Budget Priorities

From President Minner

President Minner's FY19 Priorities:

1. To address and resolve all HLC concerns
2. To employ the newly engineered Division of Strategic Enrollment Management to achieve a total HU enrollment of 4,500 by 2021 (goal delayed due to HLC probation)
3. To achieve a retention and six year graduation rate equal to or greater than institutions in NMHU's sector
4. To devise and implement an overall employee compensation plan to minimally achieve the mean-level of compensation in NMHU's peer group

President Minner's FY19 Priorities:

6. To increase HU's online classes and programs with the potential benefit of increasing enrollment and reducing HU's physical footprint (i.e., Leased Space) - **Updated**
7. To increase the number of High-Impact Practices on campus and ensure that all HU undergraduate students participate in at least two HIPs
8. To create and implement a 21st Century Career Services Office
9. To engineer and implement successful campaigns to provide the resources to:
 - a. development & Implementation of the Highlands University Institute (HUI),
 - b. replace the track at Sanchez Stadium, and
 - c. increase the corpus of the HU Foundation

Timelines

IMPORTANT INFORMATION

Timelines:

- Fiscal Update 8/15/2017
- Send Out Budget Information 8/15/2017
- Provost to send out Unit Plans to Deans and Vice Presidents 9/8/17
- Faculty Listening Session (provided by Dr. Ian Williamson, Faculty Senate Chair) 9/5/17, 3-5pm
- Budget Listening Sessions in the Morning 9/13/17 and Afternoon 9/18/2017
- Director/Department Budget Priorities Feedback on Budget Plans to Deans and Vice Presidents 10/6/17
- Final FY19 Budget Request Due to VPFA Office 10/13/17
- Budget Prioritization 11/9-10/2017
- Fall Budget Presentation to Campus Community from VPFA Baca 11/15/2017
- Final Budget Due 12/5/2017

Documents:



- Budget Template
- Budget Priorities
- Relevant information
- Use the following file naming convention:
Dept-Organizational Number-Date-Direct-Version
Example: ITS-28000-8-8-17-JoeGieri –V1
- <http://www.nmhu.edu/finance-and-administration/>



Questions & Thank You!