

THE OFFICE OF ACADEMIC AFFAIRS BUDGET: PROMOTING ACADEMIC QUALITY

This overview of the budgetary authority of the Office of Academic Affairs is intended to make the sources and uses of its funds transparent to the university community.

For full details of the University Current Funds Budget, please see <http://www.rpia.ohio-state.edu/cfb/docs/cfb-2008.pdf>.

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I. Office of Academic Affairs Fiscal Philosophy. Our budgetary authority will stimulate and enable the academic quality of The Ohio State University.

The [mission](#) of the Office of Academic Affairs at The Ohio State University is to create and support an environment that advances our institutional mission of achieving international distinction in education, scholarship, and public service.

The fiscal philosophy of the Office of Academic Affairs originates in this mission and is shaped by the six strategies of Ohio State's [Academic Plan](#) for expanding our institutional culture of academic excellence.

Our fiscal philosophy is also informed by the responsibilities of the executive vice president and provost as set forth in [Board of Trustees Bylaw 3335-1-03](#).

Founded on these institutional touchstones, the fiscal philosophy of the Office of Academic Affairs is that our budgetary authority will promote and enhance the academic quality of The Ohio State University. Our officers are committed to bringing rigor to budgetary decision-making and transparency to budgetary process. Accordingly, in consultation with our colleges and our affiliated groups, we will do our utmost to deploy resources in the effective, timely, and prudent support of academic accomplishment.

II. Office of Academic Affairs Budget. Its Sources.

General Funds Operating Budget.

The university's distribution of the general funds operating budget to central support units—like OAA—is determined during the central budget decision-making process. This annual process calls for all vice presidential areas, including the Office of Academic Affairs, to set forth the external mandates they must meet and to prioritize their service improvement requests.

These mandates and service improvement requests are then presented for consideration to the Central Support Unit Subcommittee of the University Senate Fiscal Committee, the full University Senate Fiscal Committee, the Council of Deans, and the President's Cabinet.

The executive vice president and provost and the senior vice president for business and finance develop recommendations about the allocations of funds and present them to the president for review and approval. The final decisions are reported annually in the "Current Funds Budget" document submitted to and approved by the Board of Trustees each September.

This process provides for the Office of Academic Affairs general funds operating budget, which comes from funds derived from the central tax on net marginal resources, the student services assessment; and the research assessment. Additional information about this distribution can be found at http://www.rpia.ohio-state.edu/budget_planning/budget_restruct.htm.

FY07 allocations for the Office of Academic Affairs are depicted in the table below.

Summary of Annual Funds Budget Changes						
(Columbus Campus General Funds Budget – In Millions)						
	Final 2006 PBA¹	Incr. 2006 to 2007 - NMR²	University Initiatives, Service Imp. & Mandates³	Total Incr. from FY 2006 to FY 2007	Percent Increase	One Time Funds
OAA ⁴	55.45	1.32	0.56	1.88	3.4%	8.39
Graduate School ⁵	16.97	0.27		0.27	4.7%	
University Library System ⁶	27.82	0.09	0.25	0.34	1.2%	0.10
Enrollment Services and Undergraduate Studies	28.33	0.44	0.58	1.02	3.6%	
Academic Affairs Totals	\$128.57	\$2.12	\$1.39	\$3.51	2.7%	\$8.49

¹ PBA, or Present Budget Allocation, is the university's continuing General Funds Budget.

² NMR is net marginal revenue. Includes the total marginal allocation minus marginal assessments for space and research administration. Figures also include allocations for salaries and benefits, as well as the increase for Graduate Fee Authorizations

³ Provided through central funds (62%), student services assessment (30%), and Research Administration assessment (8%).

⁴ Includes the ADA Coordinator, Committee on Academic Misconduct, Faculty and TA Development; Human Resources, International Affairs, Kirwan Institute, Office of Minority Affairs, CIO, Academic Affairs Administration, ROTC, Strategic Analysis, The Women's Place, University Senate, and the Wexner Center.

⁵ Does not include \$534,000 increased funding for graduate fellows.

⁶ Includes University Libraries, Law Library, and Health Sciences Library.

Provost's Strategic Investment Fund.

In addition to the general funds operating budget, the Office of Academic Affairs also supports the academic excellence of the university through the Provost's Strategic Investment Fund, which is maintained separately from the operating budget.

The Provost's Strategic Investment Fund base budget of \$80M is annually augmented by the following new resources:

- a 5 percent assessment of the annual total net marginal revenue;
- \$2M received annually in general funds to support strategic university initiatives;
- \$600K received annually in general funds to support faculty promotions and awards;
- \$250K received annually in general funds to be used at the provost's discretion for other academically critical initiatives; and

- an annual amount equal to that year's change in tuition to expand student financial aid.

These monies are used to support strategic priorities, as described in the section that follows.

III. Office of Academic Affairs Budget. Its Uses.

General Funds Operating Budget.

The Office of Academic Affairs FY07 General Funds Operating Budget is apportioned among the following major operating units. The dollar amounts are current to July 1, 2006.

Enrollment Services and Undergraduate Education, Office of	\$28,770,079
Chief Information Officer, Office of	\$26,363,644
University Libraries.....	\$25,188,897
Graduate School	\$17,765,823
Human Resources, Office of	\$8,149,411
Minority Affairs, Office of	\$6,384,028
International Affairs, Office of	\$6,194,223
Academic Affairs Administration	\$5,829,986
Wexner Center for the Arts	\$3,851,360
 TOTAL.....	 \$128,497,451

Notes.

- *Table does not reflect committed annual rate allocations (new funds) transferred in FY07.*
- *Enrollment Services and Undergraduate Education includes University Honors and Scholars and the Undergraduate Research Office.*
- *In this table, University Libraries do not include the Law and Health Sciences Libraries.*
- *International Affairs includes International Education and the Mershon Center.*
- *Academic Affairs Administration includes the ADA Coordinator, Committee on Academic Misconduct, Faculty and TA Development, Kirwan Institute, Provost Office Administration, ROTC, Strategic Analysis, The Women's Place, and the University Senate.*

Of the OAA units listed above, the Office of Enrollment Services and Undergraduate Education, the Office of the Chief Information Officer, University Libraries, and the Graduate School collectively account for nearly 65 percent of the overall budget of the Office of Academic Affairs. The budgets of these units contain a number of line items that are committed to meet university-wide needs. For example, the Office of Enrollment Services and Undergraduate Education provides \$7M to Undergraduate Admissions and First Year Experience Program. The Office of the Chief Information Officer must commit \$1.8M in support of the Technology Enhanced Learning and Research (TELR) initiative. The Libraries' budget must allocate \$9M to acquisitions. \$9M of the budget of the Graduate School funds fellowships for graduate students.

These kinds of budgetary commitments, together with those of all Office of Academic Affairs units, provide direct support for the mission of OAA and contribute to realizing the vision of the Academic Plan.

Provost's Strategic Investment Fund.

The **Provost's Strategic Investment Fund** described above supports programs and initiatives that are fundamental to accomplishing the goals of the Academic Plan.

The fund promotes faculty success, for example, by:

- providing for counteroffers that make it possible to retain top faculty;
- recognizing outstanding faculty accomplishments;

- enhancing faculty excellence through programs of recruitment and support; and
- ensuring that compensation is in line with that of our benchmark institutions.

This fund also sustains and expands the academic excellence of the university by investments in:

- the restructuring of the undergraduate curriculum;
- the Targeted Investment in Excellence program and other competitive programs; and
- the Board of Regents Innovation Incentive program to enhance the quality of our doctoral programs in the disciplines of science, technology, engineering, mathematics, and medicine.

The fund is used to encourage a more diverse university community through its support, for instance, of the Faculty Hiring Assistance Program and The Women's Place as well as programs spearheaded by the Office of Minority Affairs.

A major commitment of the Provost's Strategic Investment Fund is ensuring economic access to qualified students and promoting the recruitment and retention of well prepared students.

The fund also supports such key infrastructure initiatives as the Student Information System, which will integrate all of the university's student-related data, and the once-per-decade reaccreditation effort that publicly demonstrates Ohio State's commitment to assuring and advancing academic quality.

A listing of FY07 commitments from the Provost's Strategic Investment fund is as follows:

Purpose		Commitment ¹	Continuing	One-Time
Faculty				
		Counter Offers	\$0	\$631,000
		Awards	\$0	\$59,000
		Compensation and Start-Up Support	\$0	\$3,061,000
		Dual Career Hiring Assistance Program	\$0	\$200,000
		SUBTOTAL	\$0	\$3,951,000
College Support				
		Academic Program Support	\$0	\$1,115,000
		Academic Enrichment	\$460,000	\$195,000
		Rebasing	\$1,400,000	\$0
		Compensation assistance ²	\$1,179,000	\$0
		SUBTOTAL	\$3,039,000	\$1,310,000
Academic Excellence				
	Undergraduate			
		Undergraduate Education Initiative	\$3,000,000	\$0
		A&S Academic Outcomes Assessment	\$0	\$200,000
		Quality Academic Programs	\$75,000	\$699,000
		SUBTOTAL	\$3,075,000	\$899,000
	Graduate			
		PhD Innovation Incentive Program	\$3,664,000	\$0
		Graduate Diversity Programs	\$0	\$171,000
		SUBTOTAL	\$3,664,000	\$171,000

Academic Excellence			Continuing	One-Time
	Research			
		Targeted Investments in Excellence ³	\$1,000,000	\$0
		Environmental Science Initiative	\$72,000	\$0
		Eminent Scholars	\$0	\$200,000
		Applied Science Initiative	\$0	\$100,000
		SUBTOTAL	\$1,072,000	\$300,000
Diversity				
		Faculty Hiring Assistance Program	\$0	\$1,135,000
		Diversity Programs	\$0	\$123,000
		The Women's Place	\$0	\$133,000
		SUBTOTAL	\$0	\$1,391,000
Outreach / Engagement				
		p-12 Initiative	\$0	\$500,000
		University Press	\$0	\$180,000
		SUBTOTAL	\$0	\$680,000
Student Financial Aid				
		Access / Merit Scholarships	\$0	\$71,821,000
		SUBTOTAL	\$0	\$71,821,000
Infrastructure				
		Student Information System	\$0	\$1,500,000
		University Reaccreditation	\$0	\$100,000
		Institutional Memberships	\$0	\$525,000
		SUBTOTAL	\$0	\$2,125,000
		TOTAL COMMITMENTS FY07 ONLY	\$10,850,000	\$82,648,000

¹ Commitments as of 10/31/06. Actual support may vary.

² Units receiving compensation assistance are the Colleges of Biological Sciences; Business; Education and Human Ecology; Engineering; Food, Agricultural, and Environmental Sciences; Law; and Mathematical and Physical Sciences and the School of Public Health.

³ Units receiving Targeted Investment Funds include the Colleges of the Arts; Biological Sciences; Education and Human Ecology; Engineering; Food, Agricultural and Environmental Sciences; Mathematical and Physical Sciences; Medicine; Nursing; Pharmacy; Social and Behavioral Sciences, and Veterinary Medicine; and the School of Public Health.

IV. Office of Academic Affairs Budget. Value Added.

Over the last eight years, Ohio State has moved toward a decentralized budget process that more tightly aligns financial incentives for the colleges with the academic goals of the university. This means that a substantial proportion of the university's budget resides in the colleges.

As noted in the table in Section III, the FY07 budgets of eight colleges were further increased as a result of transfers from the Provost's Strategic Investment Fund to support compensation objectives.

College budgets are also the beneficiaries of Office of Academic Affairs investments in the major operating units listed in Section III. As these units, in turn, reinvest in the colleges, they

provide for university-wide academic initiatives. To cite but one example, the Office of International Affairs supports international travel for faculty and students, and it facilitates their research through joint programming. In this way, the Office of International Affairs accelerates the internationalization of our campus and enhances the international visibility and reputation of our institution.

By thus broadening the scale of strategic college efforts, the investments by OAA and the reinvestments of its units represent a crucial added value to Ohio State's ongoing quest for uneclipsed academic quality.