



MEMORANDUM

Academic Affairs Annual Budget/Position Request

TO: Dean, College of _____

FROM: Donald H. DeHayes
Provost and Vice President for Academic Affairs

DATE: December 29, 2015

SUBJECT: Investment and Budget Allocation Processes for FY2017

I am writing to indicate that it is time to begin strategically planning for the Academic Affairs investment and budget allocation process for FY17 and beyond. As we have discussed, we will continue to integrate the **Strategic Reinvestment Requests** (based on funding derived from resignations and retirements) with the **Strategic Allocation of New Faculty Initiative** (new funds approved by SBPC over four years). While the reinvestment and new funds will be tracked separately, this dual source of funding that includes college co-sharing will provide a unique opportunity to critically assess and allocate investments that will enhance the teaching, research, service and outreach mission of the University. The process for the FY2017 submission again will consist of an interconnected proposal requesting faculty positions related to the above mentioned re-investment and new faculty initiative. **Budget narratives requesting strategic re-investments for FY17 (and FY18 for future planning purposes) as well as requesting strategic allocation from the new faculty initiative for FY18 (and FY19 for future planning purposes) are due in the Office of the Provost on February 1, 2016.** Please forward your completed budget narrative to Executive Assistant Donna Williams (Donna@uri.edu) and Vice Provost Cliff Katz (chkatz@uir.edu).

In an effort to streamline the allocation process, it is critical that your college/unit submit a concise and clear prioritization of faculty requests in each of the two categories of investment above. It is also important to **limit the number of faculty requests**. Last year we allocated new faculty positions from the New Faculty Initiative for both FY16 and FY17. In fact, we slightly over-allocated the new faculty positions with 31 established for FY16 and FY17, leaving 24 New Faculty Initiative positions to be allocated in FY18 and FY19. Thus, I am expanding the Strategic Allocation of New Faculty Initiative from 55 to 61 positions from FY16 through FY19. Given our success in student admissions and retention, I am pleased to announce that we will fund the additional 6 positions (5 tenure-track positions and 1 lecturer position) for FY17 as part of the New Faculty Hiring Initiative. Requests for these additional 6 positions will require

your commitment to provide additional grand challenge/honors courses beyond those that the college has already submitted or will submit to the General Education Review Panels prior to January 8, 2016. The commitment to new grand challenge and honors courses are to be listed in a summary table on page 4 of the college's budget narrative (see below).

Budget Narratives

Budget narratives will be limited to a maximum total of 5 pages (not including faculty request Appendices A and B) in FY17 as noted below:

- The accomplishments and innovations relative to the College and University strategic plans; the number of Dean committed grand challenge and honors courses added to the curriculum in FY15 and FY16; and a list of actual or known retirement and resignations by the end of this academic year (June 2016) are to be documented on pages 1-3.
- A summary table (see attached priority summary table template below) to be included as page 4 of the budget narrative is to be used to provide one succinct list for the prioritization of the Strategic Re-investments and the Strategic Allocation of New Faculty Initiative requests for your college. Please also indicate the college's commitment to provide additional grand challenge/honors courses beyond those that the college has already submitted or will submit to the General Education Review Panels prior to January 8, 2016 in this summary table if requesting one of the 6 new faculty added to the FY17 New Faculty Hiring Initiative.
- If appropriate, list the college's lowest funded priority(ies) (page 5) with the understanding that if the lowest priority item is eliminated, you would retain the funding and it would be matched equally for reallocation to one of your highest priority needs. Page 5 may also be used to request non-personnel resources.
- Appendices A and B (pages 6-25) will include a concise statement indicating the criteria (see list of criteria attached below) by which the college has based the prioritization and selection of a position request as identified in the summary table on page 4. **(Appendix A & B templates attached below).**

Budget Principles

I have attached a copy of the Academic Affairs budget principles in Appendix C. As a reminder, funds and lines associated with vacated positions (retirements and departures) will be recaptured centrally and strategically allocated, in most cases, at entry-level salaries. Lines vacated because of denied tenure decisions will remain in the college/unit, but should be used to fill priority needs in concert with the strategic plan of the college.

New Faculty Initiative Co-Share

Per our discussions in the Council of Deans, the funding commitment to support the 55 new full-time faculty initiative is based on a \$5.25M investment that was reviewed and recommended by the Strategic Budget and Planning Council (SBPC), and a \$750,000 co-share by Academic Affairs that is to be funded from a reduction in per course expenditures over a three-year period. The proposed formula for the FY17 co-share is as follows. For every one (1) full-time faculty hired

through strategic reinvestments and the new faculty strategic allocation, we reduce the expenditure for one (1) per course instructor, based on the rate appropriate for the discipline in the college (range of \$3,549 to \$6,500). For the total 66 full-time faculty positions allocated to date, the funds from reducing the expenditures for 66 courses/sections taught by non-full-time faculty would equal approximately \$260,000. The College of _____ co-share for FY16 & F17 to date is:

College of _____	Dollar Amount
Per course expenditures for FY2015	\$X,XXX,XXX
Number of faculty positions allocated for FY16 & FY17 to date	XX
\$ allocated for faculty salary and fringe in FY16 and for FY17 to date	\$X,XXX,XXX ¹
In exchange for funds allocated above the co-share is:	\$XX,XXX

¹ In addition, \$XXX was allocated for staff positions for a total of \$XXX.

Public Presentation: February 23, 2016

To facilitate communication and transparency among colleges and others, each unit head (Dean, CIO, etc.) is expected to make a 15-minute public presentation with 5 minutes for questions that should include a general summary of unit needs and overall directions, but need not include detailed budget information.

Budget Hearings: February – April 2016 (TBD)

As in previous years, the unit budget hearings will involve the Dean and one or two others from the unit (usually the financial manager and Associate Dean) and the Provost, Director of Budget, and other senior leaders. These meetings will explore issues related to the budget, rationale for strategic reinvestment and new position requests, and discussion of how priorities were established and justified as well as follow-up questions.

C: Clifford Katz
 Laura Beauvais
 Dean Libutti
 Ann Morrissey
 Linda Barrett
 Colleen Robillard

ATTACHMENTS: see next 6 pages

SUMMARY PRIORITY REQUEST LIST

STRATEGIC REINVESTMENTS FY17

Priority	College	Dept.	Position category ¹	Position Title & Salary ²
#1				
#2				
#3				
#4				
#5				
#6 ³				

¹ Tenure-track, clinical, lecturer or staff

²For example: ecologist \$79K

³ For this specific table **only**, rows may **only** be added to equal the number of actual or known FTE retirements and resignations by the February 1, 2016 budget narrative submission deadline.

STRATEGIC REINVESTMENTS FY18 (Planning purposes)

Priority	College	Dept.	Position category ¹	Position Discipline & Salary ²
#1				
#2				
#3				
#4				

STRATEGIC ALLOCATION NEW FACULTY INITIATIVE FY17 (ADDITIONAL 6 FACULTY FTE)

Priority	College	Dept.	Faculty category only ¹	Position Discipline & Salary ²	Commit to Grand Challenge/Honors ³
#1					
#2					

¹ Tenure-track, clinical, lecturer

²For example: ecologist \$79K

³ If requesting one of the additional 6 faculty from the FY17 New Faculty Initiative, please answer by typing yes for the college's commitment to having the college or this new faculty hire offer a new grand challenge or Honors course in FY18.

STRATEGIC ALLOCATION NEW FACULTY INITIATIVE FY18

Priority	College	Dept.	Faculty category only ¹	Position Discipline & Salary	Commit to Grand Challenge/Honors ³
#1					
#2					
#3					
#4					
#5					

STRATEGIC ALLOCATION NEW FACULTY INITIATIVE FY19 (Planning purposes)

Priority	College	Dept.	Faculty category only ¹	Position Discipline & Salary ²	Commit to Grand Challenge/Honors ³
#1					
#2					
#3					

PRIORITIZATION AND SELECTION CRITERIA

For the FY17 budget process, we will continue to use **APPENDIX A for Strategic Reinvestment requests** and **APPENDIX B for Strategic Allocation of New Faculty Initiative requests**. However, this year we will be asking you to state the prioritization and selection criteria **on one page** (see bounded area in Appendix A and B) for each faculty (or staff) position requested. Further, as in each of the previous annual strategic budget planning and allocation processes, strategic requests and decisions within Academic Affairs will be guided globally by: evidenced-based analysis of unit productivity (e.g., credit hours), performance and success, and cost effectiveness.

We also will be using the detailed prioritization and selection criteria for Strategic Allocation of the New Faculty Initiative from last year for the Strategic Reinvestments as well. Each position that will be selected for hiring must thoughtfully and effectively address one or more bulleted areas in each of the 3 criteria outlined below; however, ONE of the 3 criteria below *could be* designated as the “major DRIVER” for each position being requested. It will be critical that the major drivers across all positions be distributed across the criteria and not concentrated in a single criterion. If appropriate, please clearly designate the criterion that would serve as the “major driver” for each position.

Specifically, how does this position address one or more of the following teaching, research or service criteria?

Advance Student Success and Directly Align with Student Demand

- Adding full-time faculty to provide quality teaching and learning for rapidly growing majors/programs at the undergraduate or graduate level.
- Adding full-time faculty to providing quality teaching and learning in programs with very high student credit hour production among existing full-time faculty.
- Adding full-time faculty in areas where full-time faculty (either new or existing positions) will provide critical new grand challenge, honors, or other general education courses.

Foster Strategic Innovation and Excellence

- Adding full-time faculty to, either transform existing majors, or create new majors with evidence-based student and societal interest and demand at the undergraduate or graduate level.
- Adding full-time faculty that are aligned with and substantially enhance cross cutting themes of the university, including interdisciplinary, global, diversity, or experiential initiatives and/or contribute to workforce and/or economic development.
- Adding faculty that would enhance areas of high promise for productivity and success related to online certificate and/or strategic professional graduate programs that would contribute directly to revenue generation potential.
- Add faculty in areas that have the potential to create centers of excellence and/or to support existing cluster themes or new strategic areas with substantial positive impact.

Enhance Research and Scholarship

- Add faculty expertise in critical topical and relevant areas of research, scholarship, and creative work of importance to state, national, and world issues.
- Add faculty in areas with the potential to significantly enhance external research funding, including generating OH that is critical to supporting the research enterprise
- Add faculty in areas that will enhance workforce/economic development/business incubation and potential impactful partnerships with external constituents, including businesses and other institutions
- Add faculty in areas that will enhance scholarly contributions that will contribute to quality of life and the vitality and relevance of the university in RI and beyond.

Appendix A

Strategic Reinvestment Request Template:

For each reinvestment position:

Priority Number: #____

Position Category and Title:

College(s)/Dept.(s) requesting:

Funds requested (e.g., salary):

Year being requested for: circle one: **FY17** **FY18 (Planning Purposes)**

PRIORITIZATION AND SELECTION CRITERIA: Do not exceed the bounded area below.

SAMPLE

Appendix B

Strategic Allocation of New Faculty Initiative Request Template

For each new allocation position:

Priority Number: #_____

Position Category and Title:

College(s)/Dept.(s) requesting:

Funds requested (e.g., salary):

Year being requested for: circle one: **FY17 (Additional 6 FTE)** **FY18** **FY19 (Planning Purposes)**

PRIORITIZATION AND SELECTION CRITERIA: Do not exceed the bounded area below.

SAMPLE

Appendix C

Principles for a Strategic and Sustainable Budget Process Division of Academic Affairs at The University of Rhode Island

The principles outlined below apply to the management, allocation, and investment of general revenue funds generated through the state, including funds derived from tuition and fees. These principles apply to budget increments and decrements. While there may be occasional justifiable exceptions relative to the management, allocation, and investment of non-general fund revenues, these principles should also apply to all university and unit budgeting and fund allocations.

Fundamental Budget Principles

1. For a budgeting process to be strategic institutional strategic priorities must influence resource allocation and resource allocations must represent investments in priorities and essential programs. As such, the budget becomes a visible manifestation of academic priorities and strategic plan.
2. For budgets to be sustainable revenue potential and costs over time must coincide and mechanisms are needed to insure budget stability, despite annual increases in costs associated with salaries and benefits of personnel. That is, centralized budget recovery mechanisms need to be established to adjust budgets and create potential for reallocation. Capturing funds associated with vacated positions is one such mechanism and is preferable to annual budget recovery (usually 1%, 3%, or 5% recovery) approaches.
3. Funds and lines associated with vacated positions (retirements and departures) will be recaptured centrally and strategically allocated, in most cases, at entry-level salaries. Lines vacated because of denied tenure decisions will remain in the college/unit, but should be used to fill priority needs in concert with the strategic plan of the college.
4. Investments in new initiatives within units should include non-central resources from the units or internal reallocations. Central co-investment reflects mutual support of programs.
5. Resource allocations, including new and replacement positions and both increments and decrements, will be guided by unit performance, which will consider unit productivity, cost-effectiveness, and innovation as well as strategic priority and the specific role of the position. Across-the-board budget alterations will usually be avoided. Indicator metrics for these variables will be defined and unit targets may need to be established because different units may have different productivity measures.
6. The budget process needs to be relatively simple (i.e., based on just a few understandable metrics), consistent, and transparent and should ensure an open mechanism of communication between the responsible unit (e.g., colleges), budget managers, and departments and faculty within units.
7. An effective budget process encourages innovation and efficiency, and aligns incentives for behavior in support of strategic priorities, productivity, and cost effectiveness.
8. A formalized budget process, including annual submission of a budget narrative and a budget hearing, will ensure that budget needs and requests from all units reflect unit priorities broadly, are considered at the same time, and reflect a multi-year budget planning horizon within units.

9. Once allocations are made, units are expected to operate within the framework and constraints of their annual budget, unless emergency situations (e.g., mid-year state appropriations reductions, sudden dramatic enrollment shifts, etc.) occur during the year.
10. If possible within financial constraints, the Provost should maintain a contingency fund to be used for budget protection and/or for short-term strategic investment.

SAMPLE