



TAKING THE LEAD

The AVC-CFO units are taking the lead on many major initiatives that are critical to improving our campus financial stability and decision support.

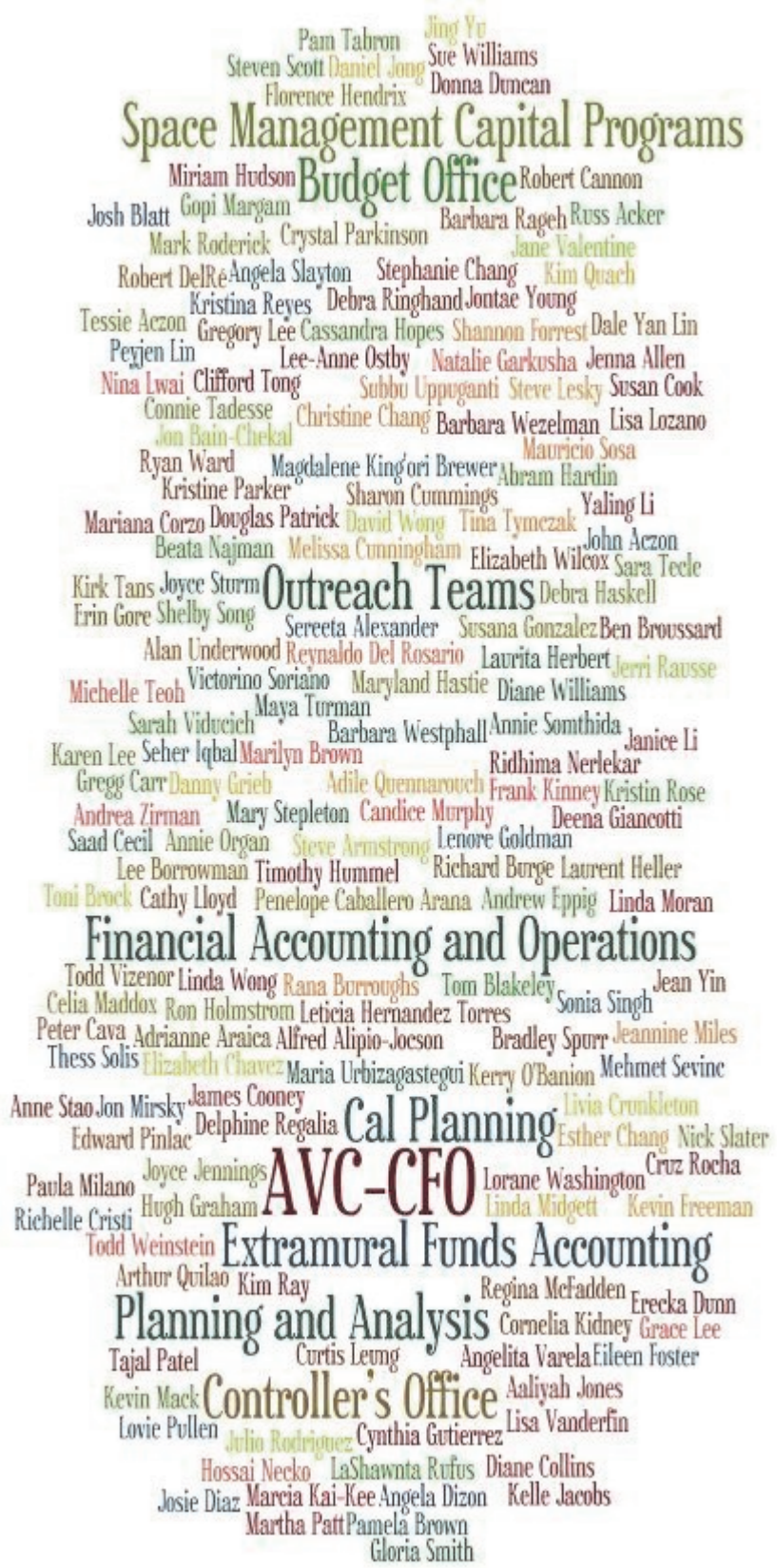
Our recent space consolidation project which impacted AVC-CFO staff will reduce the need for rental space. By moving to an open floor plan, we set an example of how the campus can use space more efficiently and create financial savings.

But more importantly, we are creating a work environment that promotes creativity and collaboration...and the potential result is exciting.

Recognizing that changing one's work-space is not easy, I really appreciate how AVC-CFO staff approached this change in a positive way. Staff raising concerns also presented solutions and representatives from AVC-CFO units came together to create guidelines on how we could work in this new environment.

Your participation is key in helping us succeed and together I know we will.

Thank you and Go Bears!



AVC-CFO Update

Changing the world...

Sounds farfetched, a little bravado. Maybe so, but it is what I believe.

"Coming together is a beginning; keeping together is progress; working together is success."

Henry Ford

Five Key Financial Strategies

Berkeley continues to change the world Despite cutbacks in state support, Berkeley did something unprecedented. We invested, while curbing expenses. Improved financial management is what enabled Berkeley to make strategic financial decisions to support our *Access and Excellence*.

Changing the 2012-13 budget process When we don't restrict our thinking by fund source, our discussions become more powerful. We need to recognize that we have more levers than state funds and student fees to support critical needs.

As students contribute more to operations, cost controls become even more critical OE will result in \$75m in savings, but we can't stop there. Some units are restructuring operations to meet future needs and limit expense growth. Debt refinancing and better utilization of space can also result in savings.

Eliminating the "squirrel-ification" of funds

With existing fiscal constraints, now is the time to allocate reserves within your budget. Berkeley needs to create incentives to support that behavior. Furthermore, as new programs seek funding, we need to shift from the practice of providing all funds up front to paying as we go.

Investing in the future The progress we made in our 2012-13 budget process is just the beginning. Through CalPlanning and strategic discussion, we can support sound financial decisions, along with a roadmap to help achieve campus goals and to support Berkeley efforts to continue to change the world.

You see, amidst the financial stresses of recent years, we must not lose sight of the big picture at Berkeley. We continue to change the world for the better, from graduating the world's brightest and most committed students, to supporting Nobel Prize winning research, to implementing the Middle Class Access Plan (MCAP), which has broadened our financial aid programs to provide improved access and affordability for our students. Berkeley is now, and will undoubtedly remain, one of the world's greatest universities.

In addition, Berkeley will be an even stronger and smarter institution five years from now than it is today, as we adapt to the state's financial disinvestment. Berkeley's revenues have continued to increase over time, despite years of declining state support. While uncertainty exists with the outcome of the Governor's November ballot initiative, we have short-term and longer-term financial strategies to ensure we succeed.

CalPlanning financial reporting has provided a much clearer picture of our revenues and expenditures. As a result, we intend to use reserves to cover potential deficits, instead of prior practices of prioritizing cuts across campus units.

None of this would have been possible without the amazing work and dedication of all of you. Staff within the AVC-CFO units are taking the lead on major initiatives across the campus to improve financial management and reporting, decision support, and space utilization.

Today's AVC-CFO staff meeting allows us to come together and celebrate the accomplishments we have made, to recognize our interdependencies, and to see how we support one another. Because I believe the more that we can work together, the more we will succeed.

ESG



If you really believe in something you can make it happen. The only thing limiting you is your imagination.

Samantha Hyde '14

AVC-CFO Units— Interconnected and Stronger as One

It takes a village to create a Budget Plan, and the graphic to the right presents a handful of examples to illustrate how AVC-CFO units contributed to the production of this historic report.

But there are many other examples that show how our units support one another, including but not limited to:

- Aligning financial reporting with the producing the Annual Report,
- Providing decision support through Cal Answers,
- Determining net payers for enrollment planning and enrollment planning for tuition and fee estimates,
- Calculating indirect costs and support to negotiate rates with the federal government,
- Financial, faculty and space planning exercises,

One goal of our AVC-CFO meeting is to come together, meet staff in other units, and begin to see ways that our work overlaps so that we can identify ways we can better support one another.

"If we did all the things that we are capable of doing, we would literally astound ourselves."

Thomas Edison

The Controller's Office operations perform critical functions in relation to financial and extramural funds accounting and operations. In partnership with the Budget Office, the Controller's Office worked to ensure the Budget Plan presented accurate decision support, particularly for reporting 2010-11 and 2011-12 forecast figures.

In addition, accurately recording this information satisfies accounting and audit requirements. This data serves as the basis of financial reporting to our campus community and external audiences, including donors and the legislature.

The Office of Planning & Analysis supported production of the Budget Plan, including coordinating the collection of materials from other AVC-CFO units, Public Affairs and University Relations; drafting the executive summary and introduction sections, and producing the report layout.

In future, additional decision support provided through Cal Answers (the campus enterprise data warehouse tool) will be incorporated into the Budget Plan to help evaluate the impact of resource allocations on achieving strategic goals.



*"Alone we can do so little.
Together we can do so much."*

Helen Keller

Working Together

Change is hard: it involves taking risks and working outside our comfort zone. It comes with good days and bad, excitement and stress, progress and setbacks.

As we continue to lead the campus to our new reality, we need to seek ways we can understand and support one another better, both at an individual and unit level. There will be opportunities, including CultureCal and a systemwide climate survey, to provide input on our current office climate and ways to improve our workplace and workspace.

Communication Strategies

We have accomplished a lot and we have more work to do. Being able to communicate our progress, future direction, and areas where our work overlap is key for us to succeed. The Budget Plan is one communication tool to help demonstrate what we want to accomplish and the impact it can have.

From what we post on the web to meeting with AVC-CFO and other campus units, opportunities to exchange unit goals and accomplishments can help us better assess how we can support one another.