

From: UCCS Faculty Assembly List <FA-I@lists.uccs.edu>

Sent: Thursday, February 10, 2022 9:05 PM

To: FA-I <FA-I@lists.uccs.edu>

Subject: [FA-I]Budget Comm Report

The **Faculty Assembly Committee on the Budget** met as a part of the University Budget Advisory Committee on January 27.

Report on next year's budget:

At this early stage in the legislative budget cycle, there is not much good news. **Even though the governor's budget proposal contains a 4.6% increase for higher education across the state, the \$11.6M slated to come to CU is not even close to sufficient to cover the already known cost increases for next year, in part because the current budget proposal does not allow institutions to increase tuition.** With general inflation, higher health care and other insurance costs and the recognition that continued pay increases are urgently needed for faculty and staff, **the CU system as a whole projects a \$41.5M gap between revenues and expenses for FY 2022-23.** Higher education leaders, led by CU, are **lobbying to demonstrate to the legislature the need for increased revenue.** At this time, **CU envisions three possible scenarios:**

Scenario A – 4.6% increase in state funding and no tuition increase – would result in significant deficits across all four campuses

Scenario B – 3% increase in tuition would be added to the increase in state funding – would result in manageable deficits in another tight budget year

Scenario C – larger state funding increase and a smaller tuition increase – would result in a similar situation to Scenario B

In other great news, **campus enrollment is down more than anticipated**, although increased out-of-state enrollment may balance that our finances for the year. **Enrollment next fall is also projected to be slightly lower than Fall 2021.** There is a **proposal for Pikes Peak Community College to become Pikes Peak State College.** The full implications of the proposal are not known, but **typically state colleges offer both associates and bachelor's degree programs (e.g., Adams State College).** Finally, a **bill in the legislature to allow collective bargaining in state agencies**, including public colleges and universities has also been introduced. It is not known whether the legislation has a chance to become law or what the impact on UCCS would be, but it **adds another element of uncertainty to forecasting our financial future.**

The actual business of the day for UBAC was to consider **what our recommendation should be on two key issues for the implementation of the Budget Allocation Model.**

- 1) **How many years back should we look to establish the number of undergraduate credit hours each college would be funded for, 1, 2 or 3 years?** Basing it on just the prior year would give colleges the biggest increase in funding when they experienced growth. Those tuition dividends could fund both the additional costs for supporting that growth and investments toward creating future enrollment. A rolling average would cushion the blow of a prior year enrollment decline and smooth out up-and-down enrollment cycles.
- 2) **Should graduate tuition be allocated based on graduate student credit hours generated by the college, graduate headcount in the college, or some split between the two?** This issue is complicated by the fact that we have so many different kinds of graduate programs. Some

programs require many more credit hours than others. In some programs, nearly every student attends full-time. In others, few do. And, of course, some programs have a more even mix of full-time and part-time students.

UBAC will be expected to consider and vote on a recommendation at the February 17 meeting. Unfortunately for us, the Primary Unit Governance Group and the Support Unit Committee did not between them come to a clear consensus on their recommendations on the issues.

Have an opinion? The members of the FACB are there to represent you, so let us hear from you.

Best,



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