



Find your course.

# Meeting Financial Challenges

November 7, 2008



Long-term strategy:

During good times and bad,  
*always be prepared.*



# Always Be Prepared

- Prepare for economic downturn during periods of prosperity
  - Save for rainy day by maintaining healthy balances
  - Establish and maintain strong internal controls and budget oversight
- Know who you are and what you value
  - Only approve budget expansion when you should not just because you can
  - Base budget decisions on mission, vision, & values



# Always Be Prepared

- Know the data, know where you stand
  - Formula projections
  - Actual revenue & expenditure projections
  - Enrollment, retention, graduation trends
  - Trends in course master schedule
  - Other. . .
  
- Don't be afraid



Mid-term strategies:

So you're anticipating a challenge?!



# Anticipating a Challenge

- Maintain healthy fund balances: It's cloudy but not raining yet. . .
- Treat the anticipated challenge as an opportunity
  - to more closely align with mission, vision & values
  - to push forward a culture of improved processes



# Anticipating a Challenge

- CNM's anticipated challenge: Living within the formula band for 3+ years
  
- CNM's response:
  - Only non-recurring expansion in FY07 and FY08
  - Made a portion of compensation increase non-recurring in FY06 and FY07
  - Tightened requirements for release time and extra compensation in FY07
  - Identified opportunities to improve energy efficiency



# Anticipating a Challenge

- CNM's Response - Continued
  - Implemented hiring “chill” in FY07
  - Invested in technology to streamline processes in FY07 and FY08
  - Implemented 1% across-the-board budget cut in FY08
  - Reallocated additional 2% of the budget to strategic priorities in FY08
  - Developed model for analyzing efficiency of master schedule in FY08



Immediate strategies:

The challenge is now!



# The Challenge is Now

- Restrict travel
  - Essential travel only
  - Limit participation in conferences to 1 – 2 employees rather than groups
- Limit overtime
  - Use flex-time or compensatory time in lieu of overtime when possible



# The Challenge is Now

- Improve efficiency of master schedule
  - Limit evening and weekend courses to fewer campuses
  - Increase class size cap (at CNM by 2 – 3 seats)
- Rigorously assess positions as vacancies arise
  - Reconfigure positions to broaden scope
  - When necessary, reallocate positions to priority areas
  - Eliminate vacant positions after careful assessment



# The Challenge is Now

- Focus on sustainability and energy efficiency
  - Encourage all employees to turn off computers when not in use
  - Retrofit light fixtures, invest in sensor lights
  - Provide energy efficient space heaters when necessary
  - Limit employee access to buildings at night and on weekends



# The Challenge is Now

- Invest in technology to improve efficiency
  - Implement Banner Waitlist to improve development of master schedule
  - Implement Web for Employee to reduce cost of processing paper timesheets
  - Implement electronic workflows to automate approval processes
  - Enhance website to allow for greater student self-service



Other Ideas?