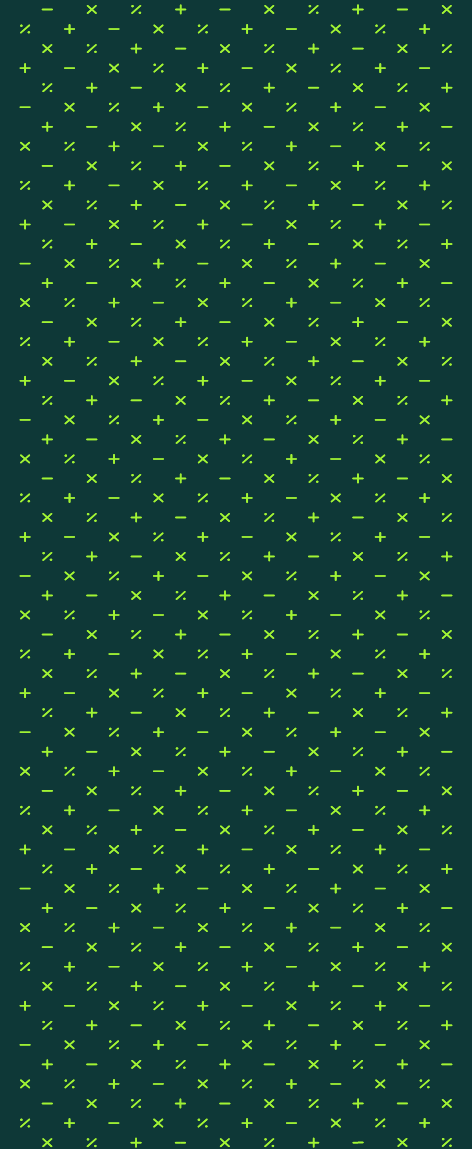




MOSSADAMS

Eastern Washington University Budget Model Guiding Principles

May 8, 2024





Agenda

01 SWOT Review

02 Guiding Principles Discussion

03 Next Steps



Our Role

Our scope of work includes the following:

- Conduct a review of Eastern Washington University's (EWU or the University) current budgeting practices related to state operating processes, general student tuition, program-based tuition, and miscellaneous fees
- Research and benchmark industry best practices to identify innovative and effective budgeting approaches that are flexible over time
- Develop a flexible and responsive expenditure allocation model
- Assist in documenting the budget model through guidelines, policies, and procedures
- Provide training and change management support



Meeting Objectives

- Gather group input on the SWOT analysis completed by Moss Adams
- Review the purpose and use of guiding principles
- Brainstorm guiding principles for EWU's revised budget model
- Prioritize principles and success measures for the revised budget model





SWOT Analysis Review



Current State

- EWU maintains separate funds in 6 indexes that are aligned with the source of each fund.
- Each year, divisions receive approximately the same Index 1 and Index 2 dollar amounts to support their operations.
- Division leaders determine how to allocate provided resource allocations across departments and programs.
- Undergoing SRA processes for academic programs and support units will help identify opportunities to right-size resources.



Strengths

- Most University salaries and benefits are funded through Index 1.
- EWU has straightforward processes for many departments.
- The University's funds are organized so that sources and uses are clear.
- EWU has accessible systems, such as Banner and Tableau, for budget reporting.



Weaknesses

- Lack of connection with strategy and performance
- Inefficient spending that is incentivized
- Unclear request, review, and approval processes
- Department needs not met through static discretionary budgets
- Departmental ownership over “their” revenue
- Historical reliance on patchwork solutions to fund various services
- Unclear final budget amounts at the department level
- Limitations in reporting to clarify revenues and expenses among programs



Opportunities

- Prioritize, allocate, and fund departments through transparency and understandability of institutional processes
- Promote clear and deliberate connection with strategy and performance
- Inspire departmental accountability and efficiencies
- Create collaborative, consistent budget planning processes institution-wide
- Clarify the role of carryover and reserves





Threats

- Declining undergraduate enrollment and need to right-size operations to meet evolving operational environment
- Leadership inconsistency for budget revision processes
- Inconsistent change management and messaging
- State school limitations on providing incentives that are sometimes available to other institutions





SWOT REFLECTION

What is...
resonating,
surprising,
missing?



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Guiding Principles

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- Fundamental values and beliefs that provide direction
- Serve as a framework for decision-making, behavior expectations, and actions
- Inform attitudes, priorities, and norms for challenging work
- Connect to EWU's core values and achievement of long-term objectives
- Informs options to redesign the budget model



Guiding Principles Examples

University of Central Florida

1. Ensure resource management, planning, and allocation decisions are aligned with the institution's mission as a public multi-campus, metropolitan research university.
2. Ensure transparency, accountability, and fiscal responsibilities by requiring that all aspects of resource management are supported by data-informed decisions.
3. Align budgetary authority with responsibilities and accountability.
4. Provide significant incentives for promoting efficiency, innovation, responsiveness, and entrepreneurship using data-based decision-making.
5. Balance complexities of the economic realities with a methodology that is financially viable and easy to understand.
6. Distribute resources using a predictable and consistent methodology that allows for multiyear planning.

Colorado State University

A new budget model should:

- Be a tool to support and renew the core mission areas of the University in teaching, research, engagement, and inclusion, ensuring that resources are appropriately deployed to priority areas of demonstrated need
- Foster trust in our fiscal decisions through commitments to transparency, clarity, simplicity, consistency, accountability, and shared governance
- Enhance our flexibility to empower local innovation, creativity, and responsibility while keeping the common good as our primary objective
- Encourage collaboration, efficiency, productivity, performance, and quality, in service to our overall commitment to the success of our students and ability to recruit, retain, and reward faculty and staff
- Retain capacity for making strategic investments to provide CSU clear pathways to excellence and growth



EWU's Mission

- Mission: EWU expands opportunities for personal transformation through excellence in learning.
- EWU achieves its mission by:
 - Enhancing **access to higher education** in the Inland Northwest and beyond by recruiting and supporting traditional college-bound students, non-traditional students, and those from underserved populations
 - Delivering **high-quality academic programs** that undergo regular, rigorous review informed by **data and assessment** of student learning
 - Delivering a high-quality co-curriculum designed to **develop the intellectual, cultural, personal, and practical aspects of students' lives**
 - Promoting student success by **supporting student engagement and timely degree completion**
- Core themes: Access, Learning, and Completion



EWU's Vision

EWU is a driving force for the **culture, economy, workforce,** and vitality of Washington state. Our graduates think critically and make **meaningful contribution to both their career fields and their communities.** EWU is the public university whose students, faculty, staff, and alumni make profound and **significant contribution to the economic and social vitality of the region.** EWU remains the **best value for higher education** in the state.



**GUIDING
▶ PRINCIPLES
BRAINSTORM**

If we are going to focus on the top 5 most important parts of an ideal budget model, what would those be?



Next Steps

- Moss Adams to develop draft guiding principle statements for committee review
- Moss Adams to present SWOT Analysis to EWU Executive Leadership Team
- Moss Adams to ideate on potential budget models for further discussion





THANK YOU

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