

November 2020 Faculty Budget Advisory Committee Report

Note: For those who don't want to read the whole report, here's the final paragraph that tells you what you probably most want to know:

What does all of this mean? The prospects for furlough relief are not great. The chancellor is committed to continuing to pursue approval to restore faculty and staff salaries for the spring. When or if he is allowed to do so depends on things he may be able to influence, but does not control. What the FABC can report, though, is that the chancellor and the cabinet have taken every step they can to lift the furloughs. If the circumstances allow, UCCS stands ready to use the opportunity to end the furloughs.

Want to know more now? Read on.

The regular October meeting of the University Budget Advisory Committee was on the 22nd.

The chancellor shared several updates.

- Funding for the new Engineering wing from the regents and the president is approved, but that only accounts for half its anticipated cost. The new construction would add substantial capacity for additional students in the college.
- The president affirmed the distribution of \$300K for the expansion of the MOSAIC Center within the University Center.
- The re-vamped Career Center across from Clydes in the UC is opening with the goal of having every student engage in career exploration during their time at UCCS.
- The president has allocated \$5M for Inclusion, Diversity and Equity, \$1M of which is coming to UCCS.
- The president has allocated \$2M for supporting mental health on the campuses, \$500K of which is coming to UCCS.
- The goal of ending the furloughs by January 1 remains a priority.

Our main order of business was the review of the Bachelor of Arts in Inclusive Early Childhood Education. It is an online complement to the existing Bachelor of Innovation in the same subject. It is designed to increase access to an in-demand degree in a format in which there is little existing specific competition. UBAC votes on new proposals at the next regular meeting following the program's presentation, but there was substantial conversation about the challenge of contemplating a new program in the midst of budget cuts.

A special meeting of UBAC was held on November 5 to discuss the financial implications of our post-Thanksgiving transition to more fully remote instruction. The loss of revenue to the auxiliaries (housing and dining) could be up to \$1M, depending on how many students choose to remain.

In the weeks until Thanksgiving, increased public health protocols (and cases) will result in about \$100K in testing and contact tracing expenses.

There is good news in the governor's 2021-22 budget request. All the state funding cuts (58%) would be restored, as would the 3rd year of the \$1.8M in cybersecurity funding originally promised to UCCS. There is also authorization for a tuition increase of up to 3% proposed. We have a long way to go until the budget is finalized, but this is the best news we can expect at this time.

Finally, the FABC had a special meeting with Chuck Litchfield about the prospects for restoring the cuts, especially the furloughs. My thanks to both Chuck and the members of FABC for making this happen in advance of the regents meeting later this week.

UCCS came into the 2020-21 fiscal year prepared to spend \$51M less than in 2019-20 at \$127M. That's a staggering decrease. Fortunately, based on fall enrollment, we are on course to have \$143M available to spend this fiscal year. Unfortunately, there are very large uncertainties that make it difficult to know whether the current projection will hold the rest of the year.

The largest threat, by far, is the proposal coming before the regents this week to partially refund tuition to all CU students in the current year. At its proposed level, it would require additional cuts of at least \$8M and prevent the restoration of any of the original cuts (reduce our worst-case scenario from \$127M to \$119M).

If the regents make a clear decision not to go down this path, which may not happen even if they don't adopt this particular proposal, there still remains uncertainty about spring enrollments. We are currently not on a registration trajectory to maintain the entire \$143M. We hope that, as it did this summer, the gap narrows, but even if it does not, we would still have significantly more than the \$127M we originally projected.

Finally, we don't know whether we will be able to open at the same level as we have been at most of the fall in spring. We also can't be certain there won't be a shift to more fully remote operation after the start of the semester. We do know there will be additional COVID-related costs, and there may be further losses. Our expenses and losses this fall have amounted to roughly \$4M (which have used up most of the dedicated COVID funding that wasn't included in our budget projections). The spring has the potential to make things even tougher.

Even with all of that, we can be fairly confident of having enough funding to lift the furloughs and fund some vacant positions, as long as there is no tuition refund. However, even if we can convince the regents we have the funding available, the regents have not yet indicated whether furlough relief would be allowed at UCCS and Anschutz (Boulder and Denver do not expect to be able to reduce their furloughs at all).

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