

MINUTES

Regular Meeting of the CU Denver Downtown Campus Faculty Assembly's
Budget Priorities Committee

Monday, November 7, 2022

held via Zoom (<https://ucdenver.zoom.us/j/98056945625>)

11:00 am - 12:30 pm

Present:

Todd Ely, Chair, School of Public Affairs

Katherine Gunny, Vice Chair, Business School

Kelly McCusker, Secretary, Auraria Library

Keith Guzik, College of Liberal Arts and Sciences

Heather Johnson, School of Education and Human Development

David Tracer, College of Liberal Arts and Sciences

Jody Beck, College of Architecture and Planning

Turan Kayaoglu, Associate Vice Chancellor for Faculty Affairs

Jen St. Peter, Associate Vice Chancellor for Budget

- Welcome 11:00 – 11:05
 - Welcome Turan Kayaoglu, Associate Vice Chancellor for Faculty Affairs
 - Introductions
 - Interested in strengthening faculty governance including issues related to budget, such as the IRC roadmap, oversight of salaries and grievances, and long-term planning.
 - Approval of October meeting minutes
 - Approved
 - Update about available budget information
 - BPC plans on concentrating on this topic at the next meeting.
 - National Association of College and University Business Officers (NACUBO) Spending Data (2017-18 to 2021-22)
 - Starting point for additional information we would like to request.
 - Personnel CU Roster (2017-18 to 2021-22)
 - Budget Model Unrestricted Fund Output (2017-18 to 2022-23, except 2020-21)
 - Many people at the university have seen it now, good representation of the budget model.
- Budget Model 101 Presentation (Jen St Peter, AVC for Budget) 11:05 – 12:20
 - 2016-2017: started looking at budget holistically and where we were as an institution and how it didn't support where we wanted to be.
 - Wanted a better understanding of institution's internal economy – understanding schools and colleges differences, making data informed decisions,

meeting strategic initiatives, and prioritizing schools and colleges growth more than administration.

- Created a steering committee to develop flexible budget model.
- Campus Advisory Committee on Budget (CACB) developed and meets regularly throughout the budget process each year.
- Executive Budget Committee makes the final budget decisions
- Biggest revenue bucket is Main Campus Tuition, second is State Appropriations
- Expenditures are shared with Anschutz Campus and are now trying to identify expenses that overlap and ensuring things are spelled out more cleanly about what funds goes to which campus.
- Mission Enhancement Fund is where subvention comes in.
 - i. Participation Fee – only on selected revenues assigned to Academic Units, after this fee is applied all schools and colleges end up in deficit.
 - ii. Subvention doesn't change from year to year, metrics don't change from year to year, but the Initiatives Pool changes because it's the leftover funds.
 1. All schools and colleges pay in via the flat rate Participation Fee and receive money back to cover expenses.
 2. Basically, taking money from CLAS and giving to other units because CLAS has a lot of student instruction.
 3. To ensure all units have enough, they pull out more money than necessary and then return funds.
 4. This also ensures each school has the same participation fee.
 5. A lower percentage is returned depending on the school and college.
 - iii. The budget was locked in place for three years, then there were recommended changes to the levels of subvention. Ideally would like to see subvention decrease over time due to more diversification of revenue.
 1. What changes were made? Revisited 21-22 budget model – changes were made to support CLAS (CLAS instruction credit hours have decreased, expenses have not been changing in the same way)
 - iv. Model doesn't consider cost per credit hour – some programs are very expensive to teach; decisions on how to allocate expenses at this level stops at the Dean level. Any moves colleges/schools take to reduce cost per credit hour, the colleges/schools get to keep that money. Model should incentivize this and we should be able to show if this has worked.
- Moderate undergraduate revenue growth due to tuition increase, growing graduate revenue due to increase of graduate students, increased state funding due to pandemic, but this is ending.
- The largest driver of budget dollars allocated out to colleges and schools is instruction hours.

- Budget Model Recommendations: Changed undergraduate tuition allocation metric 65% instruction/35% record (majors) to 75% instruction/25% record to give more weight to core instruction.
 - Removed incentive for state support to result in incremental increases (ex. state gives 5% increase in support, all schools/colleges see 5% increase).
 - Participation fee reduced from 15% to 13.5%; to put more money back in to the colleges and schools after fees were lumped in with tuition.
 - However, budget increases may not actually cover expense increases, such as salary increases and insurance costs. Insurance is increasing by a lot.
 - Housing and wellness center are outside of this budget model, they are self-supporting (18% goes to support central administration via GAR).
 - Walked through Budget Model Unrestricted Fund Output spreadsheet
- Budget Office Updates (Jen St Peter, AVC for Budget) 12:20 – 12:30
 - Multi-year Budget Reduction and Realignment Process
 - Meetings organized to work on process to talk about structural deficit and demographic changes.
- Reminders
 - Next meeting: Monday, December 5, 11-12:30 pm