Message from:
David Moon - cmoon@uccs.edu

Faculty Advisory Budget Committee Chair's Report for 10/9/2020

The full University Budget Advisory Committee met on September 24.  The full minutes of that meeting are not yet posted, but you will be able to find them herewhen they are.  Here is my synopsis:

The chancellor began by addressing the questions about continuation of furloughs.  The decision to end them on campus is complicated by three factors.  The furloughs were originally agreed-to at the system level across the entire university and there is a positive expectation that easing them should require agreement, as well.  Completely ending the furloughs at this point would push the campus above the regent-approved spending variance for the year, so that would require regents' approval, which won't come before their November meeting.  The campus' financial situation remains perilous.  A mid-term campus shutdown (return to fully remote) would have significant implications.  Spring's enrollments may or may not follow the normal pattern relative to fall.

That said, it remains one of three high priorities for restoring cuts that will be discussed with the regents in November.  In addition to ending or reducing the furloughs, the campus wants to allow more vacant positions to be filled ($1 M in faculty vacancies have already been authorized to fill and about $800 K of staff vacancies are in the process of being considered, but there remain nearly $7 M in vacancy savings).  The other campus priority is meeting student needs, including restoring some cuts to financial aid.  Boulder and Denver are looking at further cuts, which may complicate our desire to receive additional spending authorization from the regents over the variance.

We did exceed our fairly dismal (15% drop) expectations for the fall, but there is one concerning aspect to that.  We saw the biggest drop (11.8%) in new first-year students.  Even if we bounce back to our normal (~2,000) new first-time student level next fall, we will be dealing with this year's decrease for several years to come.  The good news, of course, is that our overall 3.7% drop meant we were down about $4 M, rather than the $16.5 M shortfall we budgeted for.  The $4M estimate assumes we will be at the same level in spring relative to fall as we normally are.  Since nothing about this year is normal, that assumption is questionable.  The expected total losses across the campus were much larger, but none of those other potential losses has exceeded expectations so far.  The bottom line is that we are roughly $12 M better off than we had budgeted for, which is what gives us the ability to consider restoring funding for the priorities describe above.  The slides from this report are attached.

VC Litchfield briefed us on the new budget allocation model.  I covered that in my VP report (attached, along with the presentation from UBAC) and it will be a major topic for both the VCAF report and my verbal committee report at the representative faculty assembly meeting.

The Faculty Advisory Budget Committee met separately on October 8 with the VCAF and members of his staff to dig into more detail about how the proposed model will work.  The committee members had, as Mr. Litchfield had hoped, many questions and will be sending the staff more as they come up.  This is the beginning of a year-long (at least) process of fine-tuning the model based on

feedback and examining the implications of a side by side comparison of the current budget and what would have happened under the new model this spring.  The goal is a July 1 go live date for the new model, but that is completely conditioned on the success of this year's work.  Faculty assembly will be highly engaged in the process.  We hope you will find ways to join that effort.