

Managing Budgets: Planning, Prioritizing, and Allocating

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About University of Nebraska Medical Center

Established 1869

6 Health Professions Colleges
(COM, COD, CAHP, CPH, CON, COP)
and Graduate Studies

2 Institutes (Cancer and
Developmental Disabilities)

4,400 students, 562 in Graduate
Studies

\$216m in research expenditures

> \$127m in federal grants and
contracts





About University of New Mexico

~6000 Graduate and Professional Students in 12 colleges

R1, HSI with about 30% Hispanic graduate students

220 Ph.D., 1700 Master's Degrees annually

One of six state-funded graduate schools in our state of 2.1M





Session Objectives

- Describe possible sources of revenues for Graduate Studies programs
- Describe types of budget allocation methods for higher ed
- Discuss planning considerations during budgeting
- In small groups, discuss budget allocation considerations that involve leveraging current resources and those that involve reallocation of resources
- Summarize

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Disclosures

None

Possible Grad Studies Funding Sources

- State allocation: public institution
- Tuition revenue
- Application/enrollment/program fees
- Student financial aid
- Grant/contract funding
- Indirect/F&A returns from grants/contracts
- Donations: individual, corporate or foundation gifts





Six Types of Higher Ed General Fund Budget Allocation Models

- Incremental Budgeting
- Zero Based Budget
- Activity –Based Budget
- Responsibility Center Management
- Centralized Budgeting
- Performance- Based Budgeting

<https://www.hanoverresearch.com/insights-blog/6-alternative-budget-models-for-colleges-and-universities/>

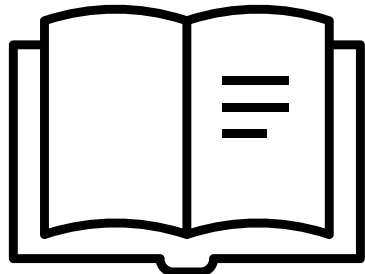


Planning

- Know when your annual internal budget cycle begins
- Know who is responsible for controlling the purse strings
- Get input and buy in from your constituents (*graduate faculty, staff, graduate students, others*).
- Use data to plan, especially if redistribution of resources is involved
- Work with PIs to update annual stipend increases into federal awards
- Be transparent

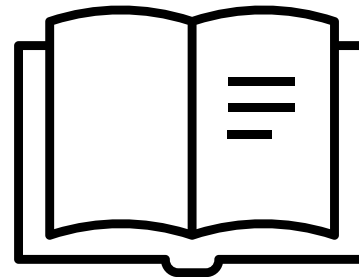
Case Study – Leveraging Resources

- Graduate assistantship stipends well below peers
- Need \$5M annually to be competitive
- Agreement across the institution that this situation is the top priority
 - Faculty, program coordinators, students and disciplinary college deans
- **How might you approach this issue?**
- Current annual financial resources
 - University budget allocation: \$6M
 - \$2M: staff salaries (full time and part time)
 - \$2M: one-time fellowships for entering, high-talent students
 - \$1M
 - \$300K: recruiting funds for programs
 - \$50K: International TA program
 - \$200K: Operations
 - \$250K: Existing interdisciplinary academic programs
 - \$200K: Student professional development fees
 - \$300K: Research support from donor funds
- Steward \$30M in tuition remission/waivers



Case Study – Resource Reallocation

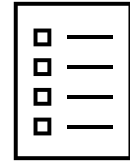
- In 2016, only one institutional (T32) training grant with NIH funds of >\$65m
 - Graduate programs are all departmental based
 - 443 graduate students (~100 new each year)
 - Need to create a new interdisciplinary umbrella program to help increase training grant eligible students for more T32s, which will need stipend financial support. Tuition is generally waived due to their RA roles.
 - Decide to pilot stipend support for 25 new “undeclared” incoming students from the COM and Eppley Cancer Institute who can rotate during first year prior to deciding which lab to work in. Each stipend costs about \$28,000
 - How might you proceed?
- 2016 Resource Allocation
 - Graduate Studies Annual General Budget of ~\$ 3million
 - Includes ~\$1.3 goes towards annual assistantships
 - ($\frac{1}{2}$ from general funds, $\frac{1}{2}$ from endowments)
 - Remainder for staff and operating
 - Annual Graduate Assistantship remissions ~ \$6m



Managing Budgets Summary

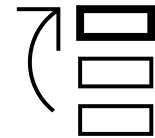
Planning

- Listen to constituents
- Create buy-in
- Transparency



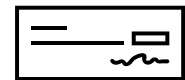
Prioritizing

- High impact, low cost
- Low impact, low cost
- High impact, high cost
- Low impact, high cost



Allocating

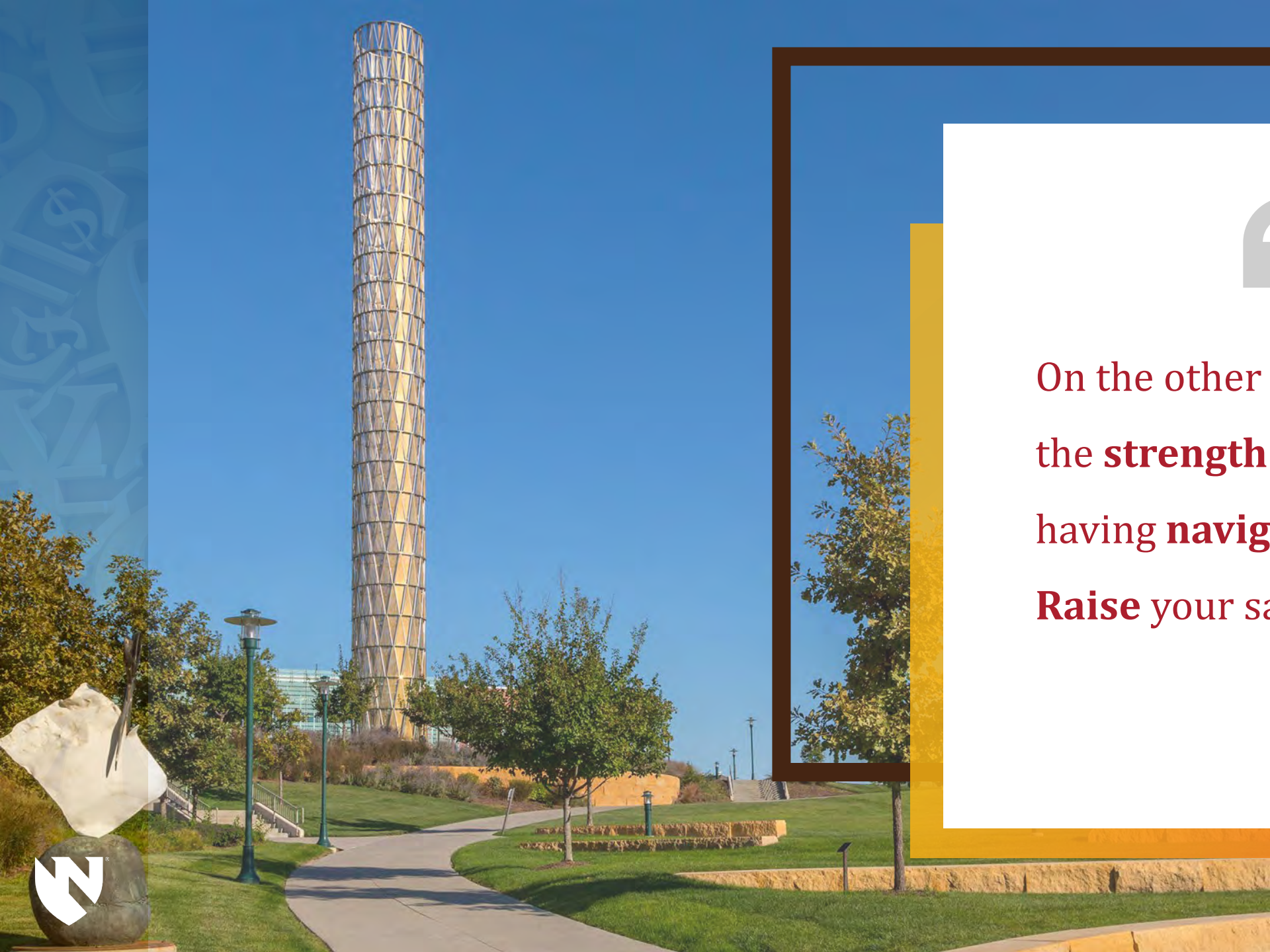
- Reallocation
- Equitable distribution of resources
- Specific investments





Managing Budgets Summary - Other

- Know your current sources of revenues, and sources not currently tapped
- Know how to advocate for your program
 - Can you describe the value proposition for your Graduate Programs in clear, understandable terms?
- Get peer data to potentially advocate for comparable internal resources
- Communicate regularly and provide feedback on your outcomes with those who fund you
- Identify internal and external partners for new or shared resources
- Leverage and reallocate existing funds to incentivize external funding



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On the other side of a **storm** is the **strength** that comes from having **navigated** through it. **Raise** your sail and begin.

- Gregory S. Williams



Special Thanks

- Sheryl Tucker, Vice Provost and Dean, Graduate College, Oklahoma State University

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Q and A

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