

Office of Budget Operations

The Office of Budget Operations (OBO) is a trusted partner in resource allocation and management, supporting MIT's mission of excellence in education, research, and discovery. The office manages the yearly budget cycle, including the publication of the *Budget Book* and the end-of-year *Report of Financial Results*. It is responsible for ensuring the integrity of the Institute budget database and is the office of record for the General Institute Budget.

In FY2007, the Institute budget totaled \$2.2 billion in revenues and expenses across all categories of funds, including the General Institute Budget, sponsored research, auxiliary activity, and designated funds, the latter controlled largely by departments, labs, and centers (DLCs).

Accomplishments

The office continued to manage the annual budget cycle, design and implement tools to improve resource allocation and management, and advance its understanding of client business models and support requirements.

This year, OBO developed and piloted a budgeting curriculum for MIT administrative and fiscal officers that will be part of the roster of courses offered through Human Resources in fall 2007. The OBO website was enhanced in conjunction with course development so it could be used as a support tool.

Last year, we completed a low-cost program to implement a more stable architecture in the Institute budget system, which ensures its continuing viability. This year, in response to a post-implementation survey of the user community, OBO incorporated the two most recommended upgrades into the system and made other efficiency enhancements, including an automatic upload tool that allows posting of multiple-line transactions from a spreadsheet.

Using new data from the SAP Payroll system, OBO has simplified processes and enhanced tools and technology for use in position budgeting in administrative units in FY2008. The new process includes automated forecasts that should become a useful management tool with broader application to DLCs as well.

To allow more immediate access to information, we have completed a project to include detailed budget data in the Institute Data Warehouse. These data, which will be updated nightly, should increase client reporting options significantly.

Administrative Initiatives

The office enjoys close collaborative relationships with its many clients.

OBO played a key role in several significant collaborative activities this year, including initiatives with the Office of the Provost and the Office of Finance in the rebalancing of funds; with MIT Medical, the Office of Cost Analysis, the Office of Finance, and the

Controller's Office in implementing the financial recommendations of the Task Force on Medical Care for the MIT Community; and with Information Services and Technology and the Office of the Provost in the migration to a new pricing model for the Telephone and Network Service Center. In addition, the office was part of a discovery team that worked with research laboratories in investigating the use of Hyperion technology in business intelligence.

Current Goals

OBO's goals for FY2008 focus on sustaining trusted partnerships in the MIT community, broadening our scope of understanding and services, and providing effective tools for resource allocation and management. Major goals include:

Budget system efficiency enhancements—OBO has initiated efforts to investigate and pilot a first step in budget reallocation “self-service,” giving units the option to enter transactions directly into the system of record, eliminating redundancy between units and budget officers.

Automated position budgeting system implementation—the automation and simplification of the current process will introduce efficiencies and provide better resource management tools.

Integrated budget reporting—evaluating existing reports, leveraging the availability of new data, managing the accessibility of reports, and establishing a process for developing new reports will strengthen resource allocation and management tools and eliminate redundant efforts in the community.

“All resources” funds management—current financial initiatives provide an opportunity to improve resource management and allocation of DLC-managed designated resources.

Personnel Information

The OBO director served on the Advisory Board of the MIT Museum.

The director of the Office of Budget Operations plans to retire on July 31, 2007.

Margaret A. Warner
Director

More information about the Office of Budget Operations can be found at <http://web.mit.edu/budget/>.