



Vice Chancellor's Office

Strategic System Services
MSC 3Z
Hadley Hall
2850 Weddell Dr.
Las Cruces, NM 88003
575-646-2305, fax: 575-646-6334

DATE: Jan. 13, 2022
TO: University Administrative Council
FROM: Ruth Johnston, Vice Chancellor and Chief Operating Officer
SUBJECT: Requests for Funding Proposals for FY23 Instruction & General Budget

A handwritten signature in blue ink, appearing to read 'Ruth Johnston', is placed over the 'FROM:' line of the memo.

With recent changes in leadership for finance and administration at the Main Campus and System levels, we are establishing new processes to manage institutional budgets. One of these changes will be the creation of the Strategic Executive Budget Team (SEBT), as noted by the Chancellor in his remarks on Monday. This group, chaired by Vice Chancellor Ruth Johnston and including Acting Provost and Vice President for Enrollment Management and Student Success Renay Scott; Vice President for Research, Creativity and Strategic Initiatives Luis Cifuentes; Vice President of Equity, Inclusion, and Diversity Linda Scholz; University Budget Officer Kim Rumford; and Special Assistant to the Vice Chancellor David Maddox will work on budget and funding requests throughout the year.

The SEBT is turning its immediate attention to major requests for funding from the FY23 Instruction & General (I&G) budget for the Main Campus and System offices. We will follow a process outlined below to make sure that we are aware of funding needs across campus. The process this year should be considered provisional. For the rest of the academic year, the SEBT will continue the review of budget models and processes that was initiated in the Budget Realignment Initiative. The work on budget models will be discussed in more detail in the coming weeks, but it will involve consultation with groups across campus. One of the outputs of this comprehensive review of budget processes will be a proposal for a full year budget cycle that will address a larger range of funding questions. The process for the rest of this year is compressed and focused on decisions most necessary for budget proposals to the Regents and the State.

Funding Context

While the Legislative Session is just starting next week, we expect NMSU to receive an increase in funding next year. State revenues are strong, and we have high expectations for enrollment in online programs. Traditional enrollment and associated tuition may be a challenge. We also know that NMSU will have significant incremental expenses such as our obligation to make up a gap in funding associated with the salary increase approved by the State, possible changes in the minimum wage, costs to implement the compensation studies, and existing institutional strategic initiatives. Other unfunded mandates may come out of the Legislative Session. While we are not ready to specify the expected incremental dollars available, we expect some funds to be available, at a modest level.

Request Process

With this context, the SEBT invites units to submit proposals for funding at the levels between \$50,000 and \$500,000. This applies only to I&G funds and to units on the main campus and units/services which report to Chancellor and Vice Chancellor. The community colleges and NMDA have separate streams of I&G funding and their own processes to determine the allocation of incremental net revenue.

With the limited incremental institutional funds we expect to have, the SEBT will try to fund needs that could not be anticipated and accommodated within a unit and division's existing budget base, and which advance LEADS 2025 goals. Requests can be for recurring or one-time funding, and we especially encourage interdisciplinary and cross-unit proposals.

Units should use the attached form to document their proposal, preparing one form per proposal and providing high level budget details on the attached spreadsheet. Given the limited time available and probability that limited funding will be available, we encourage units to limit the documentation of their requests to the proposal form and limit supporting information to a maximum of five pages, and what is readily available.

These forms should be submitted to the Provost, Vice President or Vice Chancellor for review and approval (within Academic Affairs, proposals from faculty/departments should go to the Dean for initial review and consolidation). The Vice Presidents, Provost and Vice Chancellor will send one packet of proposals for their area to the University Budget Office (UBO) along with a prioritized listing. The UBO will compile and analyze these proposals, and forward them to the SEBT. The SEBT will prepare a proposed package of proposals, request input from campus stakeholders (including the University System Budget Committee (USBC) and the Faculty Senate Budget and Resources committee (FSBRC)) and present a final version to the Chancellor and Regents for approval. The timeline is detailed below.

February 7: Proposals due from Provost, Vice Presidents, and Vice Chancellor to the University Budget Office. Units have the discretion to establish internal deadlines for proposals.

Second week of February: Budget Office and SEBT review proposals

February 8: FSBRC meeting. SEBT will present proposals and get input from the FSBRC.

February: Meet with University System Budget Committee. SEBT present proposals, get input.

February 17: SEBT submits recommendations to Chancellor

Late February: work recommendations into Sources and Uses, submit to Regents Financial Strategies, Performance and Budget Committee on February 23. The Sources and Uses schedule is a document that records the expected changes in the major sources of I&G funds and the proposed major uses of those funds.

April: Sources and Uses submitted to Board of Regents

April: Budget Office prepares budget submission to HED

May 1: NMSU budget submitted to HED

May: BOR approves operating budget for new year as submitted to the State

June: Final decisions communicated to units

For more information about the process or general questions, please email the University Budget Office at budget@nmsu.edu.

Attachments

[Major I&G Funding Request Form]

[Major IG Funding Request Form Summary]