I am pleased to announce the start of the 2017-18 annual budget planning process. The Office of Budget and Planning will oversee and facilitate a strategic budget request process that will consider funding initiatives that advance the university strategic plan: Focus on Effectiveness (https://academics.boisestate.edu/strategic-plan/) and/or were identified as part of program prioritization. This process will consider requests for both ongoing as well as one-time budget allocations. Please consider all anticipated funding needs during your annual budget planning process. It is our intention to limit the use of centrally funded SFRs (Special Funding Requests) and MOAs (Memorandum of Agreements) to only those opportunities and challenges that could not have been anticipated during the annual budget planning process.

Over the past year, we have implemented several important changes to our budgetary management practices in an effort to reach a more stable, structurally balanced budget. These changes are vital to strengthening the university's financial position and mitigating the impact of financial disruptions. These changes include:

- Further restricting the types of budget rule exceptions that can be approved by the Office of Budget and Planning.
- Ensuring that funds that are intended to be allocated by the President's Office for university priorities are retained centrally for those allocation decisions.
- Limiting the number of central budget allocations made outside of the annual budget planning process.
- Reducing the number and amount of unfunded commitments that have been made in an effort to move towards a more structurally balanced budget.
- Incorporating one-time budget allocations into the annual budget process rather than making those decisions outside of the budget process.

Given the challenging financial landscape faced by public higher education, we must continue to evaluate how we are obtaining and spending our limited financial resources. The budget planning process in future years may be different from this year’s: the process will continue to evolve as the university evaluates and considers transitioning to a new budget model (see https://vpfa.boisestate.edu/budget-and-planning/bronco-budget-2-0-new-budget-model/).
Budget Process Highlights:

**Strategic Budget Requests:** The total amount of funding available for allocation through the strategic budget request process should become known in mid-April once the Idaho State budget process has been completed and the State Board of Education has made decisions regarding student tuition and fees. At that time, decisions regarding the funding of requests will be able to be finalized. As with any such process, there will be numerous requests for which funding will not be approved. Divisions are encouraged to consider reallocation of resources as a way of funding those requests.

Each Vice President will determine the process within their Division for best identifying budget requests that will be advanced for consideration. Each Division may submit requests that total no more than 5% of the Division’s FY17 original appropriated budget. Strategic budget requests must be prioritized along with existing central Memorandums of Agreements and returned to the Office of Budget and Planning by **February 20**. Budget request forms can be found on our website at [https://vpfa.boisestate.edu/budget-and-planning/budget-development-annual-planning-process/](https://vpfa.boisestate.edu/budget-and-planning/budget-development-annual-planning-process/). Final decisions regarding funding priorities will be made by President Kustra.

**Permanent Budget Reallocations:** Templates for submitting 2017-18 permanent budget reallocations will be made available in mid-February and will be due back in early May. We will also request narrative describing how program prioritization has informed your permanent budget reallocations. This information will be utilized for our report to the State Board of Education regarding how program prioritization has informed our budget.

**Local Budgets (excluding auxiliaries):** For 2017-18, budget submissions will only be required for those areas that wish to change their local budgets or for new local departments. We will communicate details of the local budget process early next year. For student activity fee funded areas, we will work with you to adjust budgets in accordance with approved student activity fee increases.

**Auxiliary Budgets:** The auxiliary budget process will remain unchanged for 2017-18.

**Budget Calendar:** The annual budget planning calendar will be available in mid-December. The calendar will be updated throughout the budget process and notifications of changes will be sent to the Office of Budget and Planning email distribution list (google group). If you would like to be added to the distribution list, please contact myself or your budget analyst.

**CEC (Change in Employee Compensation):** The CEC process is dependent on the outcome of the State budget process as well as SBOE tuition setting process. Historically the State budget has included funding for only a portion of the approved CEC pool amount. The remaining funds have come from tuition rates increases. The State Board of Education is currently scheduled to take action on 2017-18 tuition and fee rates at their April 19-20 meeting.

If you have any questions or concerns, please contact myself, Irene Pedraza, or the budget analyst for your area.