

Financial Planning Committee

Pillar V: Entrepreneurial Stewardship in Higher Education

- *Maintain a goal-oriented, multiyear financial plan to support strategic priorities put forth in UMass Lowell 2020 and contingencies for future uncertainties.*
 - *Continue to develop a transparent budget process.*
 - *Promote an enterprise-wide risk management mindset to ensure risks that could impact the goals outlined in the strategic plan are identified and assessed.*
 - *Set clear goals and high standards of excellence in performance across the university.*
 - *Enhance academic quality while supporting a financially sustainable future for the university.*
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Accomplishments

The Financial Planning Committee met three times during Academic Year 2016-17. In addition to the meetings, the chancellor provided two budget updates to the campus community during the academic year, which reflected the work of the committee in 2016-2017:

- October 2016 Chancellor's FY17 Budget and Financial Planning Update: FY2017 funding allocations to major program areas were announced. Final allocations were based on the 2016-2017 committee budget meetings with each of the vice chancellors and major budgetary unit directors.
- June 2017 Chancellor's Budget Update: Update on state budget actions related to the funding of collective bargaining costs and campus action steps designed to close the budget gap, including controls on operating budgets and workforce management controls such as the establishment of an essential hiring review process and faculty retirement incentive program.
- Committee members reviewed and revised goals for the Entrepreneurial Stewardship Pillar and Report Card data and targets for our multiyear financial plan as part of the March 2017 Strategic Plan update.
- The February 2017 committee meeting was dedicated solely to the new enterprise risk management (ERM) priority adopted in the 2015-16 Strategic Plan update. We were joined by Jeff Hescocock, director of university emergency management and business continuity for the Amherst campus, who provided an overview of ERM for colleges and universities. Hescocock is both the lead ERM person for Amherst campus and the UMass system. He coordinates emergency planning and management activities across the UMass campuses and reports regularly to the President and Board of Trustees on campus and university efforts and readiness. He works closely with our campus leaders, Rich Lemoine, executive director of Administrative Services, Environmental and Emergency Management, and Rick Wood, director of the Office of Life Safety and Emergency Preparedness, who both also attended and provided the framework and "risk register" that is under development for the Lowell campus.
- Committee meeting agendas also included:

- Review of FY2016 year-end results (better than budgeted).
- Periodic updates on the progress and changes to the FY2017 campus budget, including new budget development model for Academic Affairs.
- Review of the campus multiyear financial plan and capital plan for FY2017 to FY2021.
- Review and discussion of FY2018 budget-planning assumptions, priorities, challenges and ideas for controlling costs and increasing revenues.

GOALS FOR ACADEMIC YEAR 2017-2018

- Provide leadership to address the FY2018 budget challenges and engage the wider campus community to identify entrepreneurial ways to reduce costs and grow revenues.
- Review campus-wide approach to enterprise risk management aimed at reducing risk in all aspects of academic, research and administrative operations.
- Provide support and advice to the executive leadership team and deans as we integrate the new college strategic plans into the larger campus budget and financial planning processes.
- Solicit input from committee members on new areas of analysis for committee attention and focus.