



**BALL STATE
UNIVERSITY**

Office of the President

October 25, 2018

Dear Colleagues:

Since arriving on campus in May 2017, I have heard many comments about our current budget processes. Specifically, faculty, staff, and administrators have consistently shared that our centralized, incremental model does not sufficiently encourage academic innovation and ensure institutional accountability. The Strategic Planning Committee heard similar comments during the process of developing our proposed strategic plan.

In response to this input, the committee has proposed that we develop an “incentive-based budget model that aligns our human and financial resources with our strategic priorities and encourages innovation and effective resource management.” Based on the feedback that the committee has recently received and based on the input that I have received from the Board of Trustees, I anticipate that the Board will approve this strategic imperative.

The trustees and I believe that we need a more decentralized, incentive-based approach to budgeting. Our proposed new approach will help to ensure that our resources are aligned with our most important strategic priorities and that we allocate our resources to promote student success, to stimulate strategic growth, to encourage innovation and entrepreneurship, and to support academic excellence.

Given the importance and relative urgency of this strategic imperative, I have decided that we should promptly begin the process of developing this new budget model. So we are taking two important steps.

First, we recently completed a competitive bid process that invited industry experts to submit their experience with developing and implementing incentive-based budget models. We have selected Huron Consulting Group as our partner. Huron has successfully helped more than 50 colleges and universities to design new budgeting models. At Ball State, they

will draw upon this experience to engage our faculty and staff in tailoring a new model that reflects our current state, our future goals, and our campus culture.

Second, I have begun to assemble a steering committee that will lead this initiative. I have asked Dr. Susana Rivera-Mills, our Provost and Executive Vice President for Academic Affairs, and Dr. Sue Hodges Moore, our Chief Strategy Officer, to co-chair the steering committee. The steering committee will include an administrator from each academic college, a representative from the budget office, and a representative from both the Faculty Council and the Staff Council.

From now through March 2019, the steering committee will work together with other members of our campus community to build an initial proposed budget model, based on data from last fiscal year. Then, once that proposed model is developed, we will share the methodology with various groups on campus to identify refinements that may be needed and to address questions and concerns.

Our goal is to have the new model in full operation for Fiscal Year 2021, which begins July 1, 2020. For the next fiscal year, we will use our current budget development process, while we test the new budget model by running an illustrative parallel budget as if the new budget model were in place.

Consistent communication is critical to the success of this initiative. Therefore, in addition to other communication channels, we will create a webpage that will contain regular updates and additional information. I anticipate that we will have open forums on campus in the next few months.

Thank you for your service and for your continued support.

A handwritten signature in black ink, appearing to read "Geoff". The signature is stylized and cursive.

Geoff