Budget Manager Meeting

THE UNIVERSITY OF CHICAGO

January 16, 2018

Meeting Agenda

Budget Office

- **FY19 Budget**

- **Budget Parameters**

- **Timeline**

Delphi Project Team

- **Transition**

- **Delphi Remediation Objectives**

- **Improvements**

- **Timeline / Key Dates**

- **Delphi Demonstration**

- **Merit Increases**
  - *Units have discretion to set their own merit increases based on their own budgetary circumstances. Any increases that are given out should not be uniform across the board but rather reflect the outcome of a rigorous performance review process.*

- **Fringe Rates**
  - *The rate will decline for FY19 as a consequence of factoring in prior year over recovery into the rate calculation formula. Since the rate is expected to rebound in FY20 (because the over recovery figure is a one time entry) the Budget Office is working on how best to account for this year over year fluctuation when setting unit budget targets.*
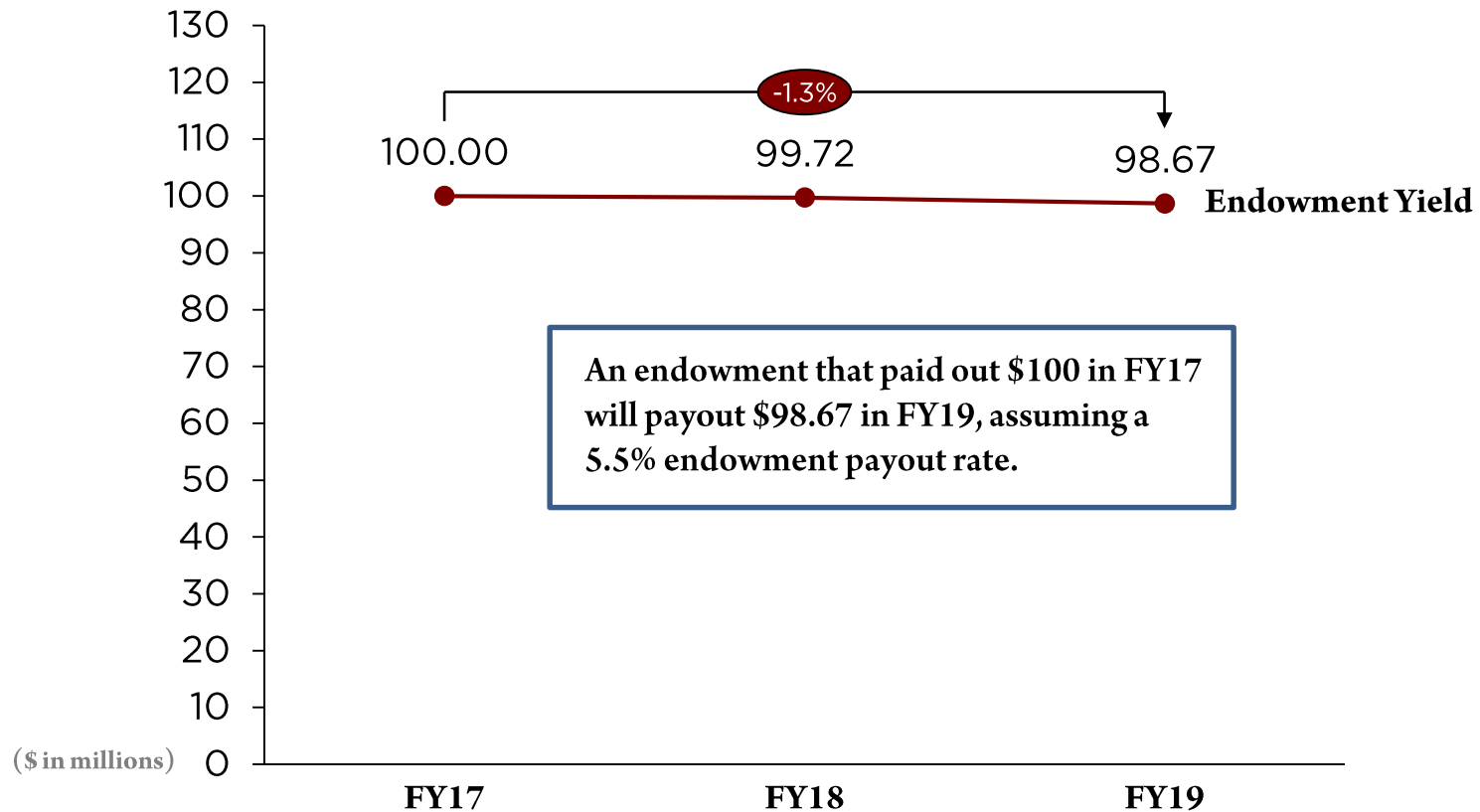
- **Indirect Cost Recovery**
  - *The indirect cost recovery rate for FY19 is 62%.*

- **Space**
    - *The Budget Office is working with Facilities Services to update utility and space rates and is working with Financial Services on interest and depreciation charges. Units will be notified of revised charges when they are finalized and will need to incorporate any increases into their FY19 budget.*

- **Undergraduate Enrollment Projections**
    - *The plan -- which is dependent on a strong applicant pool -- is to grow the College population by approximately 200 students next academic year.*

- **Endowment Payout**
    - *Payout for FY19 will reflect a 1.05% decrease in the payout per share <u>assuming</u> a 5.5% payout rate.*
    - *The slide on the next page shows the practical effect of this decline on a fund which has received no new income since FY16.*

Change in Endowment Payout FY17-FY19

-1.3%

100.00   99.72   98.67

Endowment Yield

An endowment that paid out $100 in FY17 will payout $98.67 in FY19, assuming a 5.5% endowment payout rate.

($ in millions)

FY17   FY18   FY19

Timelines

Future Monthly Projections (Approximate) Schedule

- February: Plan is for Delphi to be back on line; system open on 2/8 with materials due back 2/22.

- March: System open on 3/7 and materials due back 3/16

- April: System open on 4/9 and materials due back on 4/23

- June: System open on 6/7 and materials due back on 6/15

FY19 Budget Development Calendar

- February 1 through February 22: Provost or CFO will hold individual meetings with units. Also included will be Budget Office liaison, and (where applicable) development teams and other members of the Provost's Office

  - Review Q2 Projection

  - Distribute FY19-FY21 budget targets

- March 1 through March 22: Follow-up meetings with Provost or CFO on FY19 budget development.

- March 30: Detailed budget in Delphi due back from administrative and academic support units.

- April 20: Detailed budget in Delphi due back from academic units.

Delphi Remediation Objectives

- FY18 Budget and Forecast data migration from OBS to SBR model to align with the new budget model.

- Enable FY19 (and beyond) Budget and monthly Forecasting processes per SBR model

- Facilitate budget transfers from one unit to another

- Support SBR member reclassifications to align budget with actuals

- Improve Data Quality which has been a persistent issue over the last year.

- Implement task lists with user friendly instructions to improve the end user experience.

- Advanced reporting within the Delphi system

- Additional Training using a number of mediums including classroom training, one-on-one interventions and video clips.

Delphi Improvements

Data Quality

- Remove unused alternate hierarchies in View Dimension (SBR)

- Discard unwarranted & duplicate rows (~ 5 million rows, 1/3rd of entire data set)

- Resolve compensation data interface issues by removing redundant members from SBR hierarchy

Implement task lists to improve the end user experience

- Facilitate end users follow a predefined sequence of tasks for monthly forecast, annual budget request, and review processes

Facilitate Budget Transfers & Reclassification

- Facilitate budget transfers from one unit to another

- Support SBR member reclassifications to align budget with actuals

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Delphi Improvements

Updated Web Forms for Data Entry in Delphi

- **Vast majority of data is entered at correct intersection of Account 10 & SBR member without creating duplicate rows**

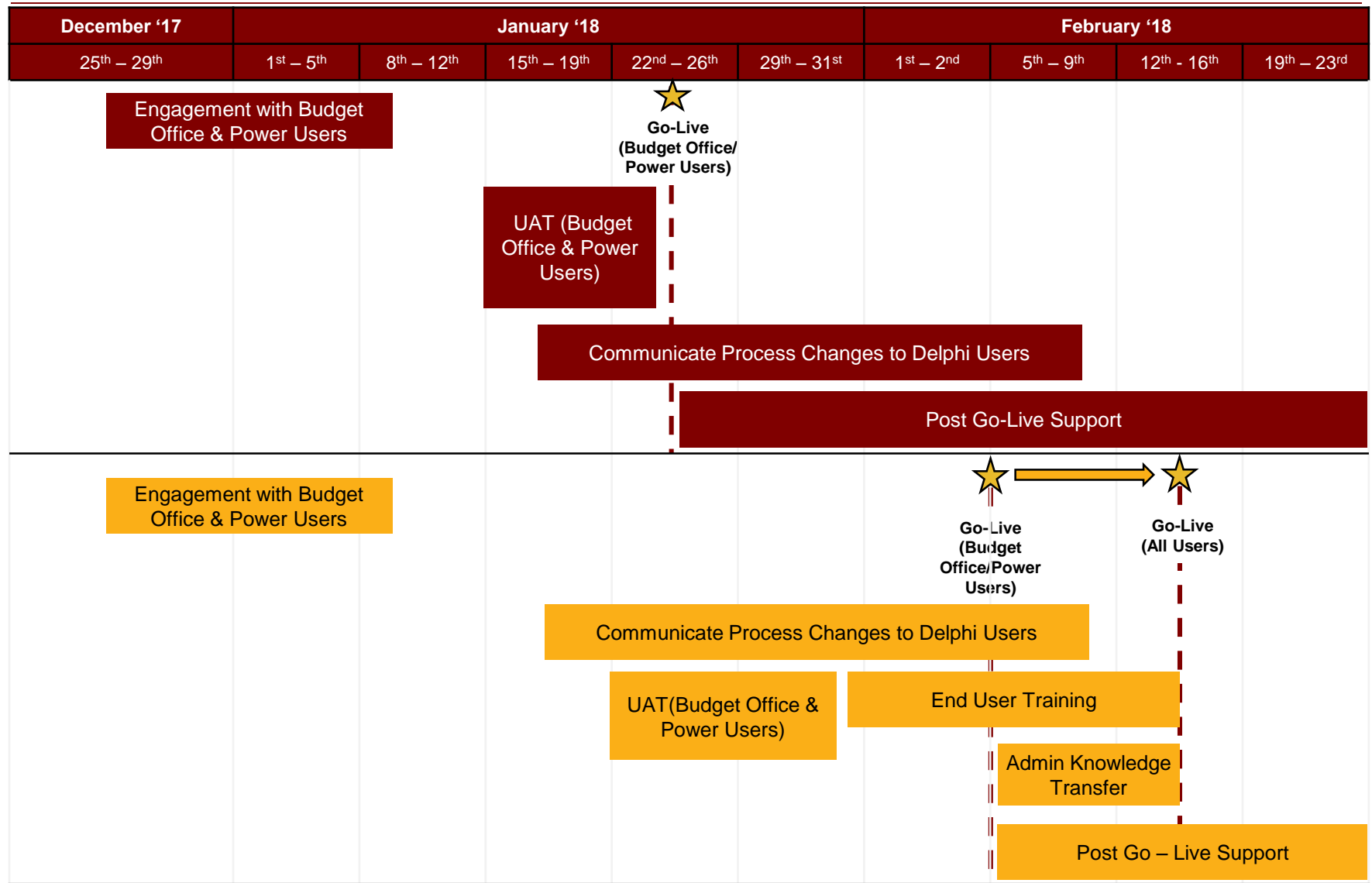- **Ability to enter new Account 10 combinations with unknown SBR**

Enhanced Reporting

- **Users can once again access standardized .pdf reports directly from Delphi**

- **Advanced reporting views (forms) such as SBR by Exec Level & Account 6**

Revised Application Settings to Improve Performance

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Delphi Remediation Timeline

December '17	January '18					February '18			
25th – 29th	1st – 5th	8th – 12th	15th – 19th	22nd – 26th	29th – 31st	1st – 2nd	5th – 9th	12th - 16th	19th – 23rd

★ Go-Live (Budget Office/ Power Users)

Engagement with Budget Office & Power Users

UAT (Budget Office & Power Users)

Communicate Process Changes to Delphi Users

Post Go-Live Support

Engagement with Budget Office & Power Users

★ Go-Live (Budget Office/Power Users) ★ Go-Live (All Users)

Communicate Process Changes to Delphi Users

UAT(Budget Office & Power Users)

End User Training

Admin Knowledge Transfer

Post Go – Live Support

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FY18 Data Migration (OBS to SBR)

FY19 Budget & Forecasting Process

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Key Dates

FY18 Data Migration (OBS to SBR)

- Jan. 16th – Presentation of SBR Migration to users

- Jan. 16th thru Jan. 19th - FY18 budget and monthly forecast process released to Budget Office & Power Users for UAT

- Jan. 22nd – Go-Live

FY19 Budget & Forecasting Process

- Jan. 16th – Presentation of Delphi Remediation to users

- Jan. 22nd thru Jan. 31st - FY19 budget and monthly forecast process released to Budget Office Power Users for UAT

- Feb. 2nd – Go-Live for Budget Office & Power Users

- Feb. 1st thru Feb. 13th – Training for All Users

- Feb. 2nd thru Feb. 14th – Go-Live by Individual Units (Incremental rollout)

- Feb. 14th – Go-Live for All Users

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FY19 Budget Entry Form

		2016	2017	2017	2018					
		Budget	Actual	Actual	Budget					
		FAS Load	Revenue	Expense & Transfer	1st Draft					
		YearTotal	YTD	YTD	⊟ YearTotal	⊞ Q1	⊞ Q2	⊞ Q3	⊟ Q4	Apr
1600 - Clerical Non-Union	K45 - Unrestricted Staff Salaries									
1700 - Clerical Union	K45 - Unrestricted Staff Salaries									
1902 - Fringe	L10 - Unrestricted Benefits									
1903 - Fringe	L10 - Unrestricted Benefits									
2001 - Budget Pool for Services	M40 - Other Unrestricted Expense									
3300 - Maintenance-Repair Costs	M40 - Other Unrestricted Expense									
3319 - Maintenance-Repair Costs	M40 - Other Unrestricted Expense									
3700 - Physical Plant Department Services	M40 - Other Unrestricted Expense									
4200 - Telephone-Telegraph-Telex	M40 - Other Unrestricted Expense									
4900 - All Other Services	M40 - Other Unrestricted Expense									
5000 - Budget Pool for Supplies	M40 - Other Unrestricted Expense									
5500 - Office and Educational Supplies	M40 - Other Unrestricted Expense									
5900 - All Other Supplies	M40 - Other Unrestricted Expense									
Total Budget	By Sub Account									

Add New Account 10 Combination

	012702 - College Xerox ▼		0500 - Endowment, Investmer ▼ →						
	2016	2017	2017	2018					
	Budget	Actual	Actual	Budget					
	FAS Load	Revenue	Expense & Transfer	1st Draft					
	YearTotal	YTD	YTD	⊟ YearTotal	⊞ Q1	⊞ Q2	⊞ Q3	⊟ Q4	Apr
No OBS									

Report Views

	⊞ 10 - The College	
A05 - Tuition		
A10 - Fees		
B10 - Federal Aid Support		
C10 - Private Grants & Contracts Aid Support		
C12 - Private Grants & Contracts Other Expense Support		
F20 - All Other Revenue		
K45 - Unrestricted Staff Salaries		
L10 - Unrestricted Benefits		
M30 - Unrestricted Principal Payments		
M37 - Unrestricted Internal Interest Expense		
M40 - Other Unrestricted Expense		
M90 - Other Restricted Expense		
T02 - Unrestricted OAA Transfers		
T03 - Unrestricted Staff Transfers		
T04 - Unrestricted Benefits Transfers		
T05 - Other Unrestricted Transfers		
T22 - Restricted OAA Transfers		
T24 - Restricted Benefits Transfers		
T25 - Other Restricted Transfers		
V99 – Budget (Surplus)/Deficit		

Sub Account:Total Sub Account

2018 | 1st Draft | Budget

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Report Views Cont.

	400 - College Admin	401 - Biological Scien	402 - Physical Scien	403 - Humanities Co	404 - Social Science
A05 - Tuition					
A10 - Fees					
B10 - Federal Aid Support					
C10 - Private Grants & Contracts Aid Support					
C12 - Private Grants & Contracts Other Expense Support					
F20 - All Other Revenue					
K45 - Unrestricted Staff Salaries					
L10 - Unrestricted Benefits					
M30 - Unrestricted Principal Payments					
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T25 - Other Restricted Transfers					
V99 – Budget (Surplus)/Deficit					

Sub Account:Total Sub Account

| 2018 | ▼ | 1st Draft | ▼ | Budget | ▼ | → |

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