

STRATEGIC BUDGET PLANNING & ASSESSMENT

FISCAL YEAR 2019



Committee on Strategic Planning and Priorities (CSPP) Budget Decision-Making Principles and Process Approved by the Board of Trustees

- The following Principles, in order of importance, will serve to guide decision making:
 - Preserve the health, safety and security of our students, faculty, staff and visitors.
 - Preserve the integrity and excellence of the educational programs and services through which the College realizes its mission.
 - Preserve the institutional integrity of the College, including our obligations to staff, faculty, and students (e.g. scholarships).
- In implementing these principles, decisions were also be guided by the institutional strategic priorities, in particular, the need to preserve and enhance the College's long-term financial well-being.

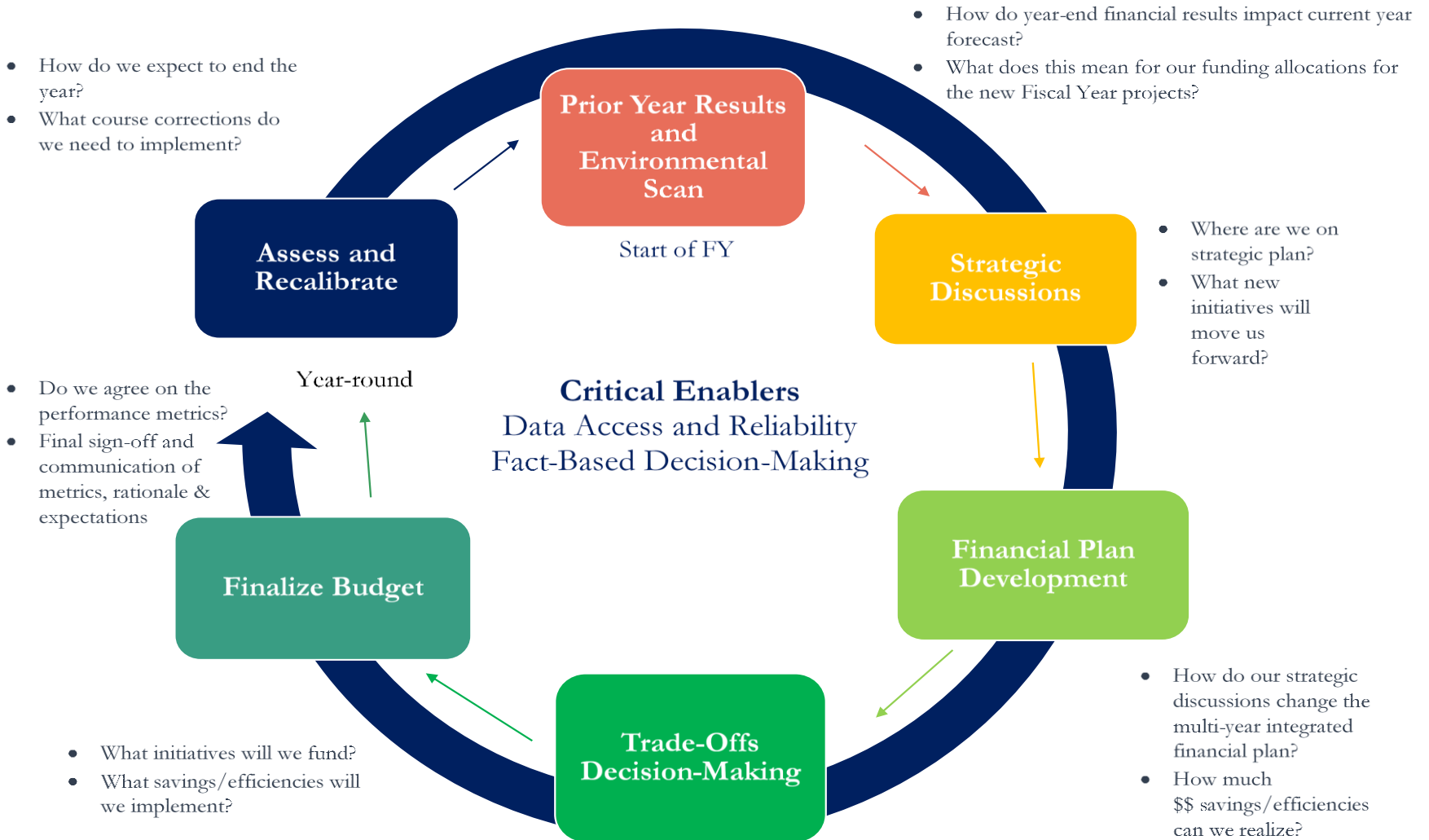
Updated April 9, 2008

Key budget performance indicators approved by the Board of Trustees

1. Percentage of the operating budget allocated to direct student support (instruction & research, academic support, student services and institutional scholarships & waivers) – should be no less than 67% of the total educational & general operating expenses.
2. Affordability/Access – level of funding allocated for institutional scholarships & waivers (Tuition Discount Rate) – Maximum = 16% and minimum = 10%.
3. Level of funding allocated for strategic investments – minimum target = 2% of operating expenses.

Approved July, 2012

Strategy-Focused Budgeting Process



FY2019 BUDGET TIMELINE

STEP 1
President and governance groups review
Financial Planning Assumptions and
Strategic Priorities

FALL 2017

STEP 8
Annual Financial Report, Audited
Financials, Key Financial
Performance Indicators and Budget
Reports

OCTOBER 2018

STEP 2
Submission of FY2019 OMB Budget Request.
Governor's budget recommendation. Annual
budget memo issue to departments with
planning assumptions and guidelines.

NOVEMBER 2017 – APRIL 2018

TCNJ's Budget Planning & Assessment Cycle

STEP 7
The President's Welcome Back Address
communicates the fiscal year strategic
initiatives to the campus community

SEPTEMBER 2018

STEP 3
Cabinet and Deans review division/schools
budget requests. Annual Tuition Hearing –
public Board of Trustees meeting.

APRIL – MAY 2018

STEP 6
The President finalizes fiscal year
budget plan and submits to the
Trustees for approval

JULY 2018

STEP 5
Budget presentation to
Executive Committee of the
Board of Trustees.

JUNE 2018

STEP 4
Budget presentations to Faculty & Staff
Senates, SGA and Unions. Leadership
Retreats – Trustees, Cabinet, CSPP

APRIL – MAY 2018

Step 1 – Strategic priorities and financial planning assumptions are reviewed based on the commitment to produce an operating budget that reflects an alignment with the College’s Strategic Plan.

TCNJ’s Strategic Priorities

- **Priority 1: Attract and retain talented students, faculty, and staff into a diverse, inclusive, and healthy campus.**
- **Priority II: Enhance Signature Experiences**
- **Priority III: Promote the college’s distinctive identity to enhance institutional and program recognition at the national level.**
- **Priority IV: Build, operate, and maintain a safe, sustainable, and accessible physical and technological infrastructure that supports high-caliber learning.**
- **Priority V: Achieve a sustainable financial model that allows the college to realize its vision while maintaining quality and affordability for the students it serves.**

TCNJ’s Strategic Planning

- **Strategic planning at TCNJ involves a need to make disciplined, informed decisions about the goals that we will and will not pursue.**

STEP 1

President and governance groups
review Financial Planning
Assumptions and Strategic Priorities

FALL 2017

Steps 2 & 3 – President’s updates to campus leadership. Schools/Divisions begin the budget development for the next fiscal year.

STEP 2

Submission of FY2019 OMB Budget Request. Governor’s budget recommendation. Annual budget memo issue to departments with planning assumptions and guidelines.

NOVEMBER 2017 – APRIL 2018

- Impact of the Governor’s budget recommendations.
- Update of the budget planning assumptions and challenges.
- Analysis of the prior years expenditure patterns and identify budget allocations to fund strategic initiatives.

STEP 3

Cabinet and Deans review division/schools budget requests. Annual Tuition Hearing – public Board of Trustees meeting.

APRIL – MAY 2018

- Initiatives that require “new money” will be funded based on alignment with the College’s strategic priorities.
- New budget requests must be submitted as “ActionPaks” in the budget development software (BudgetPak).
- Initiatives using existing resources (budget reallocations) will become part of the department’s base budget.

Steps 4 & 5 – Strategic planning retreats by campus leadership. Funding needs for strategic initiatives and budget allocations are prioritized.

STEP 4

Budget presentations to Faculty & Staff Senates, SGA and Unions. Leadership Retreats – Cabinet and CSPP

APRIL – MAY 2018

STEP 5

Budget presentation to Executive Committee of the Board of Trustees.

JUNE 2018

- Strategic priorities are refined at retreats and form the basis for next the fiscal year areas of focus.
- Budget presentations to CSPP, Faculty Senate, Staff Senate, Student Government Association and Union leadership.
- Multi-year budget assumptions, key budget performance indicators and FY2019 funding earmarked to implement action items within the College's strategic plan.
- Cabinet finalizes funding allocation to implement the approved strategic projects for FY2019.

Steps 6 & 7 – Approval of strategic budget plan and communication to the campus community of fiscal year 2019 strategic objectives.

STEP 6

The President finalizes fiscal year budget plan and submits to the Trustees for approval

JULY 2018

- President reviews and approves the budget plan with final funding allocation decisions.
- Budget Plan (including funding for strategic priorities) reviewed and approved by the Board of Trustees.

STEP 7

The President's Welcome Back Address communicates the fiscal year strategic initiatives to the campus community

SEPTEMBER 2018

- Communication to the campus community – FY2019 strategic projects, accountability and funding allocated to support these initiatives.

Step 8 – Translate strategic priorities into measurable terms and document the College’s overall performance (qualitative and financial).

Annual Financial Performance Assessment

STEP 8

Annual Financial Report, Audited Financials, Key Financial Performance Indicators and Budget Reports

OCTOBER 2018

- Annual Financial Report – synthesize the results of TCNJ’s overall financial performance.
- Audited Financials – Annual financial report including management’s discussion and analysis of the College’s financial results for the fiscal year.
- Key Financial Performance Indicators and Budget Reports include – Level of funding allocated to primary purpose (direct student support), level of investments for strategic projects, TCNJ’s overall level of fiscal health - Composite Financial Index (Operating Margin Ratio, Return on Net Asset Ratio, Primary Reserve Ratio and Viability Ratio).