



MEMORANDUM

TO: President, Provost, Chancellors, Deans, and Vice Presidents

FROM: Leslie Brunelli, Executive Vice President for Finance and Administration/CFO

DATE: Monday, November 25, 2024

RE: December Unit Budget Meetings

As part of the budget process, we have scheduled a series of meetings with all units in December. These brief discussions will include a review of current financial performance and consideration of the materials we will prepare for the 2026 budget development cycle, culminating with Board of Regents approval of the University's budget in May. As in the prior year, we are planning a round of budget hearings in March focused on budget development.

Please do not prepare any materials for the meetings. As we transition to using common, consistent data, the Budget Office has developed a template of information that we'll use to frame the discussion.

- **Four-Year Summary** – this is the unit page(s) included in the new budget document, adapted from the materials used in the March budget hearings. The information includes the FY25 core funds budget, recurring and non-recurring budget reductions, four-year summary history of sources and uses for core and non-core funds, carryforward and retained earnings. For the academic units and campuses, a credit hour history is provided.
- **FY24 and FY25 Budget to Actual** – For both core and non-core funds, sources and uses are summarized with actuals for October 31, 2024 compared to October 31, 2023. The dollar change year-over-year and the % change are provided. The year-end actuals at June 30, 2024 are included so that we can provide an estimate of where FY25 could end if the math follows that the change in expenditures carries across the full year. We recognize that this is a simplistic way to project year-end, but we're hopeful that your context rationalizes this planning.
- **FY25 Sources and Uses by Cost Center** - this tab shows the budget, expenses, and current year balances summarized at the cost center level for core funds only.



- **FY25 Carryforward and Retained Earnings** – unit fund balances – carryforward for core funds and retained earnings for non-core funds – are provided. These funds are the University’s working capital, and we currently have no policies in place to establish a minimum amount of cash on hand or the accumulation and expenditure of these funds. We will be releasing guidance for requesting use of carryforward funds soon.

In your leadership role, you have managed a difficult financial position with budget reductions and increased cost and demand for services. The development of the FY26 budget will not provide relief from these challenges but affirms the need for academic optimization and administrative program review. Chris Jones and the Budget Office are available to answer questions as you review these materials. We look forward to meeting with you in December.