



University of Wisconsin
Stevens Point

STEVENS POINT • MARSHFIELD • WAUSAU

2021 Monitoring Report

Appendix 10. Finances – Financial Strategic Theme

This appendix includes information on strategies, tactics, and metrics developed to date to address the financial strategic theme: Align Financial Model with Institutional Vision. Work developing additional strategies and tactics is ongoing.

UWSP – A Plan for Strategic Action

Strategic Theme

1. Align Financial Model with Institutional Vision

Chair: E. Hintz

Members: K. Bodensteiner, V. Cisler, K. Jore, R. Knipple, M. Loy, C. Rickert

Goal (What)	Strategy Broad	Strategy Specific (How)	Who has expertise? (2-6 people)	Possible Metrics	Est. Timeline	Priority C=Critical Q=Quickly
<p>(1) Align University expenditure levels with available resources. Annual expenditure levels in university departments will be within the annual state budget allocation or the program revenue generated.</p>	<p>More regular monitoring of budget to actuals will occur and be communicated out to campus units.</p>	<p>The annual operating budget will be right-sized to sustainable enrollment levels.</p> <p>Quarterly budget to actuals reports for main operating funds will be sent to each Vice Chancellor and/or Dean as well as campus leadership.</p> <p>The Offices of Financial Planning & Budget and the Controller will collaborate with campus units operating with a sustained financial loss to develop a financial recovery plan.</p> <p>Deans and Directors will be responsible for allocating and monitoring resources within their</p>	<p>Christina Rickert</p> <p>Erin Hintz</p> <p>Jackie Durigan</p> <p>Jim Buchholz</p> <p>Troy Durkee</p>	<p>Annual expense levels are within budget (GPR) or earned revenue (PR)</p> <p>Track actual cash balance at fiscal year-end against a 15% of expenses benchmark</p> <p>Actual tuition revenue earned compared to annual tuition requirement</p> <p>Success of meeting financial recovery plan timelines</p>	<p>Increased monitoring & collaboration begins FY21</p> <p>Right-sizing of annual operating budgets will continue</p>	<p>C</p> <p>Q</p>

		units and ensuring financial stability.				
(2) Utilize financial models that are data informed, transparent, objective, and action oriented in order to respond to over-arching institutional priorities as well as the goals outlined in the other strategic themes. The financial models will inform decisions to allocate new and reallocate existing resources.	Increase the financial knowledge of campus constituents and ensure financial models are cohesive and transparent.	<p>Educate campus stakeholders on the interdependency of resources for all university divisions.</p> <p>Ensure the various financial models work together to form an overall cohesive financial structure.</p> <p>Enhance transparency of decision-making factors.</p>	<p>Pratima Gandhi</p> <p>Christina Rickert</p> <p>Erin Hintz</p> <p>Models-populate from sub-groups</p>	<p>Annual presentation on overall budget alignment, reductions, investments, budget models, and financial outlook</p> <p>Education throughout financial model development process</p>	<p>Transparency efforts will begin in FY21</p> <p>Education of financial models will begin once financial models are determined</p>	<p>C</p> <p>Q</p>
	Identify sources to increase the strategic reserve and define distribution criteria and processes that allow for pro-active strategic decision-making.	<p>Increase the strategic reserve to support one-time strategic investments.</p> <p>Define the desired strategic reserve level.</p> <p>Identify funding sources for the reserve.</p> <p>Implement a clearly defined, transparent process for distributing funds.</p>	<p>Pratima Gandhi</p> <p>Christina Rickert</p> <p>Erin Hintz</p> <p>Marty Loy</p> <p>Laura Ketchum-Ciftci</p> <p>Valerie Cisler</p> <p>Gary Olsen</p>	<p>Measure actual reserve against desired level</p> <p>Measure whether strategic investments achieve stated outcomes within proposed timeline</p>	<p>Process and policy work will begin in FY21</p> <p>Development of actual reserve will begin once funds are available</p>	<p>C</p>

	<p>Develop and/or finalize budget models that are cohesive, align with the institutional vision, and are flexible enough to allow for budget adjustments necessary to reflect the evolving vision over time.</p>	<p>Finalize the components of the activity-based budget model currently developed for the curricular colleges. Enhance data accuracy.</p> <p>Prioritize curricular and non-curricular activities; decisions will dictate funding for curricular/non-curricular portions of budget; communicate these decisions broadly.</p> <p>Explore zero-based and other budget models for program revenue units and implement selected model(s).</p> <p>Create a framework for annual budget adjustments.</p>	<p>Pratima Gandhi</p> <p>Christina Rickert</p> <p>Erin Hintz</p> <p>Marty Loy</p> <p>Katie Jore</p> <p>Brian Faust</p> <p>Lyndsey Bernhagen</p> <p>Brent Turney or Valerie Cisler</p> <p>Karin Bodensteiner</p> <p>Brian Watkins</p> <p>Tina Kramer</p> <p>Marv Noltze</p> <p>Tim Halkowski</p>	<p>Program-level and overall enrollment trends</p> <p>Cost per SCH</p> <p>Number of students in major</p> <p>Number of graduates</p> <p>Community Engagement activities</p> <p>Campus service activities</p> <p>Overall campus recruitment and retention trends</p>	<p>Develop during FY21 and into early FY22; goal is to implement all for FY23 annual budget if possible; if more time is needed, take more time to get this right</p>	<p>C</p>
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			Lucy DeLain			
(3) Create ethical processes and metrics to support the financial models and to inform decision-making, resulting in greater transparency and understanding of the current financial situation of the university, the rationale for decision making, and the need to ensure long-term financial sustainability.	<p>Add financial considerations such as market demand in program approvals and incorporate a financial review into the program review process.</p> <p>Expand the type of financial review currently done for cost recovery and new academic programs to additional types of new initiative requests.</p> <p>Develop and/or determine the metrics used to create financial model structures and regularly evaluate their appropriateness.</p> <p>Develop and/or determine metrics to measure overall financial success and continually measure the level of success achieved.</p>	<p>Change program approvals to include market demand.</p> <p>Change program review process to include a financial review.</p> <p>New initiative requests will include the same financial review used for cost recovery programs and for new academic programs.</p> <p>Provide tools to measure the success of outreach and other activities outside of direct instruction</p> <p>Create financial model structures and accompanying metrics. Regularly evaluate and update as needed.</p> <p>Measure overall financial success with agreed upon metrics.</p>	<p>Pratima Gandhi</p> <p>Christina Rickert</p> <p>Erin Hintz</p> <p>Marty Loy</p> <p>Katie Jore</p> <p>Brian Faust (confirm)</p> <p>Lyndsey Bernhagen</p> <p>Brent Turney or Valerie Cisler</p> <p>Karin Bodenseiner</p> <p>Brian Watkins</p> <p>Tina Kramer</p> <p>Marv Noltze</p>	<p>New major budget tool</p> <p>PR – profit and loss statements</p> <p>Cost/benefit analysis</p> <p>ROI of outreach efforts</p> <p>CFI benchmarks</p> <p>Enrollment & recruitment actuals compared to targets at campus and program level</p> <p>Graduation rates</p> <p>Retention rates</p> <p>Space utilization</p> <p>Net tuition revenue per student FTE</p> <p>Program revenue debt burden</p>	<p>Develop during FY21 and into early FY22; goal is to implement all for FY23 annual budget if possible; if more time is needed, take more time to get this right</p>	C

			Tim Halkowski Lucy DeLain	Trends in revenue and expenditure levels		
(4) Encourage and achieve financial growth. New revenue sources will be explored and analyzed for financial viability. These new revenue sources will complement existing financial resources to allow diversification of university finances.		<p>Review existing processes/operations to gain efficiencies across campus functions.</p> <p>Explore new revenue sources.</p> <p>Define objectives to ensure financial growth ideas support the strategic plan.</p> <p>Define process for requests.</p> <p>Develop metrics for review.</p> <p>New initiative requests will include the same financial review used for cost recovery programs and for new academic programs.</p> <p>Develop review process and financial review templates.</p>	<p>Rebecca Sommer</p> <p>Jennifer Hess</p> <p>Brian Sloss</p> <p>Rep from SIF team</p> <p>Stuart Morris</p>	<p>New initiatives must be financially viable after an initial 3-5 year implementation period</p> <p>All programs will be monitored annually</p> <p>A formal review, including decisions about financial viability, will occur every 3 years</p> <p>Detailed metrics to be developed by working group</p>	Not the primary focus initially; but take advantage of opportunities if they arise	C