

August 1, 2006

Dear Budget Managers:

With the beginning of each new academic year, budget planning is a high priority for IU South Bend. This last spring, my cabinet and I discussed ways to improve the budget process. The desire to improve our budget planning and the budget process overall led to the drafting of a budget policy document. The purpose of the document is to clarify and capture the budget processes and procedures the campus has practiced prior to and during my tenure as well as implement some new budget ideas which we believe will strengthen the budget process in terms of transparency and accountability. Before the finalization of the new policy (see attachment), drafts were shared with the academic deans, the Academic Senate Budget Committee, and the Academic Senate Executive Committee. Their input has been incorporated in the policy.

It is our hope that the new budget policy and forms will result in more effective and efficient use of our limited operating funds as well as more alignment with our campus strategic plan, *Gateway to Excellence, Bridge to the Future*. To ensure a common campus focus that is consistent within the campus strategic plan, the Academic Senate Budget Committee suggested that the annual budget process be guided by a priority that is announced by the chancellor. Also, understanding that this is still a work in progress, the policy, the forms and the budget calendar will be reviewed annually so as to reflect accurately the budget process our campus needs in order to keep our spending strategic, efficient, accountable, and as transparent as possible.

As a result of the above, I will be annually issuing a budget package which will include a cover letter from me stating the annual campus budget focus which will be reflective of our strategic plan, the current budget policy accompanied by appropriate forms, and a budget planning calendar for the academic year. This year's focus is **stable enrollment with an emphasis on retention** and aligns itself directly with the priorities for collegial attainment as stated in our campus strategic plan.

Our campus cannot continue to rely on new students to have stable or growing enrollment in the future especially with the declining graduation rates of high school students. Additionally, our student retention rates, specifically first to second year, have begun to slip over the past few years. Currently, a subgroup of our campus Enrollment Management Committee is working this summer on developing recommendations for assessing our retention efforts across all campus units. This assessment will begin this academic year. In order for us to continue to get the hearty support from community leaders, legislators and IU officials for new academic programs and capital building projects we have enjoyed in the past, we need to continue demonstrating that IU South Bend is both stable and sound in its educational programs and enrollment. Therefore, all

operating budget requests (new and reallocations) for 2006-07 will have to be justified not only in terms of our strategic plan but also specifically with regard to enhancing the retention of our students.

I encourage us all to continue our thoughtful deliberations regarding our budget planning as we have done in the past so that we are successful in the future in offering the high quality collegial experience our students need and deserve. Thank you again for your dedication to IU South Bend and commitment to the improvement of our budget process.

Sincerely,

Una Mae Reck
Chancellor

Attachments

cc: Vice Chancellors
Academic Senate Executive Committee
Academic Senate Budget Committee
Professional Staff Council, Co-Presidents Phil Mikulak
and Jane Pomeroy
Bi-weekly Staff Council, President Josephine Johnson