

Financial Planning and Analysis Update for DFL/CAO Forum

November 18, 2016



Communications

- Coordinate action-oriented communications and work deadlines within FP&A and with other VCAF units (whenever possible)
- Regularly share the FP&A communication and work deadline calendar with the CAO conveners
- Ensure FP&A work deadlines within our control are accompanied with at least 30 days' notice
- Obtain approval for all action-oriented communications by a subject-matter specialist within the CAO/DFL community

Strategic planning and decision making is changing

	Transitioning from...	Transitioning to...
Budget Process	Chancellor, EVCP, Budget Office	Chancellor, EVCP, Council of Deans, VC's
Decision Making	Localized at decanal or VC level with Chancellor and EVCP oversight	<ul style="list-style-type: none"> • Holistic and collective decision making (Deans and VC's) • Higher degree of Dean authority and responsibility • Heavily influenced by UCOP and legislature • Constrained by finances
Financial Decision Making	<ul style="list-style-type: none"> • Relationship based • Lower dependence on financial reporting • Demand driven • Cost containment focus 	<ul style="list-style-type: none"> • Metric based • Higher degree of transparency • Higher dependence on financial reporting • Performance driven • Revenue generation focus
Financial Management Roles	<p>Budget Office:</p> <ul style="list-style-type: none"> • Process owner • Management of financial trade-offs • Allocation decision making <p>Provost, Deans, VC's:</p> <ul style="list-style-type: none"> • Management of unit trade-offs • Unit target assignments • Unit allocation decision making 	<p>Budget Office:</p> <ul style="list-style-type: none"> • Data support to Provost and Deans • Modeling • Financial Analysis <p>Higher level of Provost, COD, and VC engagement:</p> <ul style="list-style-type: none"> • Management of campus trade-offs • Target assignments • Revenue & cost savings strategies • Service level tolerance

Financial Planning & Analysis has to adapt to our changing environment

- Ensure campus financial performance hits designated targets
- Provide transparency into campus' current and future financial position
- Make bandwidth to support Academic Senate analyses, information requests, etc.
- Create metrics-informed allocation model and align incentives with campus goals
- Develop specialized skills to support analysis of revenue-generating activities