

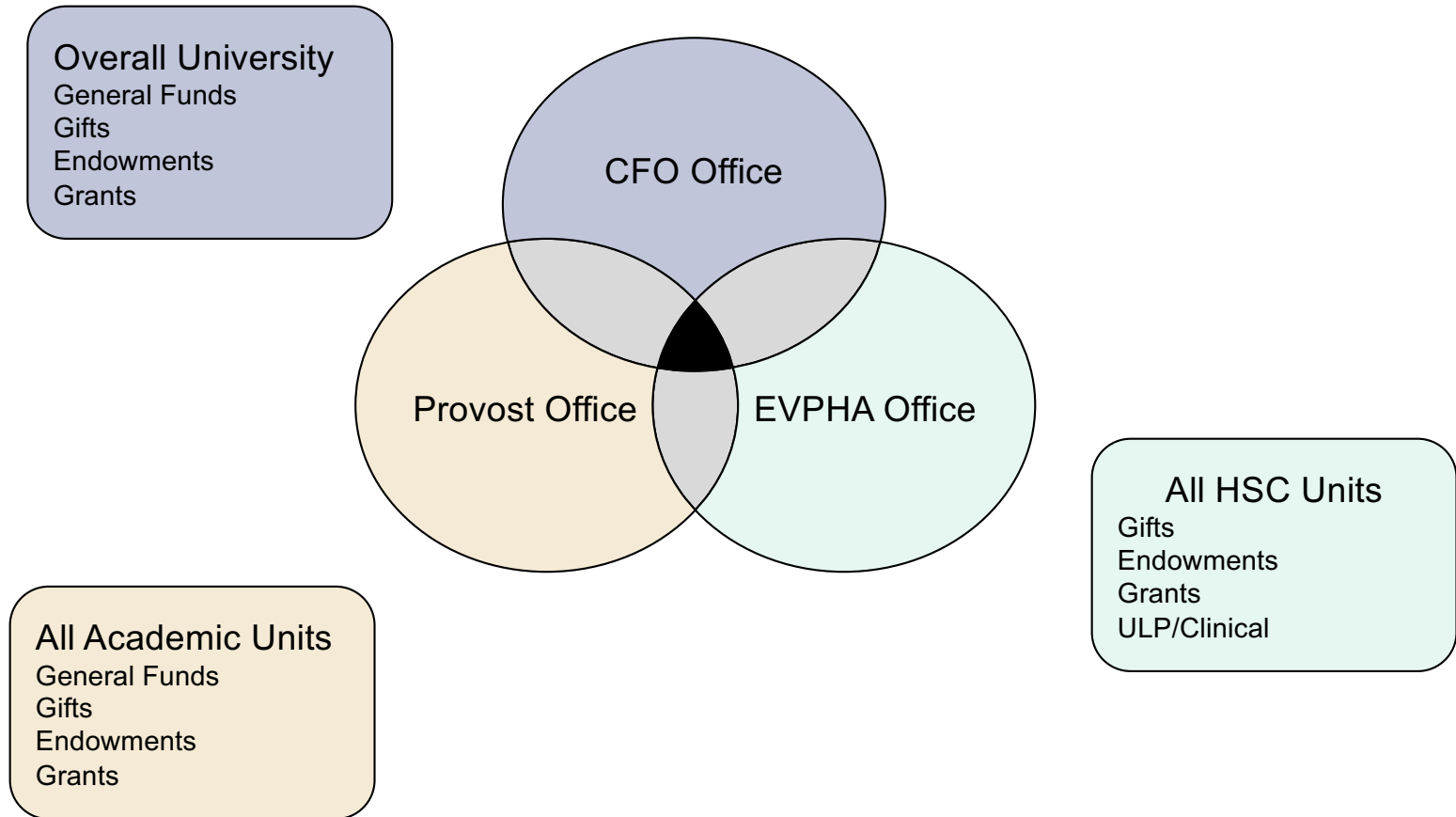


# FACULTY SENATE EXECUTIVE COMMITTEE

Jill Mullaney – Interim Vice President for Budget and Finance  
David Schultz – Vice Provost for Finance & Strategic Initiative

September 25, 2024

# Budget Offices and Budget models



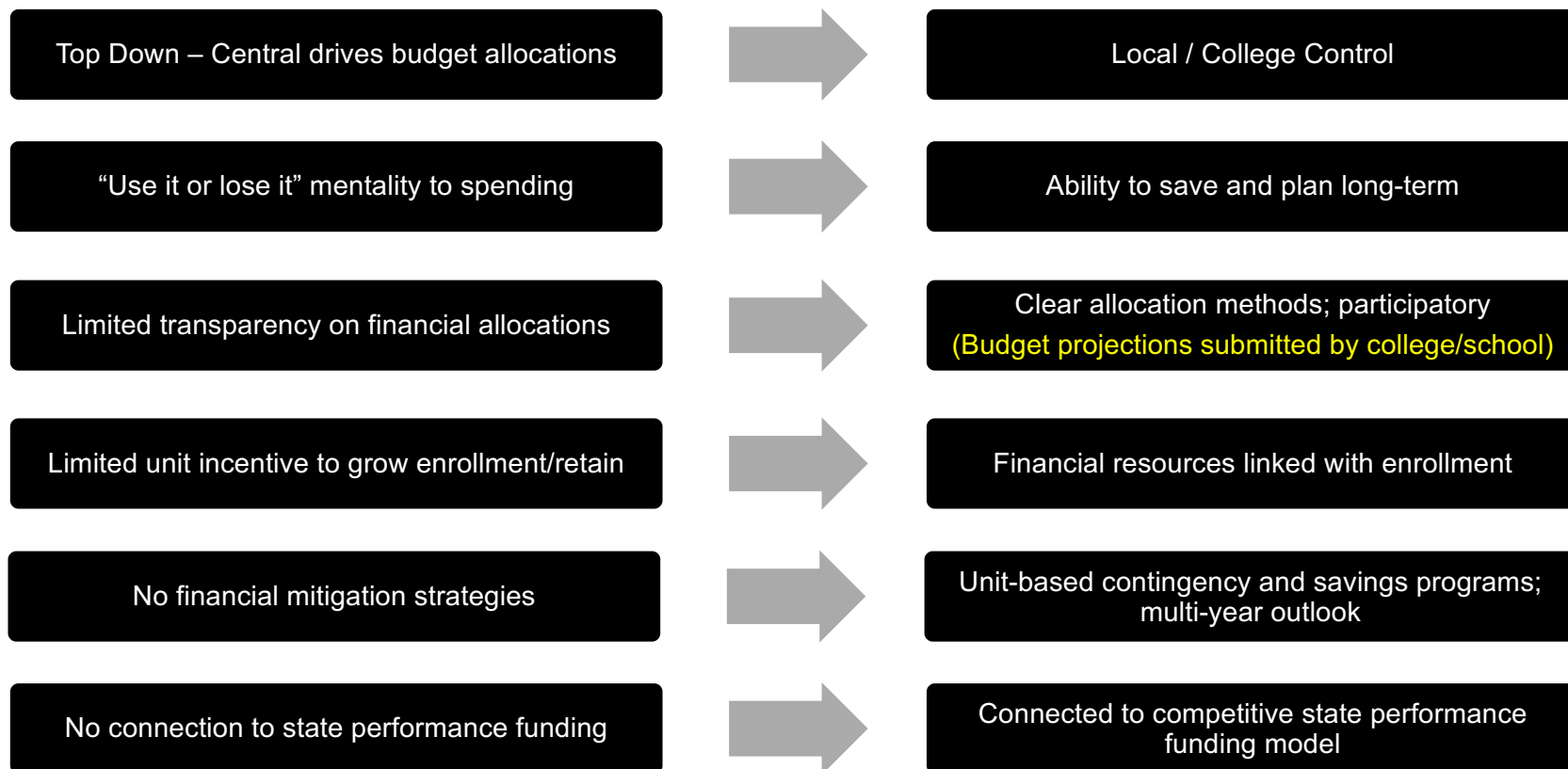
# UBSC – Committee Composition

- Staff (Staff Senate)
- Students (SGA)
- Faculty (Faculty Senate)
- Academic Units (Deans)
- Administration offices with emphasis on students, operations, research (Vice Provosts, Vice Presidents)

# UBSC – FY25 Charges

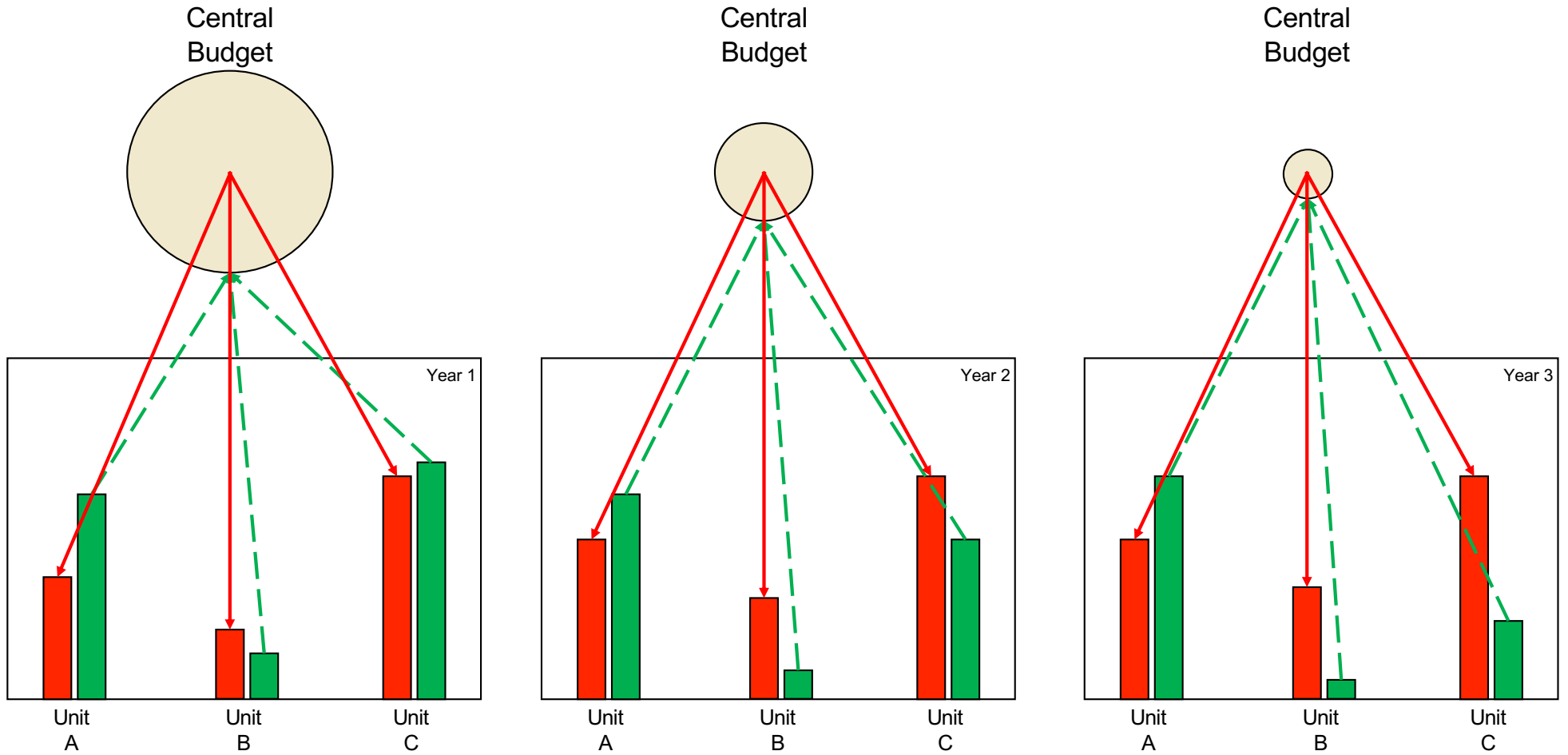
- Review Benchmark Institutions to use Differential Student Fees to match instructional expenses
- Proposed annual budget calendar.
- Evolution of the university's budget model
- Benefits and challenges to centralizing community and university services
- Preparing the University for transition to Workday Finance and Adaptive Planning Budgeting
- Providing guidance to the university's executive sponsors on various finance and budget topics as requested

# Old General Fund model lacked financial incentives & strategic alignment



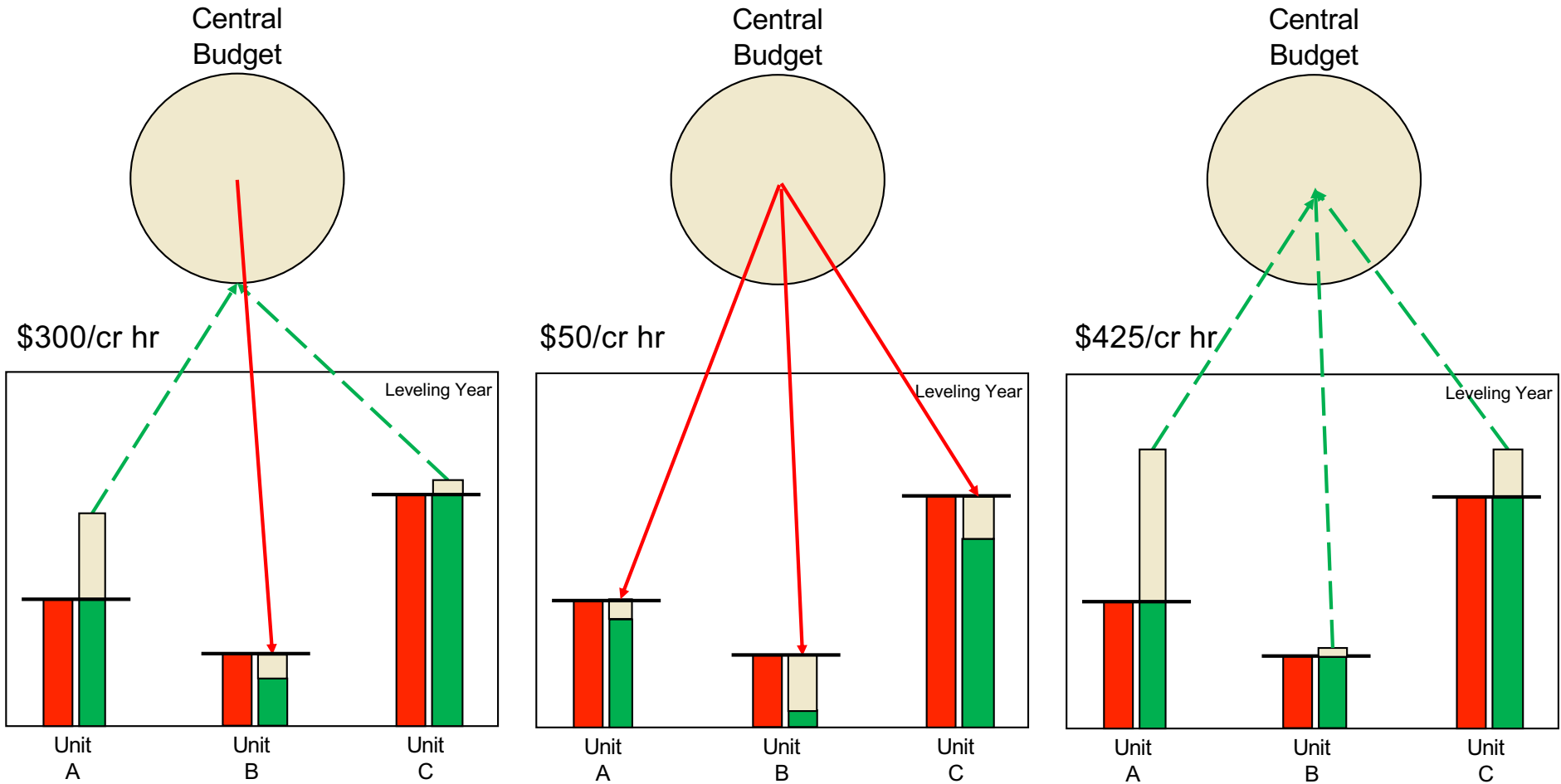
# Incremental Budget Model

Red = expense budget  
Green = unit tuition/fee revenue



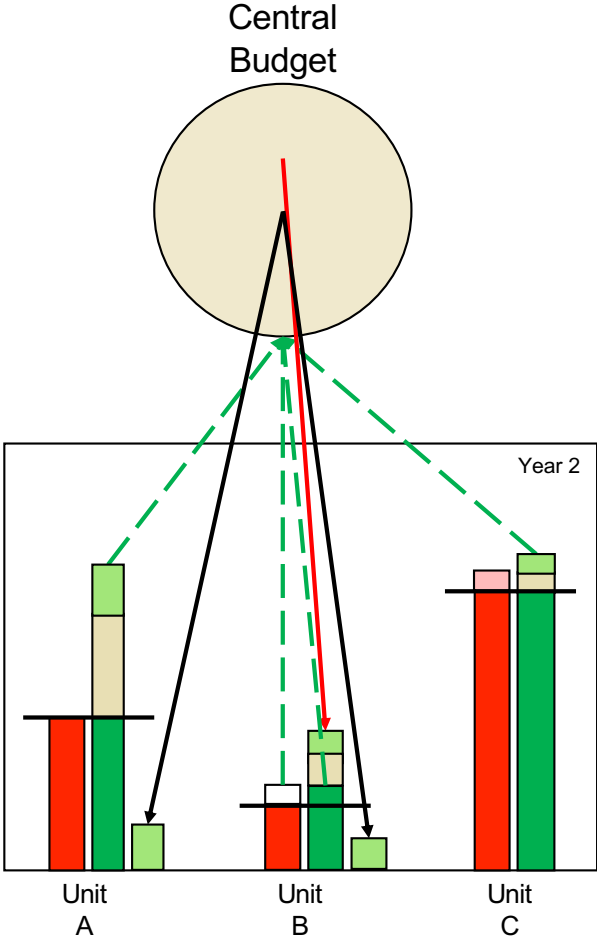
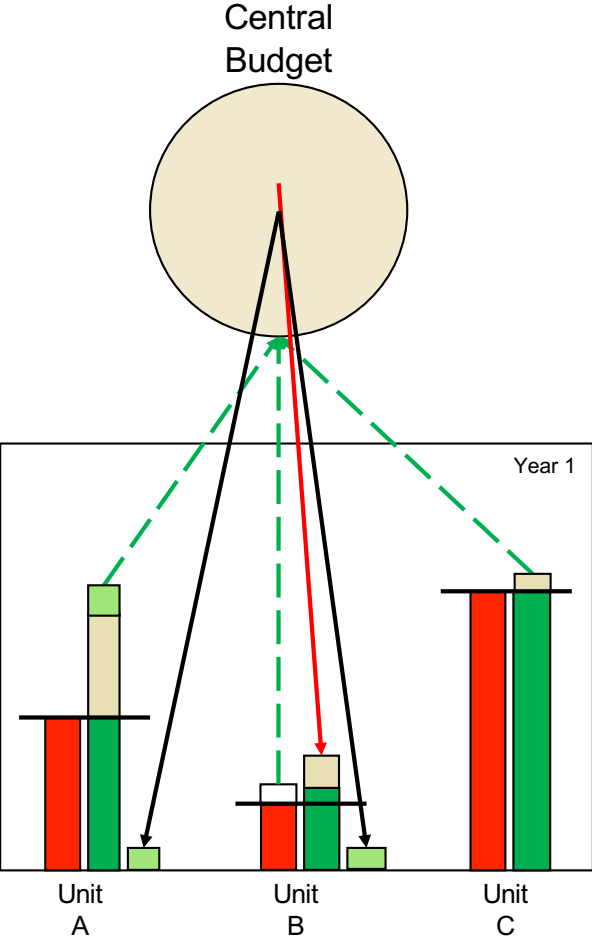
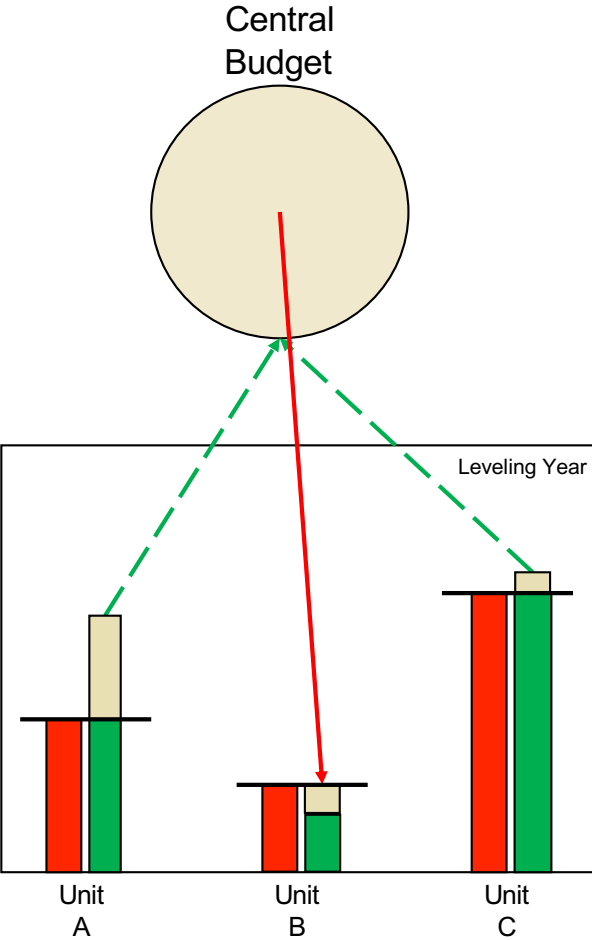
The new model is neutral towards departments in the leveling year

Red = expense budget  
Green = tuition/fee revenue budget  
Tan = RAA



# New Budget Model

Red = expense budget  
Green = unit tuition/fee revenue  
Tan = RAA  
Light Green = Gain Share





## MECHANICS: FIVE BUDGET MODEL COMPONENTS

- Undergraduate credit hours instructed
  - Graduate tuition revenues
  - Professional tuition revenues
  - Self-generated revenues
  - Revenue Allocation Adjustment
- 
- Variable  
(outcome driven)
- Fixed\*

# General Fund Budget Model

## 1. Undergraduate credit hours

- \$343 per credit hour instructed within college for non-high school students
- \$64 per credit hour instructed within college for high school students (dual credit)

## 2. Graduate and professional tuition revenues

- 75% of gross graduate tuition, less mandatory student fees
- 85% of gross graduate tuition, less mandatory student fees

## 3. Fees

- 100% of course and other fee revenue

# Setting the undergraduate credit hour allocation rate

**Undergraduate tuition revenues<sup>1</sup>**

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**X 70.0%**

**# of undergraduate credit hours instructed**

- Rate for budget year based upon actual revenues and credit hours instructed in prior year
- Independent of residency status or number of credit hours individual student takes
- Risk-free rate for academic units; rate does not change during fiscal year

<sup>1</sup> *Less mandatory student fees and exclusive of dual credit hours and revenues*

# Support unit and university-wide funding sources (General Fund)

Support units include administrative offices (e.g. HR, Operations); institutional expenses (e.g., utilities, legal, etc.)

Funding source:

- State appropriations (largest proportion of support unit / institutional expenses)
- Share of tuition revenues not allocated to academic units
- Other miscellaneous revenues including application fees, investment income, rental income, etc.

## More dollars flowing to academic units

- As percent of total general fund, academic units received 2 of every 3 new dollars
- Dollars stay with units' gain share...no year-end sweeping!
- Impacting enrollment - especially retention - directs flow of dollars