**Budgeting for Strategic Planning UPPS No. 03.02.10**

**Priorities Issue No. 4**

**Effective Date: 01/12/2023**

**Next Review Date: 09/01/2027 (E4Y)**

**Sr. Reviewer: Associate Vice President for Budget and Planning**

**POLICY STATEMENT**

*Texas State University is committed to allocating the necessary funds to support strategic planning priorities.*

**01. SCOPE**

* 1. The purpose of this policy is to document Texas State University’s practice of allocating resources in the annual operating budget to those priorities established in the university strategic plan. Furthermore, it establishes policy and procedures for:

1. linking decisions regarding tuition and fee proposals submitted to The Texas State University System (TSUS) Board of Regents to funding needed to accomplish the university strategic plan;
2. linking decisions regarding the allocation of available resources to the priorities enumerated in the university strategic plan; and
3. fees, enumerated in the [TSUS Rules and Regulations, Chapter III, Section 1.4](https://gato-docs.its.txstate.edu/jcr:34a3f1a1-48af-4b2b-9abb-42921fb9ae23/Rules%20and%20Regulations%20May%202018.pdf), as requiring Board of Regents approval. For the purpose of this policy, tuition refers to designated tuition, which is set by the TSUS Board of Regents.
4. **PROCEDURES FOR SUBMITTING TUITION AND FEE PROPOSED INCREASES TO THE TSUS BOARD OF REGENTS**
   1. Each October, the associate vice president for Budget and Planning (AVPBP) prepares an estimate of funds available for new allocation in the subsequent budget year. Current tuition and fee rates, current enrollments, and current legislative appropriations are used in this estimating process. After review and approval by the vice president for Finance and Support Services (VPFSS), the VPFSS presents the estimate to the President’s Cabinet.

02.02 The President’s Cabinet reviews this estimate in conjunction with strategies proposed to be implemented in the subsequent fiscal year per the university strategic plan. If a shortfall in available resources exists and the reallocation of existing resources will not provide sufficient revenue, proposed increases in designated tuition and fees for the next two fiscal years are developed for submission to the TSUS Board of Regents at their November meeting in odd numbered years.

02.03 When considering proposed designated tuition and fee increases, the President’s Cabinet may also consider the proposed impact of the increases on the need for additional student financial aid, a comparison of the total cost of attendance at Texas State versus in-state peer institutions, and the impact of tuition and fee increases in the next two fiscal years on future potential increases in a six-year planning horizon, and other factors.

02.04 Prior to submission of a proposed increase in designated tuition to the TSUS Board of Regents, an open hearing with students must be held in accordance with state statutes.

1. **PROCEDURES FOR APPROVING NEW FUNDING ALLOCATIONS**
   1. In February and March of each fiscal year, each vice president will review the university strategic plan and the financial impact on their operations of strategies to be implemented in the subsequent fiscal year. Each vice president will prepare a prioritized list of strategic funding initiatives based on this review of the university strategic plan. The AVPBP will review the lists to ensure that costs, such as fringe benefits, maintenance, and utilities on individual requests are adequately calculated.
   2. Prior to June 1 of each fiscal year, the President’s Cabinet will meet to review and discuss these strategic funding initiatives and decide on the allocations to be included in the proposed annual operating budget for the upcoming fiscal year. In determining which strategic priorities can be funded, the President’s Cabinet will include in the available funding those revenues from tuition and fee rates previously approved by the TSUS Board of Regents, previously approved legislative appropriations, including statutory tuition, and other unrestricted current funds, excluding auxiliary enterprises, revenues as estimated by the AVPBP as being available for allocation.
   3. The AVPBP will document these strategic plan allocations and document their linkage to the university strategic plan.
   4. The VPFSS will prepare a motion for approval of the annual operating budget by the TSUS Board of Regents for submission to the administrative office by the due date assigned by that office.
   5. The AVPBP will prepare a summary and analysis of the annual operating budget in the format prescribed by TSUS and submit it electronically to the vice chancellor for Finance at the TSUS by the same due date as assigned in Section 03.04.
2. **REVIEWERS OF THIS UPPS**
   1. Reviewers of this UPPS include the following:

Position Date

Associate Vice President for Budget Sept 1 E4Y

and Planning

1. **CERTIFICATION STATEMENT**

This UPPS has been approved by the following individuals in their official capacities and represents Texas State policy and procedure from the date of this document until superseded.

Associate Vice President for Budget and Planning; senior reviewer of this UPPS

Vice President for Finance and Support Services

President