The University will transition to activity-based budgeting in conjunction with budget development cycles

**Conceptual Study**
- President’s statement of purpose
- President’s core principles
- Higher Education benchmarking
- Conducted financial reporting needs analysis
- Reconciled initial common data set for modeling – financial actuals
- Supported change preparedness assessment: academic & service
- Steering Comm. task force reports on key issues:
  1. Financial reporting, System Preparedness and Training
  2. Communication & Change Management
  3. Revenues & Incentives
  4. Cost and Service Level Architecture
  5. Decision-making, Governance and Policy Making

**Design Phase 1**
- Model options for revenue attribution & cost allocation
- Steering Committee decisions on revenue and cost
- Draft required governance, decision-making, and policies
- Develop short term & seek long term data and reporting solutions
- Propose phasing, hold harmless, operating support guidelines

**Design Phase 2**
- President decides initial revenue and cost allocation methodologies
- Complete development of initial tool for scenarios illustrating model; conduct testing
- Set initial processes, policies, reporting & system solutions
- Begin process-planning for long-term data and reporting solutions
- Develop scenarios for new financial model according to phasing, hold-harmless and related guidelines.

**Design Phase 3**
- Begin planning budget process changes for transition to new model, while developing FY14-15 budget using traditional process
- Test new model scenarios with stakeholders using historical data
- Adjust model methodology for fairness and consistency
- Initiate process for identifying and implementing long-term data and reporting solutions
- Revise process, policies and reporting as needed

**Implement Phase 1**
- Move to robust scenario planning and tracking tools for new model
- Complete FY14-15 budget development in traditional process; beginning July 1, map to new activity-based budgeting as framework of record for rest of FY, including budget-neutrality provisions
- Continue to familiarize affected constituencies with new model.
- Senior University officers set ongoing UFM governance processes
- Monitor new model for effectiveness, efficiency and fairness

**Implement Phase 2**
- Move operational responsibility for management of the University Financial Model to Assistant Vice President for Budget and Financial Planning
- Complete FY15-16 budget development within the framework of the UFM, including budget-neutrality provisions
- Continue to familiarize affected constituencies with new model.
- Senior University officers set ongoing UFM governance processes
- Monitor new model for effectiveness, efficiency and fairness

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**FY2013-14 Budget Development Cycle**
- Launched May 18, 2011, by President Sullivan
- May 2011-July 2012
- Conceptual Study
- Design Phase 1
- Design Phase 2
- Design Phase 3
- Implement Phase 1
- Implement Phase 2

**FY2014-15 Budget Development Cycle**
- Stage 1: Conceptual Study
- Stage 2: Design Phase 1
- Stage 3: Design Phase 2
- Stage 4: Design Phase 3
- Stage 5: Implement Phase 1
- Stage 6: Implement Phase 2

**FY2015-16 Budget Development Cycle**
- Stage 1: Conceptual Study
- Stage 2: Design Phase 1
- Stage 3: Design Phase 2
- Stage 4: Design Phase 3
- Stage 5: Implement Phase 1
- Stage 6: Implement Phase 2