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Higher Education M&O Budgeting Preparation Checklist

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Ah, budget season. Feels like we were just here (probably because budgets are an ongoing process). For higher educational institutions, it can get complex with competing priorities and many stakeholders.

Are you beginning to gather your wits to take care of your maintenance and operations (M&O) budget for the upcoming year? We've created a checklist to help you prepare to present your case to secure funding to complete all the very important projects that help your college or university look and run its very best.

1 Review last year's budget

Start with what you know: locate and analyze the previous year's budget for accuracy. Which categories went over? Which went under?

2 Identify key decision-makers

Determine who the key stakeholders are for the budgeting process. For higher educational institutions, this group typically includes the university president, deans, faculty, and even student representatives can have a significant influence on budget decisions — and they may need data to understand M&O budgeting requests.

3 Review budget categories

Examine the different budget categories relevant to your institution, such as facilities, operational costs, and departmental budgets. Universities and colleges can have various departments and categories that compete with M&O funding, including faculty salaries, research funding, facilities, student services, and administrative costs.

4 Analyze major equipment condition

Now is the time to do a complete assessment of the condition of all your major systems — and facility types — including HVAC, boilers, kitchens, residential and academic buildings, and more. Your manufacturers have expected lifespans for your equipment based on well-maintained and serviced machines. Be honest about how well your maintenance of those systems and buildings has been so you can accurately predict when you'll need to replace them or replace important components.

5

Assess potential enrollment-based factors and plan for the unknown

Consider unexpected expenses that may arise during the budgeting period by assessing enrollment demands and possible housing upgrades or increased needs. Create a strategy for dealing with changes that may impact the budget during the year. Remember, M&O budget flexibility may relate to the dynamic nature of anything from housing requirements to research projects, technology investments, or academic program changes.

6 Consider supply (and energy) costs

If you think M&O supplies are getting more expensive, so is everything else. You'll want to evaluate the supply needs for the upcoming year — knowing that you'll be competing with other areas, including consumable supplies like office materials, research equipment, laboratory materials, library resources, and other technology infrastructure. Keep an eye on market predictions for next year's fuel and energy costs to know if you need to increase those budget amounts and by how much.

With utilities being such a major line item for any institution's budget, controlling energy usage can go a long way. Using energy management software can help eliminate utility waste, save money, and improve your school's sustainability efforts with the data needed to detail those improvements to your community!
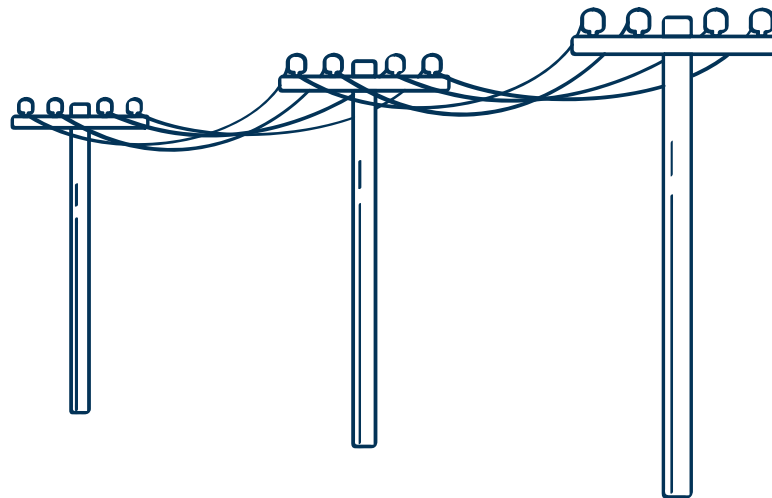
7 Explore sources of income/ revenue

Higher education institutions rely on a variety of income sources, including tuition, research grants, endowments, government funding, and fundraising efforts, but it can be worth your while to investigate other potential sources of income or revenue, such as event rentals. Consider event managing software to make it easier to schedule, organize, promote, and recover costs from events and facility rentals. If you already have event rentals in place, consider looking at current costs and if they meet the needs of your institution.

8

Understand how budget requests are prioritized

In higher education, the process for budget approvals may revolve around institutional needs, research priorities, faculty development, and academic programs — make sure to find ways to use data to support how M&O activities support the greater institutional mission.

9

Forecast budget over multiple years

Develop a multi-year budgeting plan, forecasting at least three years in advance to account for long-term expenses and future projects. For colleges and universities, projects such as campus infrastructure upgrades will need to align with your school's long-term academic and research goals. Consider using capital planning software that employs predictive modeling to analyze big data to model long-term funding and service scenarios.

10

Coordinate with department leaders

Collaborate with department heads to understand their budget requests and ensure M&O requests align with the overall budgeting plan.

11

Communicate budget priorities

In higher education, M&O leadership will collaborate with administrators, academic leaders, and even students. Clear communication channels are essential to discuss budget priorities and ensure that all relevant parties are informed and on the same page.

12

Track and update the budget plan

Data is your friend, and an asset management solution can help save money by improving visibility into the maintenance and care for all of your assets while giving you valuable insights to help plan budgets. Regularly track the budget, adjusting as needed based on actual expenses, revenue, and changing circumstances.
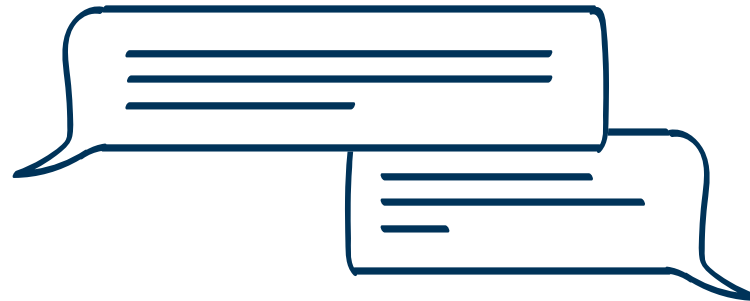
13 Plan to review and adjust budget annually

By the time you've made your requests, received funding, and performed the projects, it will be time to start again. Gather your data to conduct an annual budget review and make any necessary adjustments for the next fiscal year.
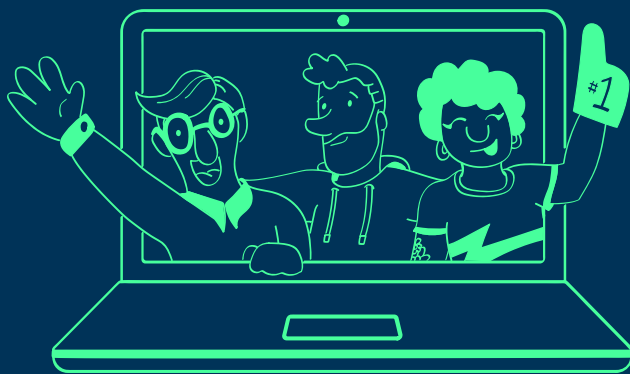
Get help with your budget planning with Brightly

With more than two decades of experience working with educational institutions, Brightly has powerful learning management software and education operations solutions to help you work smarter and use your data for better decision-making. **Schedule a call with an expert today!**

Checklist ✓

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- [ ] Identify key decision-makers
- [ ] Review budget categories
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- [ ] Consider supply (and energy) costs
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