

# UF Finance and Accounting - A Necessary Bureaucracy or a Competitive Advantage

Finance and Accounting Managers

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# Dr. Joe Glover – Pro Dancer Dancing with The Governors



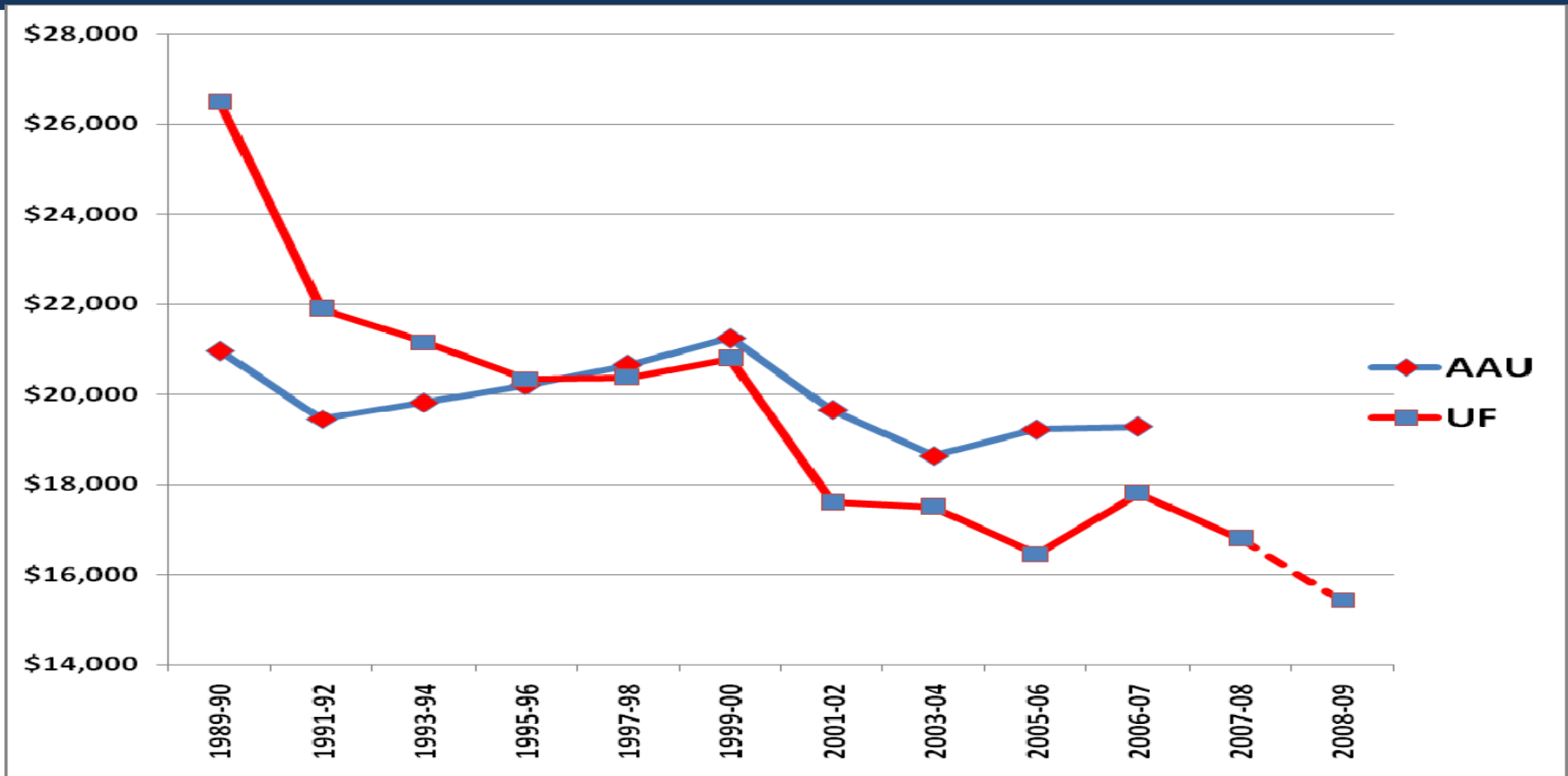
# Bernie is the President of the Local Chapter of the Hell's Angels



# Mike McKee is a Closet Buckeye Fan



# State Appropriation and Tuition Revenue per Full-time Equivalent Student AAU Public Average vs. UF



# State of Florida Budget Situation House

	UF E&G	UF IFAS	UF HSC	UF Total
Base Budget Adjustment	(\$79,946,436)	(\$28,270,102)	(\$21,993,407)	(\$130,209,945)
Federal Stabilization Funds	\$25,390,526	\$8,978,531	\$6,985,064	\$41,354,121
7% Tuition Increase	\$12,655,471	\$0	\$1,850,348	\$14,505,819
8% Differential Tuition Increase	\$8,285,245	\$0	\$0	\$8,285,245
Adjust Tuition to UF Projections	(\$2,740,716)		\$696,652	(\$2,044,064)
Indian Gaming	\$0	\$0	\$0	\$0
Distribute Educational Enhancement TF	\$0	\$7,050,000	\$0	\$7,050,000
Medical School Support	\$0	\$0	\$3,600,000	\$3,600,000
<b>Total Budget Changes</b>	<b>(\$36,355,910)</b>	<b>(\$12,241,571)</b>	<b>(\$8,861,343)</b>	<b>(\$57,458,824)</b>

# State of Florida Budget Situation

## Senate

	UF E&G	UF IFAS	UF HSC	UF Total
Base Budget Adjustment	(\$30,012,136)	(\$10,662,631)	(\$8,628,960)	(\$49,303,727)
Federal Stabilization Funds	\$25,271,892	\$8,978,531	\$7,266,066	\$41,516,489
8% Tuition Increase	\$14,461,697	\$0	\$2,114,681	\$16,576,378
7% Differential Tuition Increase	\$7,818,665	\$0	\$0	\$7,818,665
Indian Gaming	\$1,598,253	\$950,000	\$0	\$2,548,253
Reduce Lottery to Available Rev	(\$3,204,933)	\$0	\$0	(\$3,204,933)
New Space Operating Costs	\$648,355	\$446,463	\$523,032	\$1,617,850
Internet Connectivity	\$0	\$42,911		\$42,911
<b>Total Budget Changes</b>	<b>\$16,581,793</b>	<b>(\$244,726)</b>	<b>\$1,274,819</b>	<b>\$17,611,886</b>

# Use of Federal Stimulus Money

- One-time non-recurring funds
- Two years of \$41 million each year
- How should we use it:
  - Reserves for future general revenue cuts?
  - Bridge cuts and pray for an economic rebound?
  - Infrastructure projects?
  - Other?

# UF Budget Proposals

- Simply a list of proposals or a menu of possibilities
- Feedback on University-wide proposals?
- Other ideas?

# Decentralized Budget Management

- Key features
  - Transparency
  - Incentives for entrepreneurial activities
  - Base for instructional mission
  - Entrepreneurial in addition to base
  - Assessment for support units
  - \$49 million incentive pool
  - Strategic fund
- F&A's role in implementation

# Business Process Reengineering

- Make departments responsible
  - Charge for errors
  - Expect them to do their jobs
  - Quit fixing errors
- Benchmarking
  - Visiting other universities
- Less Processing, More Analytics
- Increased focus on the internal customer

# Fiscal Officer Program

- Debra Staats
- Rollout
- Business Administrator Forum
  - How do we get a campus-wide audience for best practices in business processes?
    - Forums
    - Listservs
    - Blogs
    - Wikis and electronic manuals

# Questions We Need To Ask

The challenges of managing UF leave you little time to ask the important questions about F&A operations, but need to be asked:

- Which F&A processes are truly core functions of our business?
- Do I have the benchmark data I need to objectively assess these processes?
- Based on objective data, which processes need to be improved?
- Which process-improvement techniques need to be implemented?

And when?

- Can external sources provide more efficient, cost-effective solutions than internal?
- How much money are we leaving on the table if we do nothing to change?