Deficit Resolution Plan Instructions

In rare cases where a deficit is significant and/or cannot be resolved prior to the end of the fiscal year/biennium/grant or contract completion, a deficit resolution plan must be created and authorized. For deficits in amounts up to and including $1,000,000, authorization approval for a formal deficit resolution plan will reside with the Vice Provost of the Office of Planning & Budgeting. Deficit resolution plans for deficits in excess of $1,000,000 must be reviewed and authorized by the Provost.

A Deficit Resolution Plan request should be submitted via email to the Vice Provost of the Office of Planning & Budgeting, and must include the following:

1. Date of the Request

2. Name of Unit making request

3. Name of Unit contact person, along with contact phone number and email address

4. Name of Dean/Vice President/Vice Provost/Chancellor in which the Unit resides

5. Budget number(s) for budget(s) in deficit

6. Estimate of deficit (either as of June 30th of the current year, or prior to close-out of grant/contract).

7. Description of the project/program/service where the deficit was incurred.

8. Explanation for why the deficit occurred.

9. Portrayal of fiscal year(s) timeline during which the deficit occurred, including incremental annual deficit change (if the deficit extended beyond one fiscal year)

10. Proposed business plan for clearing the deficit(s)

    A deficit resolution business plan should include historical perspective as well as future projections, so that the plan is presented in the context of actual operating results. The information must include your analysis of the cause of the deficit and rationale for how it can be eliminated through decreased expenditures or increased revenue:

    a) If you are cutting expenditures, please provide a description of the categories of expenses (salary, equipment, etc) to be cut.

b) If you are increasing revenue/resources, include a description of the new revenue or resources or assumptions that lead you to project these increases. *Note: You cannot claim an increase in central campus resources.*

You should provide a clear and quantified list of actions you intend to take, their expected financial results and timeline, and their impact on the unit's operation budget and deficit resolution. Show planning for quarterly resolution targets, so that you will be able to ensure your expectations are being met and if not, to make adjustments. Include discussion of contingency actions if projected progress doesn't materialize.

11. Proposed timeline for clearing the deficit(s)

12. Signature and/or email approval from Unit Dean/ Vice President/Vice Provost/ Chancellor of the deficit resolution plan approval.

The Vice Provost for the Office of Planning & Budgeting will review the request and provide a response within ten business days of submittal. Approved Deficit Resolution Plans will be monitored by the Office of Planning & Budgeting and reviewed on a periodic basis for compliance (no less frequently than quarterly).