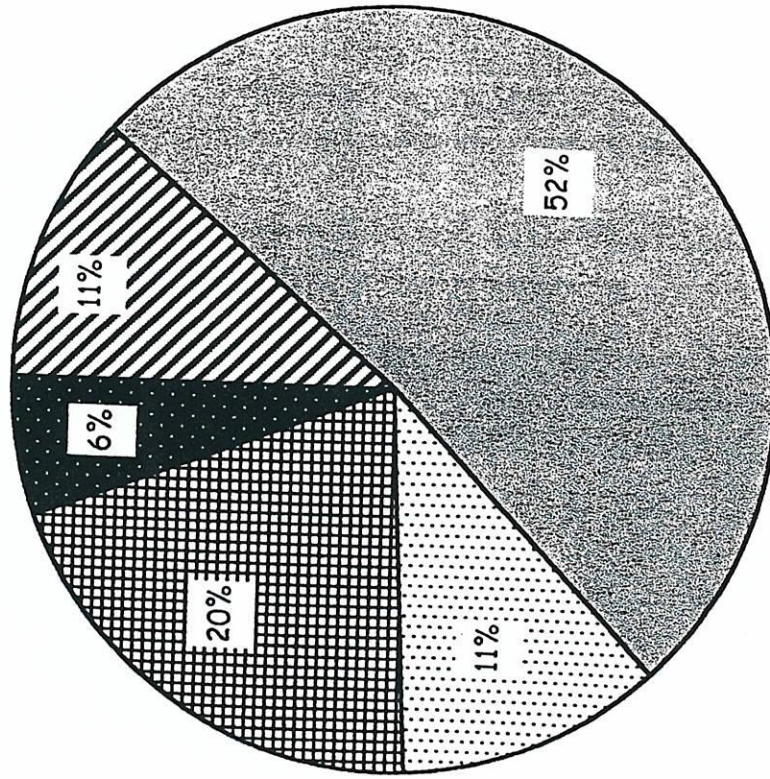# Campus Classification of Survey Respondents

Legend:
- University Center
- University College
- Specialized / Statutory
- College of Technology
- Health Science Center

52%, 11%, 6%, 20%, 11%

V. BEST PRACTICES in SUNY

A participatory budget process strongly coincides with key goals and values described in SUNY's current strategic planning exercise. Itself a collaborative effort of system and campus constituencies, the university's plan expresses a commitment to excellence and accountability, embracing "great expectations and a commitment to change"[5]. Core values of the university include: an atmosphere of mutual respect, responsibility and collegiality; a belief that students/learners are the primary reason for our existence; and a belief that faculty and staff colleagues are fundamental to our success.

According to survey responses of Campus Governance Leaders and Chief Financial Officers, substantial variations exist in campus budget processes. After detailed review and analysis, a model for best practices in SUNY has been derived. Yet serious challenges exist on a number of campuses, while on others the process is in flux. This section highlights the common attributes of a fair and effective budget process, as compiled from the successful processes that are observed across the university. For those cases where both faculty and administration agree or strongly agree that the budget process on their campus is working (i.e., it is perceived as fair and effective by both CFOs and CGLs), this report has distilled the distinct elements that comprise the process.

Across SUNY, best practices in campus budgeting processes share the following attributes. (This is not intended to be an exhaustive or exclusive list, but is comprised of information distilled in the development and evaluation of this survey.) Whether creating a campus budget committee or refining an existing one, the integration of these 12 elements into the budgeting process can help achieve and maintain institutional health and constituency well-being.

A Fair and Effective Campus Budget Process: Best Practices

1. *The campus has a Budget Committee.*

    Of the state-operated campuses represented in the survey response, two-thirds of the campuses have a budget committee. Respondents were 5 times as likely to rate their campus budget process as fair and effective when a budget committee exists.

2. *The Budget Committee includes broad representation of campus constituencies.*

    Committee composition strongly correlates with the perceived effectiveness of the campus budget process. Processes rated as both fair and effective are far more likely to involve a budget committee on which faculty predominate, and on which professional staff are also represented. Within a fair and effective process, such budget committees typically range in size from 10-20, with average total membership of 15 and a typical distribution such as as seven faculty, five management confidential staff, two professional staff and one student. Administrative membership (MC) typically does not duplicate but overlaps with the President's Cabinet. Respondents are 26.5% more likely to view the campus budget process as fair and effective when the budget committee is chaired by a faculty member.

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[5] "A Plan for the University", Version 2, 1-28-02

3. *The Committee meets frequently, with an annual calendar of scheduled meetings.*

Frequency of meetings strongly correlates with perceived fairness and effectiveness of the campus budget process. The majority of effective budget committees meet at least once per month. No budget committee that meets only quarterly (or semi-annually) is viewed by faculty as effective.

4. *The Committee follows agreed-upon procedures, and engages in regular assessment of its activities and overall effectiveness.*

An effective budget committee has a formal and consistent process for developing meeting agendas and annual agendas, an accepted procedure for making decisions and recommendations, and an established process for regular assessment of its activities and overall effectiveness. As part of a fair and effective process, the committee makes its recommendations through consensus or formal vote. Committee members understand and accept their responsibilities, e.g., as regards attendance, committee work, collegiality and confidentiality. Only those campus budget committees with a formal process for achieving outcomes and decisions are seen as fair and effective by both faculty and administration.

5. *The Committee keeps a formal record of its meetings and activities, and communicates with faculty governance and the campus community.*

An effective budget committee produces Minutes that are formally approved by its membership. The committee makes its Minutes available and provides regular reports to faculty governance, and also solicits input from the campus community. Only those campus budget committees that make Minutes available to faculty governance, and solicit input from the campus community, are seen as fair and effective by both faculty and administration.

6. *The Administration provides the Committee with budgetary data in sufficient detail.*

The perceived effectiveness of the campus budget process strongly correlates with the level of detail in data provided, and the ease of access to such data. Respondents are 5 times as likely to rate their campus budget process as fair and effective when requested budgetary data is "relatively simple" to access. For campuses with a successful process, budget data that is needed or requested by the committee or its work groups is provided in a timely manner, without undue exercise of discretion by the President or CFO.

7. *The Committee reviews annual budget requests of all Divisions and functional areas.*

Respondents are 8.5 times as likely to rate their campus budget process as both fair and effective when the committee reviews budget data broken by functional area (e.g., general administration, academic instruction, student services, maintenance and operations, etc.). It is assumed that all committee members have acquired or been provided with basic information on the state and SUNY budget - including terminology, timelines and contingencies - as well as an overview of the institution's projected annual costs, revenues and funding sources.

8. *The Committee has access to historical data and expenditure data.*

Respondents are 7.5 times as likely to rate their campus budget process as both fair and effective when detailed expenditure as well as allocation data is provided. Of all the respondents rating their campus budget process as fair and effective, all but one indicates that the budget committee has access both to historical and expenditure data.

9. *The Committee engages in all-funds budgeting.*

Respondents are 5 times as likely to rate their campus budget process as fair and effective when the Committee reviews and makes recommendations on multiple funding sources (e.g., State Fund, DIFR, IFRs, Auxiliary Services, University Wide Programs). Policy and decision making for all the funding sources available to the institution ideally do not reside within one individual; campus constituencies should be provided input through the budget committee as well as through appropriate fund custodianship (e.g., custodianship of DIFR through Student Affairs and Residential Life, or custodianship of Research Foundation funds through Academic Affairs and/or Project Directors).

10. *The Committee makes recommendations on funding priorities.*

Respondents are 4 times as likely to rate their campus budget process as both fair and effective when the committee examines and makes recommendations on funding priorities. To the extent possible, the committee also makes recommendations on the allocation of discretionary resources (such as OTPS).

11. *The Committee establishes linkages between budgeting and planning.*

Respondents are 3.5 times as likely to rate their campus budget process as fair and effective when the campus budget committee also engages in two or more types of planning (such as long-range planning, strategic planning, facilities and capital planning, etc.). An effective budget committee establishes a formal interface with other campus groups engaged in planning.

12. *The Committee seeks an optimal allocation of resources, so as to advance the institution's goals and mission.*

Overall effectiveness of the budgeting process is correlated to the perceived equity and effectiveness in resource allocation (where effective is defined within the survey as "serving to facilitate achievement of institutional goals"). To the extent possible, the committee seeks to optimize the allocation of resources to areas that add value to the institution (e.g., academic programs and research) and to streamline the allocation of resources to overhead (e.g., general administration). To assist in these efforts, the committee regularly conducts or commissions benchmarking analyses and assessment of resource allocation effectiveness. Of all survey respondents, 89% of CFOs but only 24% of CGLs consider the allocation of resources between administrative and academic areas of the budget to be effective. But for those rating their campus budget process as both fair and effective, 94% of CFOs and 57% of CGLs consider the allocation of resources between administrative and academic areas to be effective.