November 15, 2019

Board of Deans and Chancellors  
Vice Presidents  
Vice Provosts  
David Anderson, Executive Director, Health Sciences Administration  
Richard Cordova, Executive Director, Internal Audit  
David Kerwin, Division Chief, Attorney General’s Office

RE: FY21 Annual Review Materials and Process

Dear colleagues,

This letter marks the official start of the fiscal year 2021 (FY21) annual review process—a nine-month budget development and holistic assessment effort that involves deans, faculty, staff, and students. Through this process, we will be working to identify and fund institutional and unit-specific strategic goals, while reckoning with and mitigating resource constraints. The result will be a new institutional operating budget for the Board of Regents’ consideration, one that will also incorporate a new state supplemental budget from the 2020 legislature.

Last year, President Cauce and I set forth the goal of increasing state support for the UW. We requested state funding to cover compensation and core educational expenses, and with the passage of House Bill 2158, we were successful in gaining critical funding for merit increases, financial aid, foundational support, and increased STEM enrollments across all three of our campuses. This was a major success for our University, and one we hope to build on in future years to better support our faculty, staff, and students.

For the upcoming year, President Cauce and I plan to focus our attention on three strategic areas for the University: launching the initial stage of Finance Transformation implementation, further developing the Population Health Initiative, and addressing deferred maintenance and capital infrastructure and development, ensuring that capital planning efforts are well aligned with academic priorities. Ongoing work to review our Activity Based Budgeting (ABB) model will inform FY21 planning, as will our ongoing work to identify, mitigate and resolve operational deficits.

Thank you for helping me get to know this University over the past year and for advancing its mission through your hard work and planning. I am keenly aware of the resource-constrained environment in which we operate, but I am heartened to know that so many of you are working hard to advance access and excellence across campus, not solely within your individual units. I look forward to continuing to work with you on the difficult, but important, task of managing growing demands within existing resources. I consider you my primary partners in this work.
Timeline & Submission Process:

The first step in the annual review process is for all academic and administrative units to complete a suite of materials (outlined broadly in this letter) in preparation for meetings. Like last year, your reports to my office will be due February 3, 2020, and “annual review meetings” will be held the last week in March through the first full week of April. Please hold time on your calendars now for these meetings. For additional details regarding the annual review and budget development timeline, please see the calendar at the end of this letter.

Completed materials must be submitted on or before Monday, February 3, 2020, using an online submission tool available on OPB’s FY21 Annual Review Materials website. Please consider this a hard deadline. Extensions will only be granted in extreme circumstances.

Like last year, all submissions must be made through the online survey tool provided by OPB. OPB has pre-populated certain information in the Excel templates and will be sending customized templates to each unit in the next few days. You will be able to upload completed Excel workbooks and completed Word narrative response templates directly into the online submission tool.

Overview of Materials:

In preparation for FY21 annual review meetings, you will provide both quantitative and qualitative information regarding your unit’s current strategic plans and goals. You will be asked to associate strategic plans and goals with material changes to revenues or expenditures; faculty or staff FTE and workload; student experience; and finally, how all of these elements affect or are hindered by your space assignment(s).

We will ask that you provide two years of actual revenues and expenditures, and four years of detailed financial plans (i.e., fiscal vitality reports). You will be required to review these reports in detail in order to summarize the good and bad news for your unit(s), and specifically identify mitigations for trend lines that result in structural or operational deficits. All units will be asked to summarize employee growth or contraction, hiring trends and strategies, and alignment with the University’s business continuity planning initiative, Husky Ready. Finally, all units will be asked to respond to a hypothetical 5 percent budget/revenue reduction scenario.

In addition to these core questions, I will ask each unit to complete a detailed schedule of carryover usage plans and provide a brief explanation for each change.

Academic units will, once again, be asked to recommend preliminary tuition rate changes, and respond to a number of prompts related to peer comparisons, student debt impacts, student enrollment changes, and the impact of not changing tuition rates. Academic units on all campuses with a significant undergraduate population will also be asked to respond to new questions about undergraduate enrollment capacity planning. Finally, at annual review meetings, academic units should be prepared to discuss expected hiring requests and their budget implications. Academic units will also provide confirmation that students and faculty leadership had an opportunity to review and shape the overall annual review submission.
Please note, requests for Provost Reinvestment Funds will only be considered if (a) a unit commits resources to match the requested central resources, and (b) if the request is submitted through the Request for Provost Reinvestment Funds form. Commitments of central resources will be extremely limited, subject to thresholds and criteria established last year, and focused on areas of critical compliance, student support services, and the initiatives noted previously.

Reminders and Resources:

As a reminder, please be as succinct as possible in your responses; bullet points are encouraged rather than extensive prose. Submissions must originate from a unit’s dean, chancellor, vice president, or vice provost.

A variety of resources are available to help units complete this work in the allotted timeframe:

- A Word template, process guide, central assumptions, and other tools and reference materials will be available on OPB’s FY21 Annual Review Materials website.
- OPB will hold two open Q&A sessions to discuss and answer questions about the annual review process and templates (note that no formal presentation will be delivered). These sessions are open to anyone, and will be held at the following dates and locations:
  - Tuesday, December 10, from 9:00am to 10:30am in the UW Tower Board Room on the 22nd floor
  - Friday, December 13, from 9:00pm to 10:30pm in Gerberding Hall, Room 142
- In addition, historical responses to similar questions from previous years are available by fiscal year and by unit on OPB’s Annual Budgets website.

Should you have any questions about this process, please contact Jason Campbell.

Thank you for your hard work on this important process.

Sincerely,

Mark A. Richards
Provost and Executive Vice President for Academic Affairs
Professor, Earth and Space Sciences

cc: Ana Mari Cauce, President
    Sarah Norris Hall, Vice Provost, Planning & Budgeting
    Unit Administrators