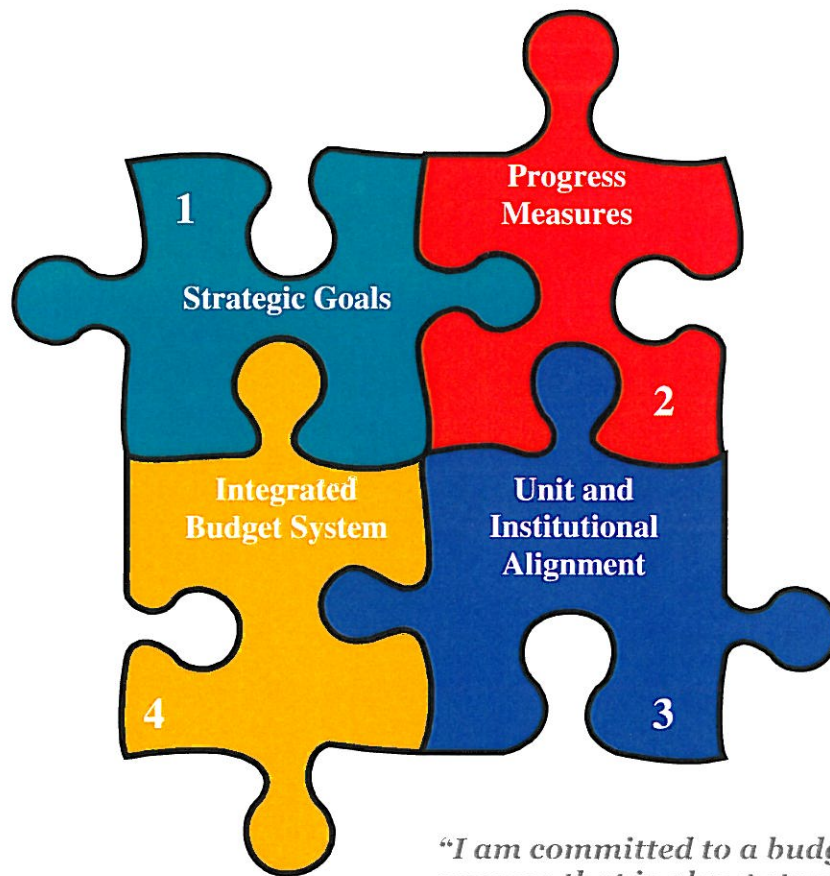




The University North Carolina Wilmington

Chancellor's Task Force on University Budget Processes



"I am committed to a budget process that is about strengthening trust, reflecting our values and producing outcomes. Our resources—human, physical and financial—are the primary tools for achieving our vision."

Rosemary DePaolo

November 30, 2006

***Task Force on University Budget Processes
Report to the Chancellor – 11/30/2006***

On September 20, 2006, Chancellor DePaolo appointed the “Task Force on University Budget Processes” comprising ten members as follows:

- Bob Tyndall, Chair
- Mark Lanier, Special Assistant to the Chancellor
- Cathy Barlow, Dean, Watson School of Education
- Larry Clark, Dean, Cameron School of Business
- Ed Graham, Chair, Faculty Senate Budget Committee
- Earl Sheridan, Professor, Political Science
- Ken Spackman, Director of University Planning
- Bob Russell, Director of Budgets
- Linda Adkins, Chair, Staff Advisory Council
- Katie Gurgainus, SGA President

Charge to the Committee

“This Task Force will examine UNCW’s current budget development processes and practices, method of determining allocations, and our commitment to educational and accountability efforts that engage the broader campus community in these processes. This work is essential to producing the four critical elements of operations which must be in effect if UNCW is to realize its Strategic Plan. In 2003, the Planning and Quality Council was charged with leading the development of “**The University Strategic Plan**” and establishing meaningful “**Progress Measures.**” In 2005, the administration began to work with academic chairs, directors and the broader campus community to align the talent, energy and resources of units across campus with our institutional goals. The work of the Task Force on University Budget Processes is the fourth step in the effort to create an “**Integrated Planning and Budgeting System.**”

Chancellor DePaolo

Upon verifying that each individual appointed by the Chancellor had accepted the appointment, the chairman established e-mail communications and set the meetings of the Task Force on October 6, 16, 23, 30 and November 15, 2006. The target date for the completion of the report and submission to the chancellor was set for November 30, 2006.

Action Focus

The Task Force has accomplished seven major tasks intended to improve the budget process and the perceptions of the campus community about the openness and legitimacy of the overall budget development and management system. Each accomplishment is presented in the text.

The seven areas of focus are as follows:

1. Create a Set of Framing Principles as a Context for Planning
2. Develop a Funding Source and Usage Profile
3. Establish a Timeline for all Major Planning/Budget Cycles
4. Design a Budget Development Sequence Work Flow Chart
5. Design a Work Flow Document Addressing Education, Accountability and Allocation Issues
6. Create a Common Budget Submission Template
7. Recommend Important Supporting Strategies

The Context of the Task Force's Work

The Task Force has found no evidence to support a belief that any individual or office has intentionally contributed to efforts to confound or prevent the implementation of effective budget processes. Further, the Task Force has not engaged in making any judgments about the specific history of allocations or their appropriateness. We have concentrated our efforts on the budget processes and the systems intended to create, manage and assess the overall effort. We understand that no budget process can address all legitimate needs; but to the degree that the process is understood, visible and fair, it can increase respect, build trust and improve effectiveness. Once an institution commits to an open and transparent budget process, however, this expectation must be universally adhered to. There will be many positive results from such transparency, but there is also the potential for new difficulties to arise as the result of such openness. The more people know the better equipped they are to make judgments, argue their positions and mobilize their influence. While the process may become transparent,

the history that led to certain allocations may remain in dispute. Neither the Chancellor nor the Cabinet should be distracted by such “noise.” The leadership team must stay focused on the principles and values that led to the decision to create a more inclusive and visible budget process. Further, it is critical that the budget process be strategic and data- driven and not become an overly-politicized or divisive process. This can be accomplished only through proactive education and persuasive engagement at all levels.

It should be noted that this report represents an internal document created specifically for the Chancellor and the Cabinet. In its public form, the document will be condensed and all graphics will be placed in an appendix.

Framing Principles

1. The manner in which an organization manages its budget processes and utilizes its resources shapes behaviors and makes a powerful statement of values.
2. The budget process is about more than divvying up shares. The budget process should allow persons throughout the organization to know how things work, why they work as they do and who makes what decisions, when.
3. The budget process is most effective when it is visible and transparent and reveals how decision makers and other members of the university community can influence actions.
4. Institutional Strategic Plans must be aggressively linked to budgeting and accountability measures.
5. The campus budget process must be responsive to opportunities and mandates stemming from GA, Board of Governors Strategic Directions and legislative priorities. Such external forces should be considered at key points in the budget formulation cycle(s).
6. An effective budget process is continuous, multi-year and integrated. It is not an annual event resulting from siloed input.

Specific Factors/Responses Considered by the Task Force

UNCW has committed to a multi-year Strategic Plan. For this plan to become operational there must be a clear linkage between the budget process and the Strategic Plan. The Task Force recognizes that no limited set of overarching goals can encompass all critical needs. We did, however, discover a number of critical issues that need immediate attention. The concerns that were at the center of the need to establish the Task Force included but were not limited to the following:

- 1. Develop a more systemic approach to budgeting that ensures that the processes are understood, well-managed, and link unit efforts to strategic plans.**

Response

- Build a more robust staff capable of creating budget scenarios in response to senior administrator needs. At least one position (person) is needed to manage the daily details of budget logistics and at the same time be capable of organizing and presenting information critical to effective and timely decision making. This position would also provide an objective, annual assessment to the Cabinet of efforts to implement the details of the new budget system.
- Merge the concepts of “top down” and “bottom up” budget development and blend the two approaches to planning. The Strategic Goals are formulated at the University Planning and Quality Council and Cabinet levels with campus-wide unit level input, planning and implementation organized within a common format and in response to Strategic Goals. The Strategic Goals represent a focused, long-term commitment by the institution. This framework should not be so rigid as to prevent necessary variation and flexibility in unit goals and strategies.
- Develop a template for budget submission that allows for more thoughtful comparisons and discussions. In addition to the essential budgetary information generally collected, the template should also address the following:
 - Statement of efforts to redirect funding usage
 - Collaborative efforts being pursued to control costs
 - Identification of unnecessary duplication
 - Action linkage to the Strategic Plan
 - Potential for new revenue creation
 - Unavoidable cost increases/mandates

A recommended Budget Submission Template follows:

University North Carolina Wilmington
Budget Submission Template

I. Budget Type

- Annual Budget Increase (complete sections: II, VII-X)
- Biennial Expansion Budget (complete sections: III, VII-X)
- Tuition Funding Increase (complete sections: IV, VII-X)
- Fee Funding Increase (complete sections: V, VII-X)
- Capital Projects (complete sections: VI)

Annual Budget Increase (enrollment growth / one-time / etc.)

II. A Annual Budget Increase

- Provide a brief narrative describing the critical issues the unit is attempting to address in this cycle with operating funds:

II. B Operations Request Breakout

Unit Submitting: _____
Budget Year: _____

University North Carolina Wilmington
Budget Submission Template

Describe Item	Priority Rank	Amount of Request	Area Funds Assigned to	% Increase to Assigned Budget Line	Funding Type		Unit Goal Addressed	UNCW Strategic Goal Addressed	Evidence Used for Assessment of Impact
					One-Time	Permanent			

_____/_____
Division Head Date Submitted

Total Requested Amount All Items _____
Place Budget Submission Template (BST section II B) on any supporting documentation

II. C Personnel Request

- Provide a brief narrative describing the critical issues the unit is attempting to address in this cycle with personnel:

II. D Complete Personnel Component

Unit Submitting: _____
 Budget Year: _____

University North Carolina Wilmington
 Budget Submission Template: Personnel Component

Overall Priority Rank	HR Position Title	Department Assigned to	Core Functions	FTE	Salary (est. w/o Benefits)	Unit Goal Addressed	UNCW Strategic Goal Addressed

_____/_____
 Division Head / Date Submitted

Total Requested Amount All Items _____
Place Budget Submission Template (BST section II D) on any supporting documentation

Biennial Expansion Budget

III.A Expansion Budget

- Provide a brief narrative describing the critical issues the unit is attempting to address in this cycle with operating funds:

III.B Operations Request Breakout

Unit Submitting: _____
 Budget Year: _____

University North Carolina Wilmington
 Budget Submission Template

Describe Item	Priority Rank	Amount of Request	Area Funds Assigned to	% Increase to Assigned Budget Line	Funding Type		Unit Goal Addressed	UNCW Strategic Goal Addressed	Evidence Used for Assessment of Impact
					One-Time	Permanent			

_____/_____
 Division Head / Date Submitted

Total Requested Amount All Items _____
Place Budget Submission Template (BST section III B) on any supporting documentation

III. C Personnel Request

- Provide a brief narrative describing the critical issues the unit is attempting to address in this cycle:

III. D Complete Personnel Component

Unit Submitting: _____
 Budget Year: _____

University North Carolina Wilmington
 Budget Submission Template: Personnel Component

Overall Priority Rank	HR Position Title	Department Assigned to	Core Functions	FTE	Salary (est. w/o Benefits)	Unit Goal Addressed	UNCW Strategic Goal Addressed

_____/_____
 Division Head / Date Submitted

Total Requested Amount All Items _____

Place Budget Submission Template (BST section III D) on any supporting documentation

IV. A Tuition Increase Request

- Provide a brief narrative description of the purpose to be addressed with the new resources for operations.

IV. B Operations Request Breakout

Unit Submitting: _____
Budget Year: _____

University North Carolina Wilmington
Budget Submission Template

Describe Item	Priority Rank	Amount of Request	Area Funds Assigned to	% Increase to Assigned Budget Line	Funding Type		Unit Goal Addressed	UNCW Strategic Goal Addressed	Evidence Used for Assessment of Impact
					One-Time	Permanent			

_____ / _____
Division Head Date Submitted

Total Requested Amount All Items _____
Place Budget Submission Template (BST section IV B) on any supporting documentation

IV. C Personnel Request

- Provide a brief narrative describing the critical issues the unit is attempting to address in this cycle:

IV. D Complete Personnel Component

Unit Submitting: _____
 Budget Year: _____

University North Carolina Wilmington
 Budget Submission Template: Personnel Component

Overall Priority Rank	HR Position Title	Department Assigned to	Core Functions	FTE	Salary (est. w/o Benefits)	Unit Goal Addressed	UNCW Strategic Goal Addressed

_____/_____
 Division Head / Date Submitted

Total Requested Amount All Items _____
Place Budget Submission Template (BST section IV D) on any supporting documentation

V. A Fee Increase Request

- Provide a brief narrative description of the purpose to be addressed with the new operating resources.

V. B Operations Request Breakout

Unit Submitting: _____
 Budget Year: _____

University North Carolina Wilmington
 Budget Submission Template

Describe Item	Priority Rank	Amount of Request	Area Funds Assigned to	% Increase to Assigned Budget Line	Funding Type		Unit Goal Addressed	UNCW Strategic Goal Addressed	Evidence Used for Assessment of Impact
					One-Time	Permanent			

_____/_____
 Division Head / Date Submitted

Total Requested Amount All Items _____
Place Budget Submission Template (BST section V B) on any supporting documentation

V. C Personnel Request

- Provide a brief narrative describing the critical issues the unit is attempting to address in this cycle:

V. D Complete Personnel Component

Unit Submitting: _____
 Budget Year: _____

University North Carolina Wilmington
 Budget Submission Template: Personnel Component

Overall Priority Rank	HR Position Title	Department Assigned to	Core Functions	FTE	Salary (est. w/o Benefits)	Unit Goal Addressed	UNCW Strategic Goal Addressed

_____/_____
 Division Head / Date Submitted

Total Requested Amount All Items _____
Place Budget Submission Template (BST section V D) on any supporting documentation

- VII. Provide a statement describing successful efforts to redirect funding to meet unit or university needs. Give specific examples and numbers as appropriate.

- VIII. Describe collaborative efforts pursued during the development of this budget request. Again, please provide specifics as appropriate.

- IX. Note any areas [campus-wide] in which you would urge a review for “unnecessary” duplication” to reduce costs and/or improve efficiency of quality of operations.

- X. Describe areas in which the unit has or is proposing to generate new revenue sources for this cycle and is seeking authorization. (The purpose of an authorization is to alert others to the need for cooperation and assistance.)

Note: For items VII – X to yield meaningful results will require that divisional leaders give serious attention to analyzing the information reported in the responses.

About the Template

UNCW has used budget submission forms and timelines in past years but seldom established consistent usage patterns, clear decision sequences or a transparent process. It is the hope of the Task Force that this budget template will allow leaders to create budget scenarios at any time and submit responses as a whole or in sections when responses are called for. Further, the template allows for easier comparisons and creates an historical record for each unit and the institution. Senior administrators could populate all five budget sections at once and submit them as they are called for or submit sections individually. In its final form the template will be electronic and expandable as text is entered.

2. Strengthen the educational initiatives that must go hand-in-hand with the budget process.

Response

- a. Create a summary grid that identifies budget sources, potential use by category, timeline, decision process and the way funds flow to users.

A Categories of Funding Chart and a Resources and Usage Profile follow:

University North Carolina Wilmington
Categories of Funding
 November 30, 2006

Categories Of Funds	Definition	Types of Funds	Where do Funds Come From?	What Are They Used For?
Unrestricted	Financial resources of the institution that are expendable for <i>annual operating purposes</i> of the institution, subject to management controlling entities decisions.	General Funds Overhead Receipts	State appropriations, Tuition, Ed & Tech fees Indirect costs from grants	Basic general operating requirements (personnel, supplies & materials, purchased services, capital outlays, financial aid (need-based)). Associated research requirements that further support, or manage contracts and grants.
Restricted	Financial resources which are <i>limited by donors or other outside agencies</i> to specific purposes.	Trusts Endowments Contracts & Grants	Unrestricted gifts, interest income, student fees Restricted gifts Federal, state, local, non-governmental	Discretionary funds – nice to have, but not necessary for operation of the department. Like an investment account – receive interest income off the invested principle. The contract and grants are mostly based on an exchange bases for the funds received. The granting agency will receive reports or some type of product for the set amount of funds given.
Auxiliary Enterprises	Support mission of institution and auxiliaries provide essential services to the campus community.	Scholarships/ Financial Aid Auxiliaries	Gifts, endowment income, outside awards from state and federal govt. Student fees, service charges	Both federal and state financial aid are restricted in that they are given based on federal regulations for need based awards (FAFSAA). Self-supporting activities that <i>provide programs and services</i> to faculty, staff and students based on a fee or charge.
Construction	Funds for capital improvements, and repairs and renovations of state facilities and related infrastructure supported by general funds.	Repairs & Renovations Capital Improvement Funds (general funds) Nonappropriated funds	State appropriation, Receipts, Bonds Capital Improvement Funds (general funds) Nonappropriated funds	Repairs & Renovations <ul style="list-style-type: none"> ■ special projects, roof repairs, ADA/fire safety, roads Capital Improvements (general funds) <ul style="list-style-type: none"> ■ School of Ed, ISOM/CIS, Creative Arts
				Receipt-Supported Projects (nonappropriated) <ul style="list-style-type: none"> ■ Union, Westside Expansion, Residence Halls, Food Service

University of North Carolina Wilmington
Budget Sources and Usage Profile
November 30, 2006

Budget Type	Definition of Source/Usage	Process Timeline	Decision Process	Flow of Funds to Users
Biennial Continuation Budget	<p>Provides general operating funds for each year of the biennium to continue the existing, authorized level of services.</p> <p>Authorized increases are limited to: motor/other vehicle replacement, building/office leases, utilities (natural gas, electricity, water, sewage), library materials, one-time (accreditation, longevity, overtime, workman's/unemployment compensation), building reserves, retirement rates, enrollment growth increases.</p>	Developed in fall of even-numbered years, effective July 1 st of odd-numbered years	<p><u>OSBM</u>: Provides guidance/instructions, and approves budget</p> <p><u>UNCW</u>: Budget Office in conjunction w/ ITSD, Business Affairs, Academic Affairs. Should sync with Strategic Plan.</p>	<p><u>External</u>: BD-307 (Certified Budget) from OSBM – July 1st</p> <p><u>Internal</u>: Budget Office – budget revisions into dept funds</p>
Biennial Expansion Budget	<p>Provides for expansion of existing programs, salary increases and/or benefits for teachers and state employees, to include: New or Pilot programs, continued phase-in of new programs initiated in a previous biennium. One-time major equipment purchases, Legislatively-designated salary increases (EPA and SPA).</p>	Developed in Summer/Fall of even-numbered years, effective July 1 st of odd-numbered years	<p><u>UNC-GA</u>: Develops guidelines/priorities for submission</p> <p><u>UNCW</u>: Divisions submit requests through VC's, Chancellor/Cabinet approval and prioritization. Should sync with Strategic Plan.</p>	<p><u>External</u>: BD-307 (Certified Budget) from OSBM – July 1st</p> <p><u>Internal</u>: Budget Office – budget revisions into dept funds</p>
Biennial Capital Budget	<p>Provides for construction of new facilities, repair and renovations to existing facilities major equipment purchases, land purchases and improvements to infrastructure, to include: major repairs and maintenance to existing facilities, walks and road improvements, new construction, land purchases, American with Disabilities Act (ADA) improvements, life safety code compliance, asbestos and lead paint removal.</p>	Developed in Summer/Fall of even-number years, effective July 1 st of odd-number years	<p><u>UNC-GA</u>: provides guidance/instruction and priorities for submission</p> <p><u>UNCW</u>: Based upon the Eva Klein study, a second phase of bond-construction and Cabinet discussions, a capital list is assembled for UNC-GA. Should sync with Strategic Plan and Master Plan.</p>	<p><u>External</u>: Funding and budget controls are through code and item (CI) capital funds. The flow of funds is managed through the Office of State Controller and UNC-GA, based on expenditure requests.</p>
Enrollment Growth Funds	<p>Provides for essential program/personnel needs generally concentrated in academics. General funds based on enrollment projections submitted as part of the Biennial and Supplemental Budget processes.</p> <p>Uses a 12-cell funding model to develop faculty requirements based on SCH changes, as well as supporting funds.</p>	<p><u>Development</u>: Biennial – Summer/Fall of even-numbered years Supplemental – Spring of even-numbered years <u>Effective Date</u>: July 1st of each fiscal year</p>	<p><u>UNC-GA/BOG</u>: Approval of university's submission. Sent to OSBM for inclusion in Governor's budget request <u>UNCW</u>: Vice Chancellors decide on resource allocation (sync with SP)</p>	<p><u>External</u>: BD-606 (Budget Revision) from OSBM (thru UNC-GA) – July 1st</p> <p><u>Internal</u>: Budget office – budget revisions into dept funds</p>

University of North Carolina Wilmington
Budget Sources and Usage Profile
November 30, 2006


Budget Type	Definition of Source/Usage	Process Timeline	Decision Process	Flow of Funds to Users
One-Time Allocations	<p>Provides for operating/personnel costs on a one-time basis.</p> <p>General funds from the following internal sources:</p> <ul style="list-style-type: none"> ■ Lapsed salaries and benefits ■ Permanent funds held at university level ■ SRCI carried forward from previous year 	<p><u>Development:</u> Annually in spring/summer</p>	<p><u>SRCI carry forward:</u></p> <p>UNC-GA approves of plan for expenditures</p> <p>OSBM approvals carry forward cash from prior year</p> <p><u>UNCW:</u> Cabinet/Vice Chancellors decide on resource allocation (sync with SP)</p>	<p><u>External:</u> BD-606 (Budget revision) from OSBM – July 1st (for SRCI carry forward)</p> <p><u>Internal:</u> Budget Office – SRCI flex / budget revisions into dept funds</p>
Campus-Initiated Tuition Increases	<p>F&A (Indirect costs) funds:</p> <p>General funds from increase in Tuition + Ed & Tech fee. Tuition request must be accompanied with plan for expenditure. Certain restrictions placed by UNC-GA (BOG).</p> <p>Example: FY 2007-08: 25% for faculty salaries; 25% for financial aid; remainder to:</p> <ul style="list-style-type: none"> ■ Improve libraries and counseling services ■ Reduce class size ■ Increase section offerings ■ Enhance student services ■ Improve quality of academic experience 	<p><u>Effective Date:</u> July 1st of each fiscal year</p>	<p><u>F&A:</u> Office of Sponsored Programs estimates amount of IDC to be received in given year. Allocation split 70/30 between Academic and Business Affairs. 15% of previous year's actual revenue distributed to departments who generated grant revenues</p>	<p><u>Internal:</u> Budget Office – generates budget revisions to increase department budgets</p>
		<p><u>Effective Date:</u> July 1st of each fiscal year</p>	<p><u>UNC-GA:</u> Approval of university's submission. CAP on amount that can be requested. (FY 07-08: 6.5% for in-state undergrads)</p> <p><u>UNCW:</u> CITI Committee (chaired by AVCBA-F) makes recommendations to Chancellor on amount of increase and general plan for expenditures</p> <p>Cabinet/Vice Chancellors decide on final resource allocation (sync with SP)</p>	<p><u>External:</u> UNC-GA (BOG) Submits approval memorandum to Chancellor in February</p> <p>OSBM approval of BD-606 Submitted by UNCW</p> <p><u>Internal:</u> Budget Office – Budget revision once BD-606 approved</p>

University of North Carolina Wilmington
Budget Sources and Usage Profile
 November 30, 2006

Budget Type	Definition of Source/Usage	Process Timeline	Decision Process	Flow of Funds to Users
Mandatory Student Fees	<p>Non-general funds from increase in mandatory student fees. Program specific.</p> <ul style="list-style-type: none"> ■ Athletics ■ Health Services ■ Debt Service (Trask, Westside, Campus Rec, Union, Union Expansion) ■ Student Activities (Student Services, Media, SGA, Union, Rec & Intramurals, Cultural Events, Leadership Ctr, ID/Debit Card, Athletic Facilities) 	<p>Development: Annually in fall/winter</p> <p>Effective Date: July 1st of each fiscal year</p>	<p><u>UNC-GA</u>: Approval of university's submission. CAP on amount that can be requested. (FY 07-08: 6.5% for in-state undergrads)</p> <p><u>UNCW</u>: Student Fees submitted by VC's to Advisory Committee (chaired by Budget Director) makes recommendations to Chancellor on amount of increase</p> <p>Once approved program directors submit annual special funds budgets to Budget Office in May (sync with SP)</p>	<p><u>External</u>: UNC-GA (BOG) submits approval memorandum to Chancellor in February</p> <p><u>Internal</u>: Budget Office -- budget revisions once approval of program director's budget submissions</p>

- b. Refocus the budget conversation on goals and objectives with funding representing one of many strategies. This shift is intended to make the process more intentional.
- c. Produce a brief (6-8 slides) PowerPoint presentation about the budget process for use by all administrators from the department chair/director level up. This tool will be used to inform faculty, staff and students.

An outline for a presentation titled *Understanding the UNCW Budget System* follows:



University North Carolina Wilmington
Understanding the UNCW Budget System

Session Outline

- The Road from Strategic Planning to Resource Allocation
- Categories of University Funding
- Budget Sources and Usage Profile
- Budget Process Flowchart
 - ▶ Planning/Budget Development Calendar
- Roles and Responsibilities in the Budget System
- Uniform Budget Template
- Education, Communication, Assessment
- How You Can Participate

- d. Develop a preamble for all budget committee chairs that introduces the Strategic Goals and ask that budget deliberations be made in that context. This will be reviewed at the beginning and end of each committee's work cycle and will serve as a reference point for deliberations.

A Sample Preamble for use by Committee Chairs follows:

The University North Carolina Wilmington has made a strong commitment to utilizing its resources as efficiently and effectively as possible and in a manner that allows for broad participation. To realize this goal, the university has aligned four critical aspects of planning and budgeting. These include the development of a Strategic Plan through broad campus participation, the establishment of Progress Measures to ensure progress toward our stated goals, the alignment of unit and institutional planning and budgeting and the development of a comprehensive, integrated budget system. To keep participants in the budget process focused on the strategic goals of the institution, each committee chairman has been asked to remind committee members of the seven overarching goals at the outset of budget deliberations and to review the recommendations of the committee in the context of the Strategic Goals prior to forwarding recommendations. The seven Strategic Goals are as follows:

- Goal I: Create the most powerful learning experience possible for our students.*
- Goal II: Recruit, retain and develop quality faculty, administration and staff in appropriate numbers.*
- Goal III: Embrace and enhance diversity throughout the university's constituencies, culture, curriculum and outreach activities.*
- Goal IV: Create an educational environment that prepares our students to be global citizens.*
- Goal V: Strengthen the university's regional engagement and outreach activities.*
- Goal VI: Enhance the quality of UNCW's environment and provide a campus that is attractive, functional and, above all, safe.*
- Goal VII: Ensure adequate resources to achieve university goals by increasing public financial support and private giving.*

- e. A series of orientations and training sessions will be delivered by the Office of Budgets and coordinated with other offices on campus.

3. **Eliminate the persistent confusion related to the role of the Chancellor, VC for Academic Affairs/Provost, VC for Business Affairs/CFO, Cabinet, Planning and Quality Council, Faculty Senate Budget Committee, Staff Council and SGA in the budget process.**

Clarification of Roles in the Budget Process

The Role of the Chancellor in the Budget Process

The Chancellor is the Chief Executive Officer of the University. In this capacity she/he ensures that a clear and effective Mission Statement is in place buttressed by Strategic Goals and related progress indicators. Further, the Chancellor is charged by the Board of Trustees, the UNC President and the Board of Governors with articulating a vision that energizes campus planning efforts. She/he serves as the guiding voice of the university. The Chancellor's overarching philosophy of institutional purpose, combined with goals and performance measures intended to realize that vision, drive the budget processes. The Chancellor is the lead agent in securing institutional resources to accomplish the university's mission. For the institutional vision to be attained, organizational structures and budget processes must be implemented in a manner consistent with the mission statement, campus values and the Strategic Plan. It is the responsibility of the Chancellor to set standards, insist on their implementation and hold administrators at all levels accountable for results. Her/His duties include the following:

- Ensure that a clear and compelling mission statement has been articulated.
- Guide the development of the Strategic Plan and the creation of progress measures to realize both the mission and the plan.
- Require the implementation of organizational structures and processes that are needed to support the plan.
- Serve as the chief spokesperson and advocate for the institution.
- Evaluate progress and adjust institutional leadership, resources and strategies in accordance with evidence.
- Serve as the final authority with regard to all resource matters.

The Role of the Provost in the Budget Process

The Provost is the Chief Operations Officer of the University. In this capacity he/she is responsible for ensuring that the organizational structures, processes, personnel and daily routines of campus life support the actualization of the institution's mission and the realization of its Strategic Plan. This role is complicated because the Provost is also the Vice Chancellor for Academic Affairs. This duality requires a clear distinction in roles at the intellectual, operational and symbolic levels. As the Vice Chancellor for Academic Affairs, he/she is a peer member of the Chancellor's Cabinet. In the role of Vice Chancellor he/she represents a division and is required to present arguments and articulate positions appropriate for that role. Because of the centrality of the work of the Division of Academic Affairs to the institution's core mission, however, this senior officer has a voice of prominence and influence within the Cabinet. In this capacity, it is incumbent upon the Vice Chancellor for Academic Affairs to meet the same standards of evidence and persuasion required of all senior level professionals. Performing the role of Provost requires different functions and a higher level of leadership. It must, therefore, be clear when the Chancellor is addressing him/her in the capacity of Provost and when he/she is acting in that capacity. As Provost, critical aspects of the role require skills as a process facilitator, information gatherer and synthesizer, voice of reason and persuasion and senior level decision maker. Further, the Provost represents the interests of the institution as a whole and not a division. He/she must be seen as aggressively pursuing actions and resources that increase the probability that all units throughout the university will succeed. This elevated leadership role includes holding others accountable for implementing effective systems and processes and achieving measurable performance outcomes. Once the budget requests have been submitted, the Vice Chancellor for Academic Affairs operates as Provost and from that point forward he/she maintains that posture.

1. Initiate discussions with key campus constituents about the institution's mission and goals, seek ideas that will advance the mission and goals and educate the campus community.

2. Engage in regular conversations with the Chancellor, division heads and the University Planning and Quality Council about barriers to progress, opportunities for collaboration, revenue enhancement and evidence of progress.
3. Collaborate with the CFO to ensure that essential budget logistics such as data collection, data aggregation, timelines and the presentation of information are proceeding as required.
4. Facilitate thoughtful and well-organized budget discussions among the Cabinet as part of data verification and the initial budget requests prioritizing process.
5. Facilitate thoughtful and well-organized budget discussions among the “senior” Cabinet members leading to final prioritization of requests as appropriate.
6. Conduct similar process facilitation with regard to budget allocation as described in 4 and 5 above.
7. Make decisions on behalf of the institution in a timely and clear manner when collaborative decision making efforts stall. Decisions should be made known and accompanied by a brief explanation of rationale.
8. Present the progress being made on budget formulation and the final budget allocations to key campus groups such as, Academic Deans and Chairs, the University Planning and Quality Council, Faculty Senate and SGA leadership.
9. Act in partnership with the CFO to ensure that an annual assessment of the budget process is conducted by the Office of Budgets and that the results are presented to the Chancellor, Cabinet, University Planning and Quality Council, Staff Council, Senate Budget Committee and SGA. This review would focus on roles and execution steps.

The Role of the Vice Chancellor for Business Affairs/CFO in the Budget Process

The role of the Chief Finance Officer needs to be consistent with the duties generally associated with such a position. It is within this office and the supporting Office of Budgets that continuous and thoughtful financial planning should occur. Such planning should include but not be limited to budget revenue projections, analyses of expenditures, indebtedness and cash flow, trends and scenarios, and feasibility studies. Campus leaders must be able to tap into the planning and budgeting expertise of the Business Affairs Division and obtain relevant data well in advance of being asked to make critical

decisions. These data should be in a format that is clear, documented and professionally organized. The CFO is the officer responsible for overseeing the budget process to ensure that templates are completed, definitions are understood, relevant scenarios are produced and timelines are met. The CFO should be a voice of encouragement or caution as appropriate when new programs, projects, construction or land purchases are proposed. The campus needs the skills and resources of this office as a synthesizer of information and a problem solver. Further, the CFO should collaborate with the Provost in the final prioritization and construction of budget request, identify funding sources to be linked to a specific request and align the allocation and distribution of funding with appropriate resources. As with the Provost role, the CFO's role extends beyond the role of the Vice Chancellor for Business Affairs. As CFO she/he must ensure that the budget is effectively constructed, aligned and managed, consistent with all state requirements and audit standards.

1. Collect, analyze and present information to key leaders about the budget process, explain financial choices and current budget status on a continuous and timely basis.
2. Engage senior administrators in thoughtful and timely discussions about budget issues relevant to their areas of operation and actively seek efficient solutions.
3. Provide feedback and advice to the Chancellor, Provost and other senior officers regarding budget status, viability and risks associated with major purchases, commitments and requests.
4. Manage the logistics of budget development processes and present data in clear, understandable formats. This includes notifications, guidelines, timelines, templates, formative summary statements as the process unfolds, scenario development and summative documents.
5. Assist the Provost with the construction of the budget requests to be forwarded once the Cabinet has completed its work.
6. Participate in budget opportunity and feasibility reviews with the Chancellor, Provost and Legislative Liaison during the budget cycle. In this capacity she/he looks for opportunities to secure funding, assemble resources in more powerful ways and realize economies and efficiencies.
7. Participate proactively in educating key constituencies with regard to budget processes, priorities and the Strategic Plan.

As appropriate, the process should include updates and projections prepared at the direction of the CFO that link Strategic Planning to demographic changes, financial aid costs, pending compensation issues, peer comparisons in key competitive areas and core information technology needs. This may necessitate some roundtable discussions and a team leader in each area to create these background reports as we enter budget cycles. These are strategic reference points and can vary.

Note: The CFO and Provost must have the good faith support of the Cabinet to make the budget process work and be responsive to changing BOG, GA, BOT and legislative landscapes.

Role of the Cabinet in the Budget Process

The Cabinet* is the senior deliberative body on campus with regard to budget processes. Because roles and relationships have not been clearly defined, efforts to address action items often stall. Clarity with regard to the role of Cabinet and the role of groups within the Cabinet is essential to managing the important work of the university. The Cabinet guides the development of budget requests and the allocation of resources, always basing its discussions and actions on the university's mission and Strategic Plan. In their deliberations, members of the Cabinet reflect the values expressed in the Cabinet's Compact and act as a team in the best interests of the university as a whole. Within the Cabinet, the Provost and the Chief Financial Officer take leadership roles at various stages of the budget processes. The CFO, with assistance from staff such as the Director of Budgets and the Legislative Liaison, manages the logistics and timelines and provides needed data and analysis for Cabinet discussions. The Provost facilitates Cabinet deliberations and serves as the senior officer to recommend solutions and actions to the Chancellor when a consensus cannot be reached. In many cases, the Chancellor may chose to delegate the decision making authority directly to the Provost. Once approved by the Chancellor, submissions of university budget requests and resource allocations are implemented by the CFO and the Provost, with assistance from staff as needed. All members of the Cabinet, as well as the Expanded Cabinet,** assist in communicating the status and outcomes of various budget processes, emphasizing the linkages between budgeting and planning, and in assessing the impacts of resource allocations in relation to strategic goals and priority progress measures.

*The Cabinet, sometimes referred to as the Administrative Cabinet or the Chancellor's Cabinet, is composed of the Chancellor, the Provost and Vice Chancellor for Academic Affairs, the Vice Chancellor for Business Affairs, the Vice Chancellor for Information Technology Systems, the Vice Chancellor for Public Service and Continuing Studies, the Vice Chancellor for Student Affairs, the Vice Chancellor for University Advancement, the General Counsel, the Director of Athletics, the Special Assistant to the Chancellor, the Assistant to the Chancellor for EPA Administration/Director of Human Resources, the Assistant to the Chancellor for Marketing and Communications, and the Assistant to the Chancellor/Assistant Secretary to the Board of Trustees.

**In addition to those listed above, the Expanded Cabinet includes the Dean of the Cameron School of Business, the Dean of the College of Arts and Sciences, the Dean of the Graduate School and Research, the Dean of the School of Nursing, the Dean of the Watson School of Education, the Assistant Vice Chancellor for Student Affairs and Dean of Students, the Director of the Center for Marine Science, the University Librarian, the President of the Faculty Senate, the Associate Provost for Enrollment Management, the Associate Vice Chancellor for Academic Affairs for Diversity, the Senior Associate Vice Chancellor for Business Affairs-Finance, the Director of Institutional Research, and the Assistant to the Chancellor for Special Projects.

The Cabinet and Expanded Cabinet are constituted to ensure broad, expert membership capable of guiding decision making. While such representation is valued, it should be noted that when a specific decision has to be made reflecting the will of the university, it is neither always practical nor appropriate to facilitate consensus building efforts with such a large group. There will be cases when the representative of the Chancellor's Division will be included in the final stages of the "official" decision making process. It is ultimately the responsibility of the Chancellor, Provost, and Vice Chancellors to make "official" budget decisions. These officers are charged with determining the university's budget requests and the allocation of funds.

Note: Prior to the implementation of recommendations made in this report, the Task Force recommends that the Cabinet review the membership of each body to determine if the composition is appropriate.

The Role of the University Planning and Quality Council in the Budget Process

The University Planning and Quality Council (UPQC) is chaired by the Chancellor. Its membership includes the six Vice Chancellors; the Deans of the College, the professional schools, and the graduate school; the Dean of Students; the President of the Faculty Senate and four additional at-large faculty members; the Director of Human Resources; the Director of Budgets; and the SGA President. The University Planning and Quality Council plays an essential role in linking strategic planning with budgeting. The UPQC lays the strategic foundation for budget development and long-term resource allocation. The Council recommends annual priorities that guide shorter-term resource allocation, establishes progress measures and accompanying resource plans, assesses the impact of budget allocation at the campus level, and makes consequent strategic adjustments to the university's goals and objectives. To facilitate the integration of strategic planning with budget decisions, the UPQC should maintain, in coordination with the Director of Budgets, a widely accessible, joint planning/budgeting calendar.

To promote a process that effectively links planning and budgeting, the University Planning and Quality Council shall:

1. Establish strategic goals and objectives to guide budget development and long-term resource allocation. The Cabinet responds to these goals as it considers specific allocation priorities.
2. Establish annual priorities among the Strategic Goals that guide shorter-term resource allocation.
3. Establish university-wide targets and ensure that resource plans are developed to measure progress toward the university's strategic plan.
4. Maintain a widely accessible, joint planning/budgeting calendar with Budget Office to synchronize strategic decisions with budget development at multiple points throughout the budget biennium.
5. Receive feedback following budget development and resource allocation in order to make informed future strategic decisions.
6. Assess the impact of resource allocations on the progress measures, and make recommendations based on this assessment.

7. **The Task Force recommends that the chair of the Staff Advisory Council and the Special Assistant to the Chancellor for legislative and BOT matters be added to the membership of the University Planning and Quality Council.**

Role of the Faculty Senate in the Budget Process

1. Advise the VC-AA regarding priorities and performance measures of importance to the faculty.
2. Represent faculty perspectives within the University Planning and Quality Council and advise regarding Strategic Goals and progress measures.
3. Ensure timely discussion with and presentations to the Senate regarding budget processes, openness and responsiveness to faculty concerns.
4. Advance efforts to educate the academic community about budget processes, methods of engagement and outcomes.
5. Use its expertise and influence to advance the academic interests of the institution and the learning needs of students.

Role of the Chancellor's Staff Advisory Council

1. Advise the Chancellor with regard to the impact of Strategic Planning and progress measures on the work conditions of staff.
2. Serve as a sounding board regarding staff resource needs that will assist in meeting the goals and objectives of the institution.
3. Provide advice regarding implementation strategies for both existing and new programs to expedite the implementation process.
4. Assist with the dissemination of information to staff and any educational efforts related to budget matters.
5. Nominate representatives to serve on critical budget committees and planning teams as appropriate.

Role of SGA in the Budget Process

1. Nominate representatives to serve on the Tuition Committee and Fee Committee
 2. Ensure that the student leaders receive effective and continual training regarding the budgetary process.
 3. Invite and engage senior administrators in issues and discussions regarding student interests and concerns.
 4. Host discussion forums as appropriate during key stages of the budget development cycle. Include outcomes information in the State of the University Address.
 5. Be active participants in discussions about the institutional mission, the learning environment and means of utilizing resources to improve the overall quality of the university.
-
4. **Clarify the budget sequence and the prioritizing process for both initial requests and the allocation of resources.**

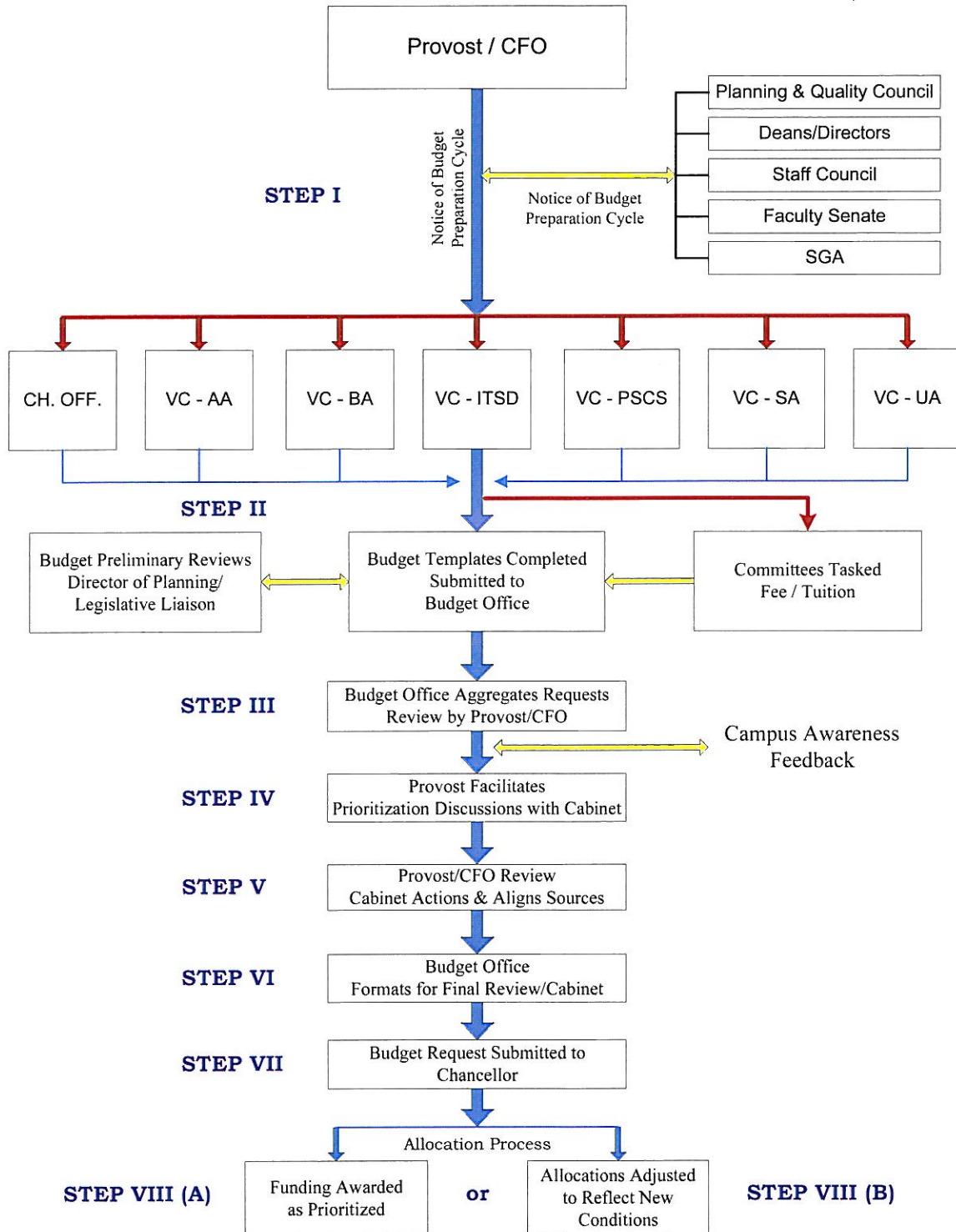
Response

- a. Design a flowchart with an explanatory narrative.

A Flowchart Explaining the Budget Development System, an Internal Budget Development Process for Academic Affairs, and a University Budget/Planning Calendar follow:

**University of North Carolina Wilmington
Budget Development Work Flow**

November 30, 2006



Once appropriations are made, the Provost and CFO convene the Cabinet, with the Director of Budgets in attendance, to brief the Cabinet and discuss actual allocations. If necessary a new, limited prioritization process is facilitated.

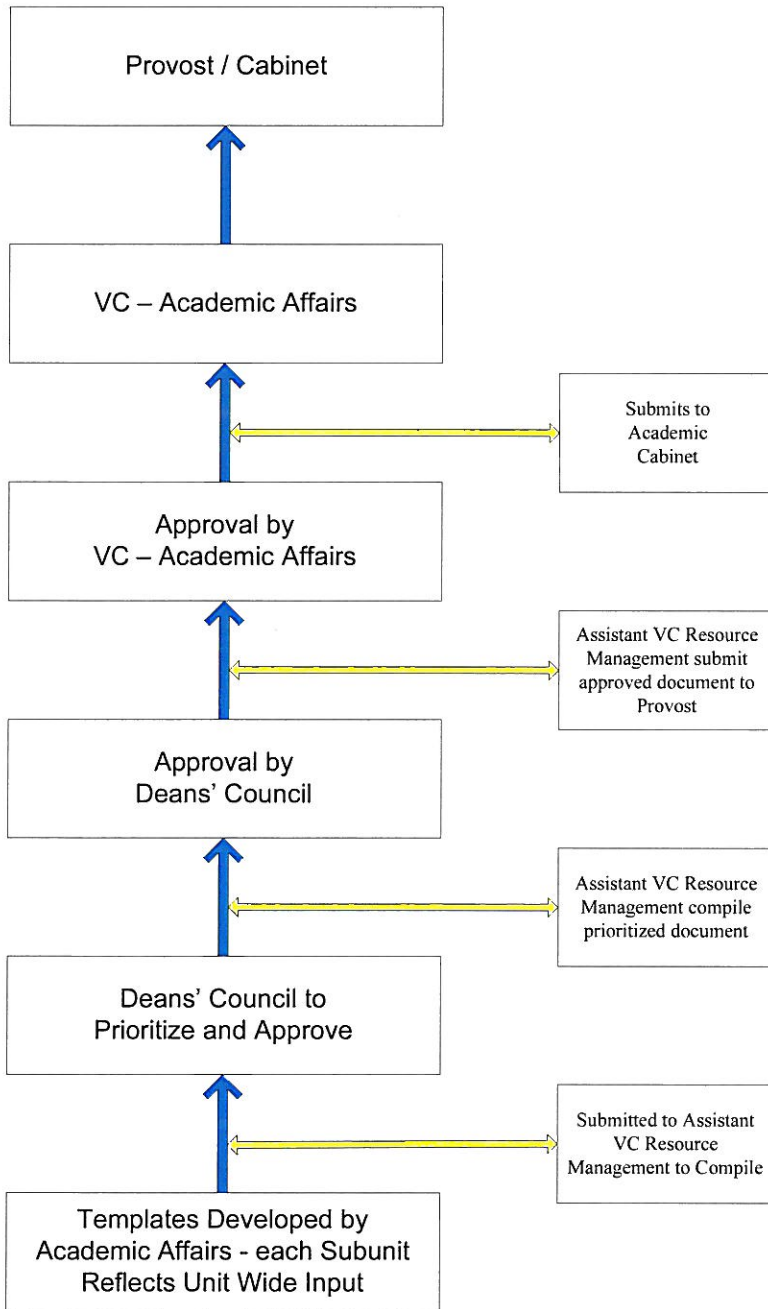
Proposed Budget Sequence (Related to Step IV on Budget Development Work Flow Chart)

1. First, the Cabinet will consider and account for verifiable “unavoidable” costs that are outside the university’s control.
2. Second, the Cabinet will refer to the top prioritized Strategic Goals recommended by the University Planning and Quality Council for targeted attention during this cycle and create a “budget reflecting essential, complementary actions.” This approach links primary strategies with essential supporting strategies and reflects the overall costs necessary to address a goal in a holistic manner. A project leader would be appointed to synthesize a request for each targeted strategic goal.
3. Third, unfinished priorities previously committed to by the Cabinet will be reviewed. This step ensures that important pieces are not lost. This does of course require a summary of all “official actions” taken by the Cabinet after each meeting to be verified at the start of the next meeting. Example: the Violence Task Force proceeded in three phases. (Responsibility of Chancellor)
4. During the fourth step, the most critical divisional priorities will be considered by the Cabinet. These will be presented using the common Submission Template.
5. Each division will need to develop internal processes and timelines for budget development, allocation and education that complement and integrate with the University Budget System. The Task Force has asked Academic Affairs to pilot the first model with **all divisions to complete the process by January 20, 2007.** (Responsibility of Director of Budgets to collect)
6. Other: The Task Force has outlined educational initiatives that need to be undertaken to ensure the successful implementation of the total system. Accountability measures are built into the Budget Template, are included in the responsibilities assigned to the University Planning and Quality Council as reflected in the progress measures and will be addressed by the Provost and Chancellor in their directives to the Office of Institutional Research.

DRAFT

November 30, 2006

Division of Academic Affairs
**Internal Budget Development and Approval Process
Flow Chart**



**University Planning / Budget Calendar
First Year of Biennial Budget Cycle**

	August	September	October	November	December	January	February	March	April	May	June	July
D- Data Reports Available												
B – Budget Events	B B B											
P – Planning Events	P P P											
Biennial expansion budgets due to UNC-GA												
Review enrollment growth model (proposed)												
Enrollment growth projections due to UNC-GA		B B B										
EPA salary base adjustments due to UNC-GA		B B B										
Develop strategic needs list for tuition & fees committees (proposed)		P P P										
Results-Based Budgeting Committee forms recommendations			B B B	B B B								
Task Force on Budget Processes forms recommendations			B B B	B B B	B B B							
Biennial continuation budget due to UNC-GA/OSBM			B B B									
Campus-Initiated Tuition Increase & Student Fees committee meet			B B B	B B B	B B B							
UNCW student fee increase requests due to Budget Office			B B B									
Student fee increase requests due to UNC-GA					B B B							
Campus-initiated tuition increase requests due to UNC-GA					B B B							
UNCW special funds budget packages due to Budget Office					B B B							
Annual update of progress measure & peer trend data available												
Assess impact of prior year's allocations (proposed)												
UNCW special funds mid-year review sessions												
SREB funding comparisons available												
Develop next year's strategic priorities (proposed)												
UNCW special funds budget packages due to Budget Office												
Allocation of enrollment growth / one-time funds to campus												
IPEDS faculty salary data available for year just completed												

**University Planning / Budget Calendar
Second Year of Biennial Budget Cycle**

	August	September	October	November	December	January	February	March	April	May	June	July
D- Data Reports Available												
B – Budget Events		B B B	B B B B B	B B B B B	B B B B B	B B B B B	B B B B B					
P – Planning Events	P P P	P P P										
Review enrollment growth model (proposed)												
Enrollment growth projections due to UNC-GA		B B B										
Develop strategic needs list for tuition & fees committees (proposed)		P P P										
Campus-Initiated Tuition Increase & Student Fees committee meet			B B B B B	B B B B B	B B B B B							
UNCW student fee increase requests due to Budget Office			B B B	B B B								
Student fee increase requests due to UNC-GA				B B B	B B B							
Campus-initiated tuition increase requests due to UNC-GA				B B B	B B B							
UNCW special funds budget packages due to Budget Office				B B B	B B B							
Annual update of progress measure & peer trend data available						D						
Assess impact of prior year's allocations (proposed)						P P P						
UNCW special funds mid-year review sessions						B B						
EPA salary base adjustments due to UNC-GA						B B B						
SREB funding comparisons available							D					
Supplemental budget requests due to UNC-GA							B B B					
Develop next year's strategic priorities (proposed)									P P P P P	P P P		
UNCW special funds budget packages due to Budget Office										B B B		
Biennial Capital Budget (6-year plan for R&R) due to GA										B B B		
Biennial Capital Budget (6-yr. plan for non-approp. improve.) due to GA											B B B	
Biennial Capital Budget (6-yr. plan for approp. improve.) due to GA												B B B
Allocation of enrollment growth / one-time funds to campus												B B B
IPEDS faculty salary data available for year just completed												D

5. Define feedback loops and assign responsibility for informing key groups about the budget process and what happened as the result of the budget cycle(s).

Response

1. A more specific set of educational expectations regarding information dissemination needs to be developed and attached to role descriptions and evaluations.
2. Provost informs Cabinet and Deans
3. Deans inform academic chairs and faculty
4. CFO informs Directors in Business Affairs
5. Chancellor and Provost inform Senate
6. Chancellor and Provost inform University Planning and Quality Council, Staff Council and SGA
7. Division Heads inform respective units
8. Staff Council Chair informs staff representatives
9. SGA Leadership and administrators as appropriate inform students
10. Chancellor's Forums inform University Community
11. Assistant to the Chancellor for Marketing and Communications completes "UNCW Maintaining the Public Trust" document to be sent to legislators, Office of the President, the volunteer boards, Chamber of Commerce, Community College Presidents or Board Chairs, etc. Some of this can be done in partnership with the Division of Public Service and Continuing Studies.
 - a. A series of workshops and training materials will be provided to constituencies across campus. These materials will include the PowerPoint, Flow Chart, Resource/Usage Profile and Budget/Planning Timeline referenced earlier.

- 6. Reduce the frustration in activating the budget “once it is official.” The primary discussion centered upon the need for a clear one-page diagram of the roles and relationships between Budget and HR when establishing positions and the need to simplify and expedite the work of Purchasing. These components should be monitored as part of assessing the budget process.**

Response

- a. The two offices need to discuss roles and plan an integrated and united approach to establishing positions. Both offices are held in high regard and the problem seems to be a communications issue.
- b. The Purchasing issue falls within the normal operations of BA and the Task Force is referring it to that office and requesting a response to Cabinet as appropriate.

- 7. Counter the perception that the basic facts are never “really” on the table and that some can by-pass the process.**

Response

- a. To make the process legitimate and build trust, we must reward those who present information out front and openly and enforce a COMPACT that ensures mutual regard and respect for ideas.
- b. If one member of group gets information, then all members should receive the same information as soon thereafter as possible, unless it is explained why information must be legitimately restricted at that time.

Summary of Educational Tools Developed

- 1. Profile of budget sources, usage and timelines
- 2. Power Point for all administrator/organization leaders
- 3. Introductory script for all Budget Committee Chairs
- 4. Budget Component for Orientation
- 5. Annual presentation to Senate – Chancellor/Provost introduced by Faculty Senate
Budget Committee Chair after prior briefing
- 6. Budget Submission Template
- 7. *UNCW, Maintaining the Public Trust: Making Our Resources Work for North Carolina*
- 8. Highlight commitments/goals in *State of University Address, SGA*
- 9. Roles and Responsibilities
- 10. Budget Sequence Flow Chart
- 11. Budget/Planning Timeline

Significant Supporting Recommendations

- 1. The Director of the Office of Budget should serve as staff to both the CFO and the Provost when collecting data or preparing and allocating university budgets. This separates the roles of VC-AA and Provost operationally and symbolically.
Responsible Party: Provost/CFO
- 2. When “special” salary adjustments are being considered for a targeted group(s), the Cabinet shall review categories and, based upon data submitted

by HR and Office of Budget, recommend targets. Broad guidelines are set by the Cabinet. HR and Budget run scenarios and present to Cabinet for action recommendations to Chancellor. (HR/Budget/Cabinet)

3. The true impact of student charges needs to be a part of the budget discussion of the Cabinets each year. This should include the data on fees, debt retirement and other non-optional charges to students to give the Cabinet a sense of total impact as well as a long-term view. The balance between program fees and capital projects is of increasing importance. (CFO)
4. The total costs of a particular program must be determined (all revenue sources) so that questions of investment and value can be considered. This information needs to be visible and discussed. A starting point would be a review and analysis of select programs as appropriate by the Provost. (CFO prepares materials and reviews with Provost)
5. Although progress has been made, the issue of duplication of services remains of concern. A review should be conducted by some entity outside of the divisions. While several examples were cited during interviews, the Task Force focused on the pattern of perceptions rather than engaging in discussions about the validity of the statements. Because this perception persists, however, some review would help to confirm or dispel such perceptions. This issue may also be relevant to PACE.
6. Chancellor's office must insist that a designated representative be present at all budget discussions and that the seven divisions' needs are being considered fully. (Chancellor)
7. Highlighted areas of concern for creating a more efficient process include a need for increased involvement of the Budget Director in the overall process, improving operations in Purchasing and developing the CFO role more fully in data-driven decision making. (Provost/Kay Ward/CFO/Cabinet)
8. An internal structure needs to be created to review charges for services from auxiliaries in BA, PSCS Telecommunications and SA for services and support to the campus. This would allow a more comprehensive perspective and help regulate increases. This can be an informal or formal process. (This requires an objective/rational analysis)

9. There is a continuing concern that the “new” services routinely tend to overshadow needs that have been historically under funded. This coupled with several large “off the top” allocations may create problems in the near future. We urge that both tendencies be carefully considered. (Budget Office/CFO/Provost create an outline of all existing commitments for new programs for Cabinet review)
10. While we have confidence that the Cabinet can determine the appropriate strategies for addressing these recommendations, we hope that consideration will be given to utilizing external reviewers and consultants in select instances where a fresh and objective perspective is needed to ensure a high level of openness and trust in the process.
11. The Task Force did not address the resources generated through grants or Advancement activities specifically but it assumes that these resources will be aligned with strategic priorities in a manner similar to the steps outlined herein and that the results of these efforts will be tracked by the Cabinet and made known through a transparent process. The recent actions by the Advancement Division have begun to address this issue and it is generally felt that we are moving in the right direction.

Concluding Comment

The Task Force has made a serious attempt to address the charge given to it by Chancellor DePaolo. This task has required an examination of our current budget processes, consideration of strengths and weaknesses in those processes and an effort to respond with enough detail to make it possible for others to implement the recommended strategies. In addition to the meetings of the Task Force, members have engaged in more than forty-five interviews with representatives throughout the campus community and have studied budget documents and data in an effort to educate themselves so that the work of the Task Force will be meaningful to senior leaders. In some cases, we may have chosen to err on the side of being overly specific rather than forwarding vague and unsubstantiated recommendations. Taken in their entirety, the recommendations contained in this document should assist the Chancellor in creating a systemic, inclusive and transparent budget system for the University North Carolina Wilmington. **It is the hope of the Task Force that implementation will begin in the Spring of 2007.**