

URPC Balanced Budget Proposal

Date: December 3, 2019

DRAFT

Overview

The University currently projects a budget gap by 2021-22 of approximately \$5.4 million in light of the current enrollment decline. In August, President Jackson charged the URPC with developing a multi-year balanced budget plan by December 2019. After excluding Financial Aid, Provisions for Allocation, and Housing Facilities Activity from the 2019-20 base budget of \$143.22 million, the baseline starting point for evaluating budget allocations was \$122.08 million. \$5.4 million represents a reduction of -4.4%.

URPC Guiding Principles

Students First: *We will always prioritize the needs of students and their education first. We will support students' academic success and provide courses, pathways, and services that facilitate their education and graduation.*

Preserve and Value Personnel: *The education of students is intimately linked to the morale and security of staff and faculty. As such, every effort will be made to avoid concerted personnel dismissals. We will instead focus on preserving jobs for existing employees and engaging in thoughtful, evidence-driven approaches to filling positions as vacancies arise, and leveraging reassignment of personnel in line with student need and growth.*

Fiscal Stability and Revenue Enhancement: *The budget must be balanced on an annual basis, and be sustainable into future years, through co-equal consideration of contemporary needs and ongoing institutional health.*

Mission/Vision Context: *We will continue to work toward realizing the articulated vision of the University.*

Transparency, Communication, and Shared Governance: *We need input in order to make informed decisions about resource allocations such that they reflect the values, needs, and avowed intentions of the University community. In order to provide meaningful input, the Campus community must be informed about the issues being considered. Reciprocal participation by all stakeholders is thus advised and requested.*

Current Distribution and Summary of Analysis Conducted

FIRMS Codes (Functional Classification)	2019-20 Amount	2019-20 Distribution	Campus Input (Live Polling)	Budget Simulation	System Ave Comparison*	Sim Size Ave Comparison*	Summary Range
Instruction	56,560,000	46.3%	a little high	too low	a little high	too high	about right to a little high
Academic Support	16,280,000	13.3%	a little high	about right	too high	too high	a little high to too high
Student Services	12,030,000	9.9%	about right	about right	a little low	a little low	a little low
Institutional Support	21,620,000	17.7%	too high	too high	a little high	too high	too high
Op & Maint of Plant	15,590,000	12.8%	a little low	a little low	about right	too high	about right to a little low
	122,080,000	100.0%					

*Based on three year averages

Proposed Distribution

FIRMS Codes (Functional Classification)	Current Amount	Current Distribution	% Adjustment	Allocation % Adjustment	Proposed Distribution	Proposed Distribution	Proposed Change	Percent Change
Instruction	56,560,000	46.3%	stay the same	0.0%	46.3%	54,060,000	(2,500,000)	-4.4%
Academic Support	16,280,000	13.3%	stay the same	0.0%	13.3%	15,560,000	(720,000)	-4.4%
Student Services	12,030,000	9.9%	increase	0.1%	10.0%	11,610,000	(420,000)	-3.5%
Institutional Support	21,620,000	17.7%	decrease	-0.1%	17.6%	20,550,000	(1,070,000)	-4.9%
Op & Maint of Plant	15,590,000	12.8%	stay the same	0.0%	12.8%	14,900,000	(690,000)	-4.4%
	122,080,000	100.0%		0.0%	100.0%	116,680,000	(5,400,000)	-4.4%

Division	Divisional Change by 2021-22	2020-21	Additional by 2021-22	2-Year Breakdown by	2020-21	Additional by 2021-22
President's Office	(91,519)	(64,402)	(27,117)	Instruction	(1,759,259)	(740,741)
University Advancement	(198,427)	(139,634)	(58,793)	Academic Support	(506,667)	(213,333)
Academic Affairs	(3,618,164)	(2,546,115)	(1,072,049)	Student Services	(295,556)	(124,444)
Admin & Finance	(908,179)	(639,089)	(269,090)	Institutional Support	(752,963)	(317,037)
Enrollment Management	(374,503)	(263,539)	(110,964)	Op & Maint of Plant	(485,556)	(204,444)
University Wide	(209,208)	(147,220)	(61,988)		(3,800,000)	(1,600,000)
Total	(5,400,000)	(3,800,000)	(1,600,000)			

Rationale

In alignment with our guiding principles and continuing efforts to prioritize areas that most directly serve students, we recommend the following:

- Keep Instruction and Academic Support at their current proportion of the budget - even though peer comparison data and campus input indicate that the current allocation level in these two categories is slightly high, Instruction and Academic Support are core to maintaining a quality educational experience for our students. As such, we recommend maintaining a steady allocation percentage in these two categories, with the expectation that expenses scale up/down as needed with changes in enrollment. Recommend a proportional reduction of -4.4%.
- The two categories with the broadest differences identified during the data gathering and analysis process were Student Services (a little low) and Institutional Support (too high). In keeping with our priority to maintain and enhance student success and in alignment with our current focus to recruit additional students, we recommend recalibrating the distribution percentages in these two categories to enhance our investment in Student Services and reduce our investment in Institutional Support. Recommend a smaller reduction to Student Services (-3.4%) and a slightly higher reduction to Institutional Support (-4.9%).
- While Operation & Maintenance of Plant is an area that indirectly supports students, maintaining a safe and welcoming campus environment plays an important role in student success to ensure we have the space and infrastructure in place to meet the needs of our students. As such, we recommend maintaining this category at its current level. Recommend a proportional reduction of -4.4%.

Divisional Expectations

Divisions have discretion over how the reductions are implemented. While the FIRMS Code distributions provide a useful resource for consideration, it is not a requirement that reductions be implemented according to these categorical breakdowns. Divisions will be asked to provide a summary by FIRMS Code, with details regarding specific reductions, once plans have been developed.