

December 3, 2021

Board of Deans and Chancellors
Vice Presidents
Vice Provosts
Unit Administrators

RE: FY23 Annual Review Materials and Process

Dear colleagues,

This letter marks the official start of the fiscal year 2023 (FY23) annual review process—a nine-month budget development and holistic assessment effort that involves deans, chancellors, faculty, staff, and students. While the COVID-19 pandemic is ongoing, the most recent state revenue forecasts have indicated that revenue collections have recovered to pre-pandemic levels, and the state is not facing the same resource constraints as the previous year. We will be working to support institutional and unit-specific strategic goals specifically related to financial recovery from the pandemic and compensation goals through this annual review process. The result of this process will be a new institutional operating budget for the Board of Regents' consideration, one that will also incorporate a supplemental budget from the 2022 legislature. Next year, our process will begin to shift as we align with Finance Transformation.

Guiding Principles for Budget Development

When I last wrote this letter, we were at the height of the COVID-19 pandemic and facing significant impacts to our operations. The Governor required budget reduction scenarios, and concerns about a sudden loss of state funds prompted local budget cuts. This year, while we see recovery on the horizon, our current position still requires careful planning to make progress where the pandemic delayed or halted our efforts.

We will continue to focus our attention on important and ongoing strategic areas for the University including supporting the University's Race & Equity Initiative and Diversity Blueprint goals; long-term planning for compensation and critical health and safety needs on our campuses; compliance with and support accessibility and American with Disabilities Act; continuing Finance Transformation implementation; further developing the Population Health Initiative; and addressing deferred maintenance and capital infrastructure and development needs.

Thank you for your work responding to these challenges through thoughtful planning and resource deployment, and for ensuring we continue to promote access and excellence across our campuses throughout the process. I look forward to continuing to work with you on this important task.

Timeline & Submission Process:

The first step in the annual review process is for all academic units, administrative units and the Bothell and Tacoma campuses to complete a suite of materials (outlined broadly in this letter) in preparation for meetings. Like last year, your reports to OPB will be due February 1, 2022, and “annual review meetings” will be held the last week in March through the first full week of April. Please hold time on your calendars now for these meetings. For additional details regarding the annual review and budget development timeline, please see the calendar at the end of this letter.

Completed materials must be submitted on or before Tuesday, February 1, 2022, using an online submission tool **available on OPB’s [FY23 Annual Review Materials website](#)**. Please consider this a hard deadline. Extensions will only be granted in extreme circumstances.

Like last year, all submissions must be made through the online survey tool provided by OPB. OPB has pre-populated certain information in the Excel templates and will be sending customized templates to each unit in the next few days. You will be able to upload completed Excel workbooks and completed Word narrative response templates directly into the online submission tool.

Overview of Materials:

In preparation for FY23 annual review meetings, you will provide both quantitative and qualitative information regarding your unit, including changes to revenues or expenditures; faculty or staff FTE and workload; and impacts to the student experience.

We ask that you provide two years of actual revenues and expenditures, and three years of detailed financial plans (i.e., fiscal vitality reports). **You will be required to review these reports in detail to summarize the financial health of your unit(s)**, and specifically identify mitigations for trend lines that result in structural or operational deficits. All units will be asked to summarize employee growth or contraction, hiring trends and strategies, and to consult with faculty and student councils. Finally, all units will be asked to highlight their efforts to support the UW’s Diversity Blueprint goals. In addition to these core questions, I will ask each unit to complete a detailed schedule of carryover usage plans and provide a brief explanation for each change.

Bothell and Tacoma campuses and Seattle academic units will, once again, be asked to recommend preliminary tuition rate changes, and consider peer comparisons, student debt impacts, student enrollment changes, and the impact of not changing tuition rates. Campuses and Seattle academic units with a significant undergraduate population will also be asked to respond to questions about undergraduate enrollment capacity planning. Finally, at annual review meetings, these units should be prepared to discuss expected hiring requests and their budget implications. Units will also provide confirmation that students and faculty leadership had an opportunity to review and shape the overall annual review submission.

Please note, requests for Provost Reinvestment Funds will only be considered on a limited basis and requests must be submitted through the [Request for Provost Reinvestment Funds](#) form on OPB’s

website by February 1, 2022 to be considered. It is the expectation that units, as a first order, utilize accumulated funds held locally prior to requesting central reinvestment resources. **Note that Seattle deans will utilize the same form to indicate that a request is for Values-Based Pool Funds, as communicated in September, 2021.**

Reminders and Resources:

As a reminder, please be as succinct as possible in your responses; bullet points are encouraged rather than extensive prose. Submissions must originate from a unit's dean, chancellor, vice president, or vice provost.

A variety of resources are available to help units complete this work in the allotted timeframe:

- A Word template, process guide, central assumptions, and other tools and reference materials will be available on OPB's [FY23 Annual Review Materials website](#).
- OPB will hold two Q&A sessions, via Zoom, to discuss and answer questions about the annual review process and templates (note that no formal presentation will be delivered). These sessions are open to anyone, and will be held on the following dates/times:
 - Friday, December 17th 11am - 12pm [at this Zoom link](#)
 - Friday, January 7th 11am - 12pm [at this Zoom link](#)
(signing into Zoom with your UW NetID is required)
- In addition, historical responses to similar questions from previous years are available by fiscal year and by unit on OPB's [Annual Budgets website](#).

Should you have any questions about this process, please contact [Jason Campbell](#).

Thank you for your hard work on this important process.

Sincerely,



Mark A. Richards
Provost and Executive Vice President for Academic Affairs
Professor, Earth and Space Sciences

cc: Ana Mari Cauce, President
Sarah Norris Hall, Vice Provost for Planning and Budgeting
Faculty Senate Leadership