

## *Academic Quality Improvement Program (AQIP) Action Project:*

### *Aligning Strategic Planning and Budgeting*

*September, 2008*

#### **1. Describe the past year's accomplishments and the current status of this Action Project.**

Results include: Implementation of online system that grew out of an overhauled annual budgeting and monthly monitoring processes; Refinements in financial reporting; Creation of public folder for full budget disclosure; Reporting enhancement to improve the Board of Regents' capacity to monitor budget; Reorganization of the business office; New hires with specialized accounting skills; Focused attention on the development of a 'Sustainable Economic Model'; Financial planning efforts to create more diversified revenue portfolio; Increased efforts to identify diverse revenue sources and ways to grow endowment; Implementation of electronic budgeting process for budget managers; Meetings to educate budget managers; Monthly electronic Budget vs. Actual reports; Web based 'ticketing system'; Budget Committee analyzing institutional processes to enhance cost control; Quarterly meetings for budget managers; Commission organized around promise and linking this action project; Development of strategy map and definition of strategic directions; Articulation of Augsburg Promise to guide planning and decision making; Identification of projects that live out this 'promise'; Conversations on strategic use of Financial Aid, with emphasis on retention; Cross division collaboration and commitment to fiscal stewardship; Expanded attention to institutional research with focus on the development of dashboards for each division based on strategic themes/initiatives.

#### **2. Describe how the institution involved people in work on this Action Project.**

Numerous conversations with various groups of faculty and staff were conducted to discuss the development of a strategy map and the underlying strategic directions. The strategic themes and the underlying strategy map were reviewed by the President's Cabinet and the Board of Regents. Teams of faculty and staff from across the institution have been assembled to work on each of the four strategic themes that grew out of the strategy map.

The Chief Financial Officer assembled a budget committee comprised of representatives from various sectors of the campus. In addition, training sessions for the new budgeting process were offered to all budget managers. These managers have been asked for feedback about the new online system in order to improve the budgeting process in Fiscal '09. Each division is engaged in the ongoing development and refinement of dashboard measures.

#### **3. Describe your planned next steps for this Action Project.**

The next steps are to expand the understanding of the strategy map and how it relates to our Balanced Scorecard. Strategy theme 'teams' are to be formed for each of the four strategic directions. Work sessions will be held by each team to refine the strategy map, identify measurable outcomes, and translate them into dashboard measures. A new set

of planning commissions have been formed around the results from last year's planning efforts. The work of these commissions will be shaped by the strategic themes.

**4. Describe any "effective practice(s)" that resulted from your work on this Action Project.**

Considerable time and attention to translating the College's mission and vision into outcome-oriented language and strategic action. These efforts have begun to pay off by reinforcing the interrelated nature of our strategic goals and their relationship to planning and budgeting and thus helping to deepen campus understanding and appreciation for the central role that the mission and vision play in guiding planning and budgeting.

Regular meetings with budget managers has been effective in both broadening and deepening understanding of the College's redesigned budgeting procedures and enhancing intentional efforts manage an open and transparent process.

**5. What challenges, if any, are you still facing in regards to this Action Project?**

Implementation of Balanced Scorecard requires a culture change. Despite the progress made thus far, 'old habits' and ways of thinking are slow to change. More effort is required to engage wider participation among the faculty and staff in the process and thereby broaden the understanding of the strategy map and its interrelationship with budgeting.