Welcome
Rosemarie Rae, Associate Vice Chancellor of Finance and Chief Financial Officer
Finance Leadership Forum Agenda

- UC Berkeley Budget Update
- FY 2016-17 Budget Dialogue
- Break
- Finance Competency Initiative Update
- Getting to Know Each Other
- Communities of Practice

Promoting collaboration, focus, and professional development
UC Berkeley Budget Update
### UC FY 2009-10 Budget Allocations

<table>
<thead>
<tr>
<th>Campus</th>
<th>UC General Funds and Tuition Budget Per State-Supportable Student</th>
<th>Graduate Student Population as Percentage of Campus Enrollment</th>
<th>Health Sciences Student Population as Percentage of Campus Enrollment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Berkeley</td>
<td>$17,010</td>
<td>20.8%</td>
<td>2.2%</td>
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<tr>
<td>Davis</td>
<td>17,660</td>
<td>18.6</td>
<td>7.3</td>
</tr>
<tr>
<td>Irvine</td>
<td>14,008</td>
<td>14.1</td>
<td>5.3</td>
</tr>
<tr>
<td>Los Angeles</td>
<td>19,529</td>
<td>26.7</td>
<td>10.6</td>
</tr>
<tr>
<td>Merced</td>
<td>16,550</td>
<td>4.4</td>
<td>0.0</td>
</tr>
<tr>
<td>Riverside</td>
<td>14,319</td>
<td>8.2</td>
<td>0.3</td>
</tr>
<tr>
<td>San Diego</td>
<td>15,670</td>
<td>15.4</td>
<td>6.0</td>
</tr>
<tr>
<td>San Francisco</td>
<td>55,186</td>
<td>100.0</td>
<td>100.0</td>
</tr>
<tr>
<td>Santa Barbara</td>
<td>12,309</td>
<td>10.6</td>
<td>0.0</td>
</tr>
<tr>
<td>Santa Cruz</td>
<td>12,846</td>
<td>7.1</td>
<td>0.0</td>
</tr>
</tbody>
</table>
EDUCATION IS A RIGHT NOT A PRIVILEGE
Why this is financially bad for Berkeley:

- $5K is terrible precedent
- Growth potential in comparison to other campuses means we continue to get a smaller piece of the SGF pie
- Ability to recruit nonresidents
Dialogue and Breakout Sessions on FY 2016 – 17 Budget

Jon Bain-Chekal
Executive Director – Operating Budget
Office of the CFO
FY 16 Budget Process & CalPlanning Assessment Survey
Online Survey Results Handout

FY 16 Budget Process & CalPlanning Assessment Survey

Objectives and Approach

In an effort to improve the campus budget process, the Office of the CFO’s Financial Planning & Analysis (FP&A) unit implemented various changes to the FY16 budget process, CalPlanning, and training, communications, and support this year. We would like to understand how these changes were received, what worked and what didn’t, so we can continue to make improvements to the annual budget process.

The online survey was administered by the Office of Planning & Analysis’ survey expert, Jeff Royal during the fall period from Monday, May 18 through Friday, June 5, 2015.

Demographics

115 campus leaders and staff completed the survey. (157 started the survey, but 42 only partially responded)

47% of respondents have been at UC Berkeley for over 10 years

Most

47% Financial Analyst
30% Director, or Department Managers
23% Manager/Creator/Chief Administrative Officer
17% Divisional Financial Leader
13% Associate Dean
Other (n.a.)

34% are new CalPlanning users

Most

6% are experienced CalPlanning users
23% are experienced CalPlanning users
29% are new CalPlanning users
43% are new CalPlanning users

Berkeley

University of California

Next Steps
Demographics

115 Campus leaders and staff completed the survey.

47% of respondents have been at UC Berkeley for over 10 years.

Most self-identified as Financial Analysts, Directors, or Department Managers.

- Financial Analyst: 50%
- Department Manager/Director: 40%
- Chief Administrative Officer: 30%
- Divisional Financial Leader: 20%
- Budget Owner: 10%
- Assistant Dean: 5%
- Other (please specify): 0%
34% are new CalPlanning users

- Experienced CalPlanning users
- New CalPlanning users

- Experienced DFL, CAO, or Assist. Dean
- All Other Experienced Users
- All Other New Users
- New DFL, CAO, or Assist. Dean

Berkeley Office of the Chief Financial Officer
Key Findings

- Standardizing the budget process is a positive step forward
- Improvement is still needed at the campus level, including:
  - Release the call letter earlier
  - More clarity needed on the level of information provided (detail vs. summary)
  - User friendly compensation data entry needed
- It’s important to establish a division’s internal budget process, aligned with the campus process
- Need to clearly articulate the campus and division’s strategies and priorities
- Need to improve the budget template and give more time to divisions to gather, review and enter data
- Divisions would like training classes to be differentiated by level and offered year-round

Survey Content

Part 1: General Information
Part 2: The Budget Process
Part 3: CalPlanning
Part 4: Training, Communications
Debrief: Budget Process Templates

The budget templates were designed for a division’s internal budget process as a tool to help communicate, aggregate and consolidate departmental (level 7) budgets.

<table>
<thead>
<tr>
<th>Survey Results</th>
<th>Score (1-low, 5-high)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Overall experience working on templates</td>
<td>3.6</td>
</tr>
<tr>
<td>Design of the templates</td>
<td>3.1</td>
</tr>
<tr>
<td>Support received from CalPlanning and PBO teams</td>
<td>4.1</td>
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</tbody>
</table>
Debrief: Budget Process Templates

Positives
• **Upload functionality** – ability to upload revenue and non-compensation data as opposed to manually entering it into CalPlanning
• **Budget flexibility** – ability to adjust for seasonality and fund breakouts
• **Financial conversations**—Supported the dialogue between the financial team and non financial managers
• **Leadership involvement** – CFO and CBO involvement signaled the importance of the process and encouraged unit managers to fill out the template
• **Compensation Data** – Presented by distribution line for easier review

Challenges
• **Compensation Data**– couldn’t be uploaded and didn’t calculate benefits
• **Timing** – templates were introduced late in the process, with much of the time devoted to correcting issues and data validation, leaving less time for scenario planning and review
• **Financial Acumen** – budgeting terms and CalPlanning structures/values were new to some of the financial analysts and department managers
• **Transfers** – difficult planning for operating transfers and ensuring they net to zero
Breakout Sessions
Breakout Session Instructions

Table 1: Division Process | Elena Wen Jiang
Table 2: Compensation Data (HCP) | Heidi Hallett
Table 3: Strategic Communications | Jean Bednarz
Table 4: Training Strategy | Jeannine Miles
Table 5: Actualized Forecast | Maya Woodson Turman
Table 6: Strategy, shifts and tradeoffs | Nicole Cernok
Table 7: Multi-year budgeting | Herve Bruckert

Pick a topic and go that table. There are 8 people per table. You’ll have 20 minutes to discuss your topics. After that, you’ll have a chance to report out on findings.
Finance Competency Framework

Project Overview

Suresh Bhat
Chief Financial Officer - Haas
Agenda

1. Objectives & Benefits
2. Governance
3. Sneak Peek of Framework
4. Scope / Next Steps
What is our raison d'être?

UC Berkeley is at an inflection point

We need to transform finance…

• Transactional / Operational Activities ➔ Analytics / Decision Support
• Align financial resources to campus strategies

…And build a “skills” roadmap that helps get us there

• Career compass Take 2
• Develop and maintain a culture of collaboration and continuous professional development that supports accountability, engagement and opportunity
Project Objectives

• Develop finance competency framework (integrated tool) for finance professionals

• Provide training “toolkit” to enable finance professionals to enhance developmental needs

• Establish informal community for networking and best practices
Summary of Benefits

Financial Analysis Job “Roadmap”

• Provides roadmap for finance professionals on how to “move up” within the financial analysis job family at UCB
• Stronger uniformity on job descriptions and required skill sets; better understanding of what constitutes differentiation

Developmental Tool

• Identify training gaps / needs
• Facilitate creation of developmental plans (immediate, medium and long-term) within annual performance review
• Framework used for development, not assessment
Summary of Benefits

Mobility

• Encourage internal mobility
• Recognition of “spiral staircase” concept; moving laterally to acquire different experiences aids long-term career growth

Consistent Lens

• Common framework for evaluating finance talent
• Internal, professional consistency across campus
• Additive (vs. replacement) of UCB core competencies
## Project Governance

<table>
<thead>
<tr>
<th>Executive Sponsor</th>
<th>Members</th>
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<tbody>
<tr>
<td>Role / Responsibility</td>
<td>Members</td>
</tr>
<tr>
<td>• Guidance &amp; Oversight</td>
<td>Rosemarie Rae, Jeannine Raymond</td>
</tr>
<tr>
<td>• Policy Approval &amp; Implementation</td>
<td></td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Project Lead &amp; Steering Group</th>
<th>Members</th>
</tr>
</thead>
<tbody>
<tr>
<td>Role / Responsibility</td>
<td>Members</td>
</tr>
<tr>
<td>• Project Leads: Own/drive project</td>
<td>Suresh Bhat / Jon Bain-Chekal</td>
</tr>
<tr>
<td>• Steering Committee: Reach consensus &amp; provide input to working group</td>
<td>Subset of Division Finance Leaders (appendix)</td>
</tr>
<tr>
<td></td>
<td>“Central” Finance (L. Heller, L. Vanderfin)</td>
</tr>
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<td></td>
<td>HR (R. Lau)</td>
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<table>
<thead>
<tr>
<th>Working Group</th>
<th>Members</th>
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<tbody>
<tr>
<td>Role / Responsibility</td>
<td>Members</td>
</tr>
<tr>
<td>• Update initial strawman</td>
<td>Finance managers/analysts across campus who have a passion on this topic (appendix)</td>
</tr>
<tr>
<td>• Identify training resources</td>
<td>HR (J. Chizuk)</td>
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Framework | Sneak Peek

**Personal Effectiveness**

- Relationship Building
- Leadership & Development
- Integrity and Ethics
- Emotional Control
- Initiative / Problem Solving
- Dependability & Reliability

**Leadership Skills**

- Change Management
- Communication
- Managing Diversity & Inclusion
- Creativity / Innovation
- Vision / Influence
- Strategic Thinking / Goal Setting
Management

- Strategic Focus
- Operational Focus
- Employee Focus
- Workplace Focus

FP and A Technical / Functional Skills

- Project Management
- Technical Skills
- Financial Theory
- Analytical Skills
- Functional Finance Comm.
- Skills (Listening, Speaking, Writing, Data Visualization)

Work / Educ. Experience

- Required levels of experience / education
How can I use the framework?

• Recruiting
• Onboarding
• Development plans / coaching
• Peer mentoring
• Career roadmap
Scope

To ensure success of initial rollout, we purposely have limited our scope:

1. Limited to Financial Analysis job family
2. Not creating “new” training content
3. No intent to amend job levels or reporting lines
Next Steps

• Map existing training resources to finance competencies
  o Create training “wizard” that links the two together (i.e., analysts knows where to go to aid development)

• Develop communications / rollout plan

• Rollout targeted for early 2016
Making Connections

Terrence Ireland
Chief Financial Officer - Letters & Science

Sandi Ketchpel
Assistant Dean of Administration & Operations – Goldman School of Public Policy
Discuss with your table group

What do you want to learn?
What do you want to teach?
Communities of Practice
Communities of Practice
Smart View

Terence Phuong
Chief Financial Officer - IT
Communities of Practice

**What it’s all about**
Sharing best practices via peer-to-peer learning.

**Inform improvements** to processes, procedures, tools, training materials, and systems.

Explore new possibilities, solve challenging problems, and create new, mutually beneficial opportunities for using these tools and systems.

**Who we’re looking for**
Trained users with the ability and interest not only to take their skill set to the next level, but also to actively share best practices with their community.
# Smart View – Trend Analysis

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<tbody>
<tr>
<td></td>
<td>Current Funds YearTotal</td>
<td>Current Funds YearTotal</td>
<td>Current Funds YearTotal</td>
<td>Current Funds YearTotal</td>
<td>Current Funds YearTotal</td>
<td>Current Funds YearTotal</td>
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<tr>
<td><strong>Total Revenue &amp; Transfers</strong></td>
<td>40,282</td>
<td>48,810</td>
<td>47,353</td>
<td>50,459</td>
<td>50,102</td>
<td>50,102</td>
<td>3,106</td>
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<tr>
<td><strong>Total Compensation</strong></td>
<td>33,165</td>
<td>37,762</td>
<td>40,396</td>
<td>40,313</td>
<td>44,505</td>
<td>44,505</td>
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<td><strong>Total Non Compensation</strong></td>
<td>6,567</td>
<td>6,374</td>
<td>12,754</td>
<td>12,313</td>
<td>7,347</td>
<td>7,483</td>
<td>-441</td>
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<td><strong>Total Expenses</strong></td>
<td>39,732</td>
<td>44,136</td>
<td>53,150</td>
<td>52,626</td>
<td>51,852</td>
<td>51,988</td>
<td>-523</td>
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<tr>
<td><strong>Net Operating Surplus/(Deficit)</strong></td>
<td>551</td>
<td>4,674</td>
<td>-5,796</td>
<td>-2,167</td>
<td>-1,751</td>
<td>-1,886</td>
<td>3,629</td>
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<tr>
<td><strong>Changes in Fund Balance - Pos/(Neg)</strong></td>
<td>-1,695</td>
<td>-1,439</td>
<td>-3,632</td>
<td>-1,902</td>
<td>-1,485</td>
<td>-1,485</td>
<td>1,730</td>
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<tr>
<td><strong>Change in Net Assets - Pos/(Neg)</strong></td>
<td>-1,145</td>
<td>3,235</td>
<td>-9,429</td>
<td>-4,070</td>
<td>-3,236</td>
<td>-3,371</td>
<td>5,359</td>
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<tr>
<td><strong>Beginning Balance</strong></td>
<td>16,987</td>
<td>17,538</td>
<td>20,776</td>
<td>11,348</td>
<td>5,259</td>
<td>5,259</td>
<td>-9,428</td>
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<tr>
<td><strong>Ending Balance</strong></td>
<td>15,843</td>
<td>20,773</td>
<td>11,347</td>
<td>7,278</td>
<td>2,024</td>
<td>1,888</td>
<td>-4,069</td>
</tr>
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</table>
Community of Practice & Next Steps
Smart View Community of Practice

To join: cfocommunications@berkeley.edu
Communities of Practice
Cal Answers

Dat Le
Assistant Dean - Engineering
Cal Answers
Student Data
Community of Practice

To join: cfocommunications@berkeley.edu
Thank You

cfo.berkeley.edu