



# FY16 Annual Budget Process

Budget Advisory  
Committee Meeting

April 6, 2015

THE UNIVERSITY OF TEXAS

**MDAnderson**  
**Cancer Center**

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# Key Budget Dates

April 6 <sup>th</sup>	Clinical Divisions begin forecasting activities
April 8 <sup>th</sup>	Due date: Faculty compensation worksheets due back to FP&A
Mid April	Research Models are communicated
April 13 <sup>th</sup> – 24 <sup>th</sup>	EVP / division salary review meetings
April 20 <sup>th</sup>	Distribution of budget application security spreadsheets to each division
May 1 <sup>st</sup>	Due date: 1) clinical forecasts 2) budget application security spreadsheets
May 11 <sup>th</sup>	PeopleSoft extract ( <i>current &amp; future</i> ) for classified and education positions
May 11 <sup>th</sup> – 29 <sup>th</sup>	Clinical Operations, clinical divisions & FP&A meet to review forecasts
May 13 <sup>th</sup>	Faculty position review meetings with EVPs
Late May - early June	Hyperion planning training classes and demos begin

# Key Budget Dates *(continued...)*

June 8 <sup>th</sup>	Operating Budget kick-off (system available)
June 26 <sup>th</sup>	Due date: Operating Budgets promoted to FP&A
July 1 <sup>st</sup>	Departments begin to complete capital equipment requests <i>(excl. Research)</i>
July 1 <sup>st</sup> – 15 <sup>th</sup>	EVP offices & FP&A review budget submissions & hold meetings with divisions
July 17 <sup>th</sup>	Due date: Capital equipment requests due to FP&A <i>(excl. Research)</i>
July 29 <sup>th</sup>	Due date: Divisions update & promote final operating budgets to FP&A
Aug 3 <sup>rd</sup> – 12 <sup>th</sup>	Review & share capital equipment budget recommendations with divisions
Aug 24 <sup>th</sup> week	Executive Committee approves operating & capital equipment budgets

# FY16 Operating Assumptions

- Key operating metrics

- Change in new patient & consult visits: (6.5%)
- Change in upstream NP/CO visits per provider: (11.5%)
- Change in patient & observation days: (2.0%)
- Change in surgery cases: (3.0%)

- Merits and Incentives

- 3% base merit pool budgeted for each group: Faculty, Admin & Classified
- Incentive programs will be budgeted for all eligible participants

- Clinical price increases

- Technical 3.00% overall (*preliminary*)
- Professional 0.00%

- Departmental deduction rates

- E&G will use FY15 budgeted rates
- PRS will be adjusted based on recent reimbursement trends

# FY16 Operating Assumptions

- **FTE planning: expected slow down of hiring in targeted areas**
  - Change in total classified FTEs: **+1.0%**
  - Some areas will be expected to submit flat to reduced classified FTE budgets
  - Can be reflected in specific job titles or vacancy saving job codes
- **Other expense areas**
  - Change in non-personnel\* expenses: **+1.0%**
  - Research funding models (*under review*)
  - Chair, development and discretionary funding (*under review*)

\* *Excludes medical & drug supplies and depreciation expense*

# Processes

- Most departments will again be granted access to complete and submit their operating budgets in Hyperion Planning
- Clinical activity projections will be collected and published in the budget website during budget kick-off week
- Departments will submit budgets for E&G, PRS, Auxiliary and Physician Network
- Effective 9/1, IDX monthly close process changes to last day of the month to be consistent with Hospital & for EPIC implementation
- Approved Faculty & Admin position changes will be entered into Hyperion Planning by FP&A
- Two daily database calculations will be performed: mid-day starting at 12 noon and nightly starting at 8 pm

# BUDPLAN Application Enhancements

- New reporting database called BUDASO created to consolidate historical data outside of the BUDPLAN database which should improve performance
- Approvals process within the Planning application to be used
- Additional KPIs and Ratios added to application and new reports created
- Fringe rates updated for Faculty and Admin positions to include Medicare tax along with FICA components
- Statement of Operations report updated to be consistent with Internal Financial Report (IFR)

# BUDPLAN Approvals Process

- Approvals process is similar to the previous versions of workflow
- Promotional paths follow the Entity dimension (Dept Reporting Tree)
- Department, Division and EVP groups will be assigned
- Department users will be able to “Take Ownership” of their budget then “Promote” to the Division group
- Division users will be able to “Promote” to the EVP level group or “Reject” back to the Department group
- EVP users will “Promote” the budgets to FP&A by the budget deadline



# BUDPLAN Approvals Process

**Manage Approvals**

Scenario: Budget    Version: Submit    Go

**Process Status**

Chart Type: Pie    Group By: [ ]

Status Legend:  
■ Under Review  
■ Not Signed Off

Planning Unit	Approvals Status	Sub-Status	Current Owner	Location	Total V
Cardiology Rsch.	Under Review		BUDPLAN_Provost and EVP Office	Provost and EVP Office	
Dermatology Rsch.	Under Review		BUDPLAN_Provost and EVP Office	Provost and EVP Office	
Emergency Medicine Rsch.	Under Review		BUDPLAN_Provost and EVP Office	Provost and EVP Office	
Endocrine Neoplasia/HD Rsch.	Under Review		BUDPLAN_Provost and EVP Office	Provost and EVP Office	
Gastroenterology Rsch.	Under Review		BUDPLAN_Provost and EVP Office	Provost and EVP Office	
General Internal Med Rsch.	Under Review		BUDPLAN_Provost and EVP Office	Provost and EVP Office	
Infectious Dis. & Ctl. Rsch.	Under Review		BUDPLAN_Provost and EVP Office	Provost and EVP Office	
Internal Medicine Rsch.	Awaiting Review		BUDPLAN_Internal Medicine Rsch		
Internal Med Rsch Admin Office	Under Review		BUDPLAN_Provost and EVP Office	Provost and EVP Office	
Pulmonary Medicine Rsch.	Not Signed Off		BUDPLAN_Internal Medicine Rsch	Internal Medicine Rsch.	
Symptom Rsch. CAO	Under Review		BUDPLAN_Provost and EVP Office	Provost and EVP Office	

# BUDPLAN Application Security

- FY16 Security spreadsheets for budget system
  - April 20<sup>th</sup>: Divisional contacts receive and begin to complete
  - May 1<sup>st</sup>: Security spreadsheets due back to FP&A
- Recommendation is two Hyperion Planning user licenses per department

# Hyperion Training Opportunities

- **Hyperion Planning demos and classroom training**
  - To begin in mid May
  - Classroom dates will be communicated to divisional contacts
  - Instructions and deadlines to request classroom training will be provided
- **UPK modules available for Hyperion Planning Enterprise budget application**
- **Special 1:1 or Division specific – Upon request**
  - Contact Janet Kloves at extension 3-2249

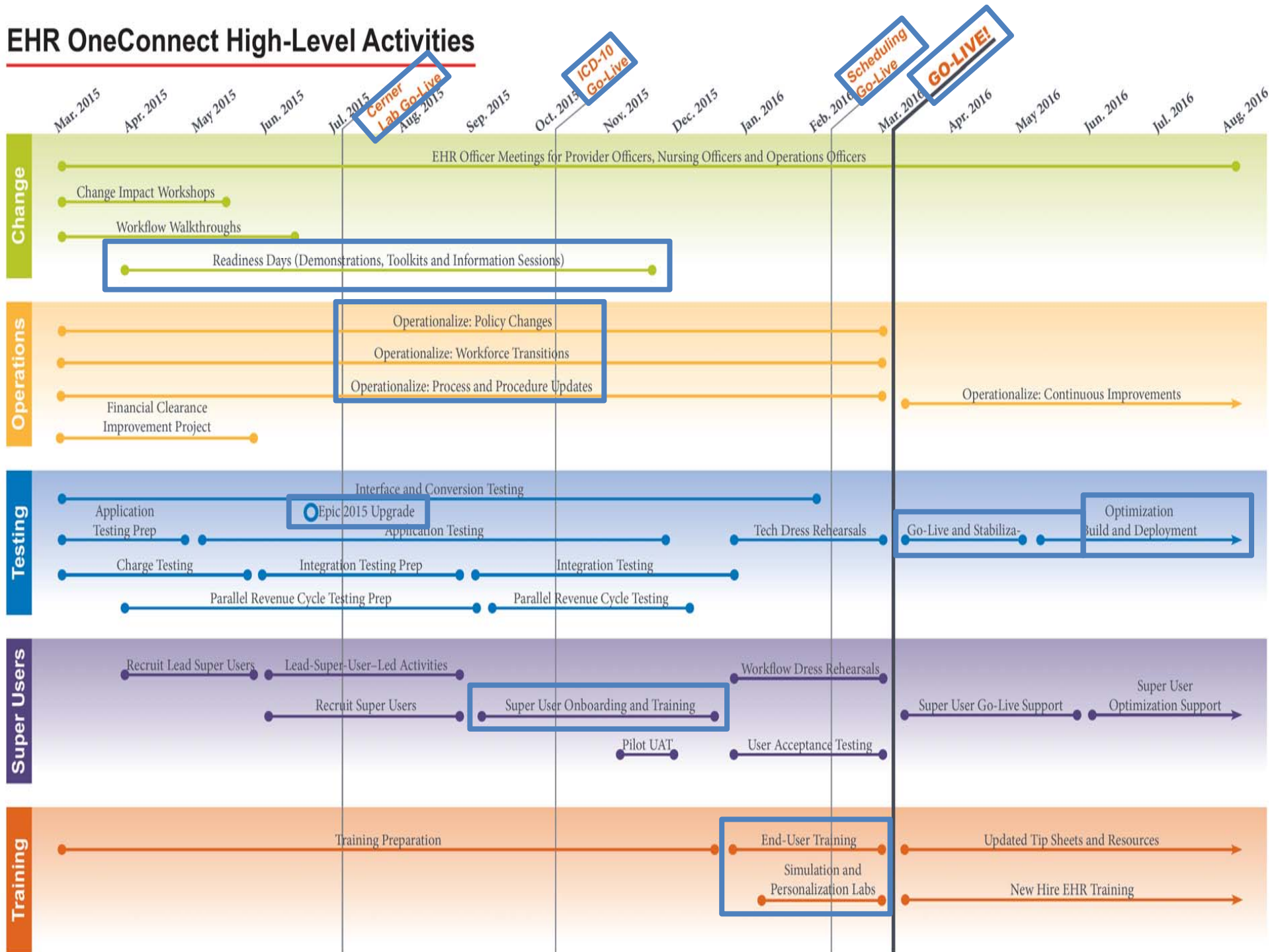
# Budget Contacts

- **FY16 Start-point budget data**
  - Rick Pena at ext. 3-2258 or Janet Kloves at ext. 3-2249
- **Personnel Expense**
  - Faculty: Linda Molten at ext. 5-1180 or Erika Villegas at ext. 3-2251
  - Admin Staff: Lexi Olson at ext. 5-7258
  - Classified / Hourly: Janeen Paprocki at ext. 5-7256
  - Education / Stipends: Erika Villegas
- **Non-Personnel Expense**
  - E&G & Auxiliary: Rick Pena or Vy Martinez at ext. 3-2254
  - PRS: Karen Kennedy at ext. 2-4857 or Susan Ford at ext. 4-5014

## Budget Contacts (*continued...*)

- **Hyperion Planning Budget Application**
  - Performance & System related issues: Contact 4-INFO
  - Security, Training & System Functionality: Janet Kloves at ext. 3-2249
- **Capital Equipment requests/updates**
  - Janet Kloves at ext. 3-2249 or Teresa Pelanne at ext. 5-1813
- **Hardware / Software IT Budgets**
  - PC Hardware: Carolyn Charney at ext. 3-4150
  - Operating Hardware / Software Guidelines: Information Technology Services at ext. 3-4152
  - Capital Hardware Guidelines for Servers: Christopher Gray at ext. 5-6611
  - Software Licensing Guidelines: Jesse Armstrong at ext. 5-7881

# EHR OneConnect High-Level Activities



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