

NORTHERN KENTUCKY UNIVERSITY
STRATEGIC BUDGETING PRINCIPLES
January 19, 2007

Planning and Budget Integration

The budget development process shall be guided by the vision and strategic priorities outlined in NKU's strategic plan, Northern Kentucky University's 2008-2012 Strategic Agenda (We anticipate a draft will be available early February 2007); as well as by the statewide public agenda, Five Questions – One Mission: Better Lives for Kentucky's People which contains NKU's Campus Action Plan (on the Vice President's web site <http://www.nku.edu/~vpefp/financialplan/>).

The budget development process shall consider the distinctive character of NKU as a metropolitan university committed to student success and the economic and social progress of the northern Kentucky region.

Participation and Shared Responsibility

The budget process shall be a community-building process that provides an opportunity for the inclusion of voices from the University's major constituency groups.

In that NKU seeks to build a campus community guided by the qualities of a learning organization, participation by constituents such as the Dean's Council, Faculty Senate Budget Committee, Staff Congress, and the Budget Strategy Group shall be encouraged and highly valued.

Rationality

The process shall follow a clear and well understood schedule that provides timely opportunity for assessment, constituency advice, presentation, and decision making.

The budget process should be open and rational, with expected outcomes openly discussed and established.

The budget development process will be based on a collective sense of how all the disparate activities of the institution add up to something that is intentional, meaningful, and valuable from both an internal and external perspective.

The budget process should provide for continuity regardless of changes in administrative leadership.

The budget shall include a contingency that helps minimize disruption to the student learning process, major institutional initiatives and unit operations should actual revenues fall short of projections.

Decision-making

Resource allocation decisions shall be made at the executive level in to ensure that collective goals are accomplished.

Incentives and Accountability

The budget process shall provide incentives for resource generation and collaborative efforts across units and divisions.

The budget process shall incorporate appropriate accountability mechanisms to provide evidence that unit objectives and overall institutional goals are achieved.