

General Use New Funding Proposal

Proposal Title:	Purchase New Budgeting Software (EXAMPLE ONLY)	Type of Proposal (select all that apply) <input checked="" type="checkbox"/> New Initiative <input type="checkbox"/> Existing Operations <hr/> <input checked="" type="checkbox"/> One-Time <input checked="" type="checkbox"/> Ongoing
College/Department:	University Budget Office	
Division:	Finance and Administration	
PROPOSAL SUMMARY		
Include a summary of the overall request. If requesting new positions, make sure to include an outline of position duties.		
<p>Over time the university's budgeting system has become antiquated and fails to meet existing needs and budgeting standards. At this time the Budget Office and ITS have completed Phase I - System and Design Requirements, with supporting documentation attached. Current project timelines estimate the project could be completed for the next budget development cycle, if project funding is allocated within the next two months.</p> <p>The most significant impacts from this request are: 1) expected efficiencies to be generated within both the Budget Office and colleges/departments and 2) alignment with current KBOR budgeting standards.</p> <p>Summary of deficiencies within the existing system:</p> <ul style="list-style-type: none"> • Lacks an effective reporting interface • Lacks ability to calculate fringe benefits correctly • Spreadsheets are so "old school" • Lacks the ability to develop multi-year budgets per the state's biennial budgeting process 		
FINANCIAL INFORMATION		
Outline the cost and personnel needed to support this request, including anticipated impact on revenue when applicable.		
Expected costs and personnel: (If requesting new positions, make sure to include both salary and benefit costs, as well as the FTE count)		
Funding for all expenditures outlined below is requested from GU sources.		

	Year 1	Year 2	Year 3
Software acquisition (<i>one-time</i>)	\$ 250,000	\$ -	\$ -
Consulting Costs	\$ 30,000	\$ 20,000	\$ -
Ongoing annual maint. fees	\$ -	\$ 15,000	\$ 18,000
Savings from current system maint. fees	\$ -	\$ (5,000)	\$ (5,000)
FY Total	\$ 280,000	\$ 30,000	\$ 13,000

** Internal personnel costs are currently budgeted and will be shifted to support this project.*

Expected revenue or cost reduction: (if applicable)

No additional revenue will be generated. Three-year expenditure estimates are outlined above.

Briefly outline how the included financial estimates were developed:

Coordinated cost estimates with selected vendor (Budget Right) and ITS, as attached to this proposal.

Describe what other funding options were reviewed prior to submitting this request, such as RU funding and/or grants. If not pursued, discuss why. Please outline changes in your college/departments RU cash balances over the past three years.

Restricted Use funding within fund D99999, as well as the entire division, was evaluated to determine if it could support the one-time and ongoing expense of the system, or if other expenses could be eliminated to shift to what may be considered a higher priority. After review and development of long-term expenditure estimates, it was clear this was not a viable option. A copy of the developed estimates and ranked priorities included in the development of the estimates below are available upon request.

Ending Cash Balances	Year 1 Actual	Year 2 Actual	Year 3 Estimate	Year 4 Estimate
D99999 - RU Budget Office	\$ 50,000	\$ 25,000	\$ 15,000	\$ 15,000
Finance & Administration	\$ 125,000	\$ 80,000	\$ 70,000	\$ 70,000

Additional information regarding the estimated draw on existing cash balances is available upon request.

GENERAL INFORMATION

Proposals are evaluated primarily on their impact to four key criteria. Within each criteria below, describe the anticipated impact. If none, please leave the section blank.

General Operating Support/Accreditation Requirements/Compliance/Legal Mandates

The university is required through KBOR to maintain an effective budgeting process that reflects state budgeting practices and procedures. The existing system fails to meet these expectations. Consequently, the university was recently cited in its annual audit for

	inadequate budgetary development practices by the State Budget Office for submission of department and college budgets that are not consistent with actual outcomes. The deficiency letter is attached to this request.
Strategic Enrollment Management (SEM)	The budgeting system would not be expected to have an impact on enrollment.
Strategic Plan Alignment (Include confirmation if this request was submitted as a Strategic Planning Initiative. If so, briefly list the alignment (i.e., Mission Target = Culture, Goal = Inclusive Excellence, Strategy = Applied Learning).	This request is not directly tied to any single strategic plan goal, but is indirectly connected to all of the goals. Without effective financial management, it will make it difficult for the university to maximize its resources as it works to implement the strategic plan.
Revenue Generation/ Efficiencies	A new budgeting system will not impact revenue generation, but will have a dramatic impact on the efficiency of both the Budget Office and departments' development of their ongoing budget and business plans. Overall, we anticipate the equivalent of 25 days will be saved as a result of the new system.

What specific performance outcomes are expected? When possible, these should have a clear focus on enrollment. For teaching, include the impact on credit hour production. For non-teaching, include the impact on workload (e.g., client appointment counts per employee, number of students processed per employee, etc.). If an equipment/capital/technology only project, this section may be left blank if performance outcomes are not believed to be a driving factor in the funding decision.

As previously referenced, the greatest benefit from a new budgeting system includes achievement of efficiencies and the meeting of KBOR's expectations regarding internal budgeting practices and procedures. The new system will eliminate the cited deficiencies by the State Budget Office, allow us to properly budget fringe benefits and vastly improve the budgetary information available through an effective reporting interface.

Outcome Metrics	FY '21 Actual	FY '22 Est.	FY '23 Est.
Expected Time Saved (estimated from departmental survey completed in fall of 2018, as attached)	N/A	N/A	25 days
Budgetary deficiencies cited by State Budget Office	3	3	0
Ability to develop multi-year budgets	No	No	Yes
Number of budgetary reports available to budget officers	1	1	12

Describe any negative consequences if this request was not funded?

The university will continue to experience significant challenges with adequate financial reporting to support financial decision making, as well as meeting the expectations of the Governor's Budget Office.

Discuss any required policy or legislative changes required.

No impact to existing policy and no legislative changes required.

Will this proposal shift costs to, or increase resource needs in another area of the university (e.g., ITS/Physical Plant/Facilities Planning/Library)? If so, have they been coordinated with?

Upon completion of the project, a .50 FTE Application Manager will be required to be dedicated to ongoing maintenance of the system. ITS has selected to reallocate a position from an existing software system at its end of life in mid FY '22, resulting in no additional budgetary costs.

This request does not require any policy or legislative changes. It does have significant impact on both ITS and Financial Operations' IT application mgmt. group through both the system design and implementation. Coordination meetings have occurred with both groups over the past three months; they have greenlighted the project and the internal personnel resources needed for the project to be successful.

Required Signatures:

Review Officer	Date	President/Vice President	Date

All funding requests will be evaluated by university administration for potential inclusion in the current budget cycle. Requests designated as strategic in nature, assisting in achieving the long-term goals of the university, will be reviewed by the Budget Advisory Committee. Depending on the nature of the request, you may be asked to present the request to the either the Budget Advisory Committee or administration.

Due to funding limitations, general use resources are unlikely to be available to fund all proposals received. Your assistance in locating restricted use funds to move valuable proposals forward is greatly appreciated.

Committee Review:

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