

From: faculty-l@lists.uccs.edu <faculty-l@lists.uccs.edu> on behalf of UCCS Announcements Do Not Reply <faculty-l@lists.uccs.edu>
Sent: Sunday, March 14, 2021 1:01 PM
To: faculty-l <faculty-l@lists.uccs.edu>
Subject: [faculty-l] Budget Report from Faculty Assembly Committee on the Budget

Message from:
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The past week or so has been a busy one for budget-related issues, so this report is long, but not, I hope, boring. For those who fear otherwise, here are the headlines:

Merit pay increases are still a possibility. They wouldn't start (for faculty) until January 1 and a lot of other things would have to go our way, but they could still happen. See below for details.

The CU Online Initiative is starting to come into focus. Campuses will be able to control their own participation, but the benefits of participating are becoming clearer and more varied. See below for details.

You should all take BAM 101. An online overview of the new Budget Allocation Model will be announced very soon. The more faculty understand the model, the better able we will be to provide meaningful input, making it more likely we will be happy with the results. Be on the lookout for e-mails from Enid Ruiz-Mattei.

The University Budget Advisory Committee (UBAC) met on February 16. The chancellor's subsequent e-mail explained that the Budget Allocation Model Implementation would be postponed to July 1, 2022. The minutes from the meeting are attached.

UBAC also met on March 10. Here is a synopsis of what we discussed:

FY 2021-22 Budget

April Regents' Meeting

The regents usually set the parameters of the coming year's budget at their April meeting. That's especially challenging this year, but here are some things they will be discussing.

Minimum Wage/Living Wage

The cities of Boulder and Denver are expected to increase the minimum wage there to \$15 per hour. The Living Wage (the hourly wage necessary to be above the poverty line working full-time) is higher than that in the Boulder/Denver and Colorado Springs SMSAs. If the regents choose to adjust the minimum CU campuses will pay, it will not only increase our costs, but could impact student employment (same amount of funding higher wages = fewer student employees).

Tuition Increase

The governor's budget includes a 3% tuition increase for public universities. The regents could choose not to increase tuition by the full amount or, more likely, to give Colorado resident

undergraduates a rebate on the increase. If they do so, it is hoped that we will be able to use federal stimulus money to cover the resulting shortfall.

Compensation Threshold

- The legislature is considering a 2.5% Classified Staff compensation increase
 - Includes salary, plus benefits
 - Would begin July 1
 - Cost to UCCS - \$218,000
- Any increase for Professional Staff and faculty would start January 1
 - A 2.5% salary benefits increase would cost \$2.1 M
- Current projected budgets reflect no salary increase
 - Discussion will be of how much revenues would need to increase to allow increases in compensation
 - A live topic because of uncertainty around revenues
 - That uncertainty is the reason for delaying decision on compensation increase to census date in fall 2021

Revenues

Enrollment

- 2021-22 budget based on a 2.8% additional decrease in enrollment
- Flat fall 2021 enrollment relative to fall 2020 would produce \$3 M additional

State Funding

- 2021-22 projected budget based on restoration of state funding to 2019-20 levels
- Governors' proposed budget set at restoration only
- Discussion in legislature of additional funding for 2021-22

American Renewal Plan (just signed into law) Funding

- Includes direct funding for higher education (don't know restrictions)
- Includes additional research funding
- Includes funding to states (CO may pass it on to us, which happened this year)
- All funding would be one-time only, so wouldn't support salary increases

CU Online

The purpose of CU Online has become clearer: To increase online enrollments at all four campuses and, thus, serve more students

Office of Digital Education (ODE)

- The CU-Denver online support unit was moved to the system office, as was the CU Online name
- System is investing millions to make ODE a state-of-the-art online support provider
 - Program and course design; instructional technology

- Branding, program-level marketing, recruitment, admissions
- Extensive student services
- Campuses may participate at two levels
 - Enhanced - Full services
 - Take 45% tuition on growth with instructional design; 40% without
 - Existing students at 10% of tuition
 - Baseline (before growth) at 15% of tuition
 - Only programs with high growth potential would be accepted
 - Expected to have five 8-week terms, 5 student start times per year
 - Similar programs from different campuses allowed only if differentiated by tuition or offerings
 - Standard
 - ODE would provide branding (CU Online), some general marketing and recruitment, substantial student services
 - Take 25% of all tuition with instructional design; 20% without
 - Campuses may choose to make any online program Standard
 - Duplication allowed
- Other ODE features
 - Will not recover initial investment costs
 - Will distribute any profits to contributing campuses
 - Will have no say in academic and program personnel matters, including intellectual property rights and faculty evaluation
 - Program and course design consultation, but decisions made by program

UCCS

- Two programs are exploring becoming Enhanced
- Chancellor expects we will have Enhanced, Standard and campus-only programs
- Quality of ODE services will influence the balance between Standard and campus-only
- Chancellor expects increased campus online structure
 - Help colleges and programs determine whether to partner with ODE
 - Make support for campus-only programs more consistent and robust
- Student support units are working with ODE to track and support students in online programs
- A faculty assembly committee is working on the academic side of the relationship with ODE
- Campus efforts led by Dean Markel of Business

One last thing: **Take BAM 101!**