

Fall 2020 Enrollment Update

UBAC

September 24, 2020

FOUR CAMPUSES UNITED
ALL FOUR:**ONE**



University of Colorado

Boulder | Colorado Springs | Denver | Anschutz Medical Campus

UCCS – Fall 2019 to Fall 2020 Enrollment Changes

| Headcount | Fall 2019 End of Term | Fall 2020 Census | Numeric Change | Percent Change |
|-------------------------|--------------------------|---------------------|-------------------|-------------------|
| Resident Undergrad | 8,877 | 8,532 | -345 | -3.9% |
| Non-Resident Undergrad | 1,327 | 1,235 | -92 | -6.9% |
| Domestic | 1,243 | 1,169 | -74 | -6.0% |
| International | 84 | 66 | -18 | -21.4% |
| Resident Graduate | 1,681 | 1,684 | 3 | 0.2% |
| Non-Resident Graduate | 312 | 298 | -14 | -4.5% |
| Domestic | 216 | 219 | 3 | 1.4% |
| International | 96 | 79 | -17 | -17.7% |
| Total Undergrad | 10,204 | 9,767 | -437 | -4.3% |
| Total Grad | 1,993 | 1,980 | -13 | -0.7% |
| Total Resident | 10,558 | 10,214 | -344 | -3.3% |
| Total Non-Resident | 1,639 | 1,533 | -106 | -6.5% |
| Total Enrollment | 12,197 | 11,747 | -450 | -3.7% |

| | | | | |
|---------------------------------------|-------|-------|------|--------|
| Resident Undergrad (New Freshman) | 1,238 | 1,106 | -132 | -10.7% |
| Non-resident Undergrad (New Freshman) | 256 | 211 | -45 | -17.6% |
| Total New Freshman | 1,494 | 1,317 | -177 | -11.8% |



UCCS – Enrollment Change to June Estimate

Preliminary Fall Enrollment E&G revenue is estimated to be above the approved budget by 10.7%

| Estimated Headcount Enrollment | Fall 2020 June Estimate | Fall 2020 Census | Enrollment Change | Percent Change | Budget Impact (dollar change) |
|--------------------------------|-------------------------|------------------|-------------------|----------------|-------------------------------|
| Resident Undergrad | 7,756 | 8,532 | 776 | 10.0% | \$8,341,934 |
| Non-Resident Undergrad | 1,271 | 1,235 | -36 | -2.8% | \$1,172,088 |
| Domestic | 1,112 | 1,169 | 57 | 5.1% | \$1,369,168 |
| International | 159 | 66 | -93 | -58.5% | -\$197,080 |
| Resident Graduate | 1,758 | 1,684 | -74 | -4.2% | \$2,428,907 |
| Non-Resident Graduate | 380 | 298 | -82 | -21.6% | \$139,466 |
| Domestic | 339 | 219 | -120 | -35.4% | \$198,179 |
| International | 41 | 79 | 38 | 92.7% | -\$58,713 |
| Total Undergrad | 9,027 | 9,767 | 740 | 8.2% | \$9,514,022 |
| Total Grad | 2,138 | 1,980 | -158 | -7.4% | \$2,568,373 |
| Total Resident | 9,514 | 10,214 | 700 | 7.4% | \$10,770,841 |
| Total Non-Resident | 1,651 | 1,533 | -118 | -7.1% | \$1,311,554 |
| Total Enrollment | 11,165 | 11,747 | 582 | 5.2% | \$12,082,395 |



UCCS – Fall 2020 Census Enrollment

| Headcount | Fall 2020 | | | |
|------------------------|-----------|-------------------------|-------|---------------------------|
| | Resident | Nonresident/ Unknown | Total | % Change vs. Fall 2019 |
| Undergraduate | 8532 | 1235 | 9767 | -4.3% |
| Graduate | 1682 | 298 | 1980 | -0.7% |
| Total | 10214 | 1533 | 11747 | -3.7% |
| % Change vs. Fall 2019 | -3.3% | -6.5% | -3.7% | |

| | | | | |
|--------------|------|-----|------|--------|
| New Freshmen | 1106 | 211 | 1317 | -11.8% |
|--------------|------|-----|------|--------|

| | | | | |
|----------------------|--|--|-----|--------|
| *International Total | | | 168 | -16.8% |
|----------------------|--|--|-----|--------|

*International Total includes 78 undergraduate and 90 graduate students.



Tuition Projections

| Student Share of Tuition | Regent Approved Total Student Share of Tuition | Tuition Model as of 9/16/2020 | Actuals to Date | |
|---|--|---|---|---|
| Summer 2 | 5,668,800 | \$7,012,903 | \$7,839,309 | |
| Fall (-15%) | 47,938,419 | \$53,704,616 | \$54,206,547 | |
| Spring (92% of fall) | 44,762,503 | \$49,417,863 | \$49,870,023 | |
| Summer 1 (Flat) | 3,442,592 | \$3,759,328 | \$3,759,328 | |
| Total w/o COF | 101,812,314 | \$113,894,710 | \$115,675,207 | |
| "OVERAGE" BASED ON 9/16/2020 ACTUALS | | \$12,082,396 | \$13,862,893 | |
| Tuition, COF included | Regent approved total tuition budget | Revenue Actuals 9/16/20 HC, Spring @92%, Sum 1 flat | Revenue Actuals 9/16/20 HC, Spring @91%, Sum 1 flat | Revenue Actuals 9/16/20 HC, Spring @90%, Sum 1 flat |
| Summer 2 | 5,710,189 | 7,962,884 | 7,962,884 | 7,962,884 |
| Fall | 52,108,932 | 58,148,793 | 58,148,793 | 58,148,793 |
| Spring | 48,654,013 | 53,496,890 | 52,915,402 | 52,333,914 |
| Summer 1 | 4,127,882 | 4,100,654 | 4,100,654 | 4,100,654 |
| TOTAL | 110,601,016 | 123,709,221 | 123,127,733 | 122,546,245 |
| COF | 8,788,702 | 8,788,702 | 8,788,702 | 8,788,702 |
| Less COF | 101,812,314 | 114,920,519 | 114,339,031 | 113,757,543 |
| "OVERAGE" BASED ON 9/16/2020 ACTUALS | | 13,108,205 | 12,526,717 | 11,945,229 |



A good bit of Economics is looking at human beings' responses to incentives. There's even a whole sub-discipline, behavioral economics, looking at why those responses don't always seem to align with the economic model of rationality. Since I study elections and voting, you can see why that might be something I have been interested in.

For all of the 28 years I have been at UCCS, the budgeting model we have followed, such as it is, has been one of perverse incentives in which resources have not always followed workload and in which it was difficult, at best, to predict whether a given college, department or program would be rewarded or punished financially for a particular action. Fortunately, most of us are motivated by other things than whether we get rewarded, so the system has functioned reasonably well. The fact that we are sometimes required to work against our own self-interest in order to pursue what is best for our students, our disciplines and the campus is, however, not healthy for us as faculty, department chairs and deans or always effective in getting the most out of our constrained resources.

That is all about to change. This year, the campus will be piloting a new incentive-based budgeting model (also known as responsibility-centered management) that allocates the resources generated by the revenue-producing units (i.e., the colleges and the auxiliaries) directly back to those units. The auxiliaries have always operated on this basis, but not the colleges. For the colleges, and for the campus, this represents a seismic change.

For the non-revenue-producing units, which we all depend on, this is no less impactful. Those units have always been rightly proud of their support of students and faculty, the educational mission of the campus, but now that support function will be explicit and directly tied to the success of the colleges. Overall, this will be a healthy situation, but it will take some getting used to for all of us.

The model that is being tested this year was developed in cooperation with the governance groups on campus under the direction of a steering committee. I want to thank the faculty who represented faculty assembly on that committee: Dale DeBoer (there's that economics thing again, but he's also chair of UBAC) and Sylvia Martinez. The provost, deans Kevin Laudner and George Reed, associate deans Alex Ilyasova and Rob Block, and Laura Edwards and April Keller (the Finance Managers for EAS and COE, respectively) also represented academic affairs. The model they produced is described here: https://budgetmodel.uccs.edu/sites/g/files/kjihxj1286/files/inline-files/UCCS_DeansRetreat_vFinal.pdf

I have worked my way through it and I believe it to be a sound starting point. The entire Faculty Advisory Budget Committee will be briefed on its details next week. The campus will be further developing the model over the course of this academic year.

No matter what any of us think about the choices that have been made thus far, what counts is how it actually functions in allocating resources where they are needed most. This spring, there will be a stress-test, if you will, of how the budget would have looked different this year under the new model, as opposed to the existing budget. The whole point of the exercise is that the model is not finished and the campus will learn together what adjustments will need to be made. There's a contingency to delay implementation until FY 2022-23 if necessary, but so far the timeline appears to be holding for the new model to launch in July 2021. For the fall, everyone directly involved in the implementation of the new model will be trained on its operation and its implications for the operations of the colleges and beyond.

Crucially, Chuck Litchfield is bringing the question of how the new system will be governed directly to the governance groups, beginning with a discussion in UBAC last week (you can find the briefing here: https://www2.uccs.edu/vcaf/sites/vcaf/files/inline-files/Governance_Recommendation_UBAC.pdf). Given the dynamism of the new model, having a broadly representative structure in place to make ongoing decisions and recommendations to chancellor is fundamental to the success of the model. In my opinion, the proposed structure and charters, which I would expect only to improve with discussion, represent a transparency and representativeness not seen since the last century. Chuck will be introducing the subject at the representative faculty assembly on Friday, October 9. As its chair, I will be working with the Faculty Advisory Budget Committee on recommendations to the assembly. Again, the expectation is that what's being proposed is not what we will end up with, but a way to start a productive discussion.

I know I have thrown a lot at you here, but I have one more thing I believe should be front and center of our considerations this year. Responsibility-centered management gives colleges incentives to grow and to use their resources wisely, but it can also lead to competition among colleges and a lack of willingness by the colleges to support needed campus infrastructure in an attempt to keep the "tax rate" low. Deans will no longer have the task of prioritizing the college's needs to determine what funding requests should go to the campus, instead having the task of distributing the college's earned resources internally. The answer to preventing either of those things from leading to their own problems is (what a surprise coming for the VP of faculty assembly) governance. College governance needs to evolve to provide anew level of transparency and representation within each college. Campus governance groups, perhaps especially faculty governance, will need to ensure that the RCM governance structure robustly preserves the welfare of the campus as a whole.

Stay tuned and stay engaged.



University of Colorado
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Guiding Principles

The principles are as follows:

- **- Be transparent, offer consistent communications, and foster collaboration to instill trust between decisionmakers and stakeholders**
- **- Align with the core mission and strategic plan and represent institutional values**
- **- Enable and encourage budget management responsibility and accountability across units**
- **- Provide an equitable, mission driven opportunity for resources to be allocated across units**
- **- Encourage growth of net resources while also recognizing the role of support units in promoting student success and other mission-critical outcomes**
- **- Incorporate improved infrastructure and data-informed decision making, providing an understandable link between resource allocation and revenue generation**
- **- Encourage innovative practices while ensuring that the necessary budget allocation to existing core and general education are sustained**

Summer Dean's Meeting

- **Review programs**
 - BI
 - UCCS Teach
 - Auxiliaries
 - Research
 - Grad School
- **Develop Governance**
- **Reserve Policy**
- **Online initiative**

Budget Model Timeline FY21

FY21 Parallel Year Time-Line



Initial Set up

Training & Analysis

Review & Pre-Roll Out

Final Roll Out and Budget Load

| | | Initial Set up | Training & Analysis | Review & Pre-Roll Out | Final Roll Out and Budget Load |
|------------------|----------------------|---|---|---|---|
| Model | Model build | Load FY21 Tuition BOR Assumption in BAM. | Assumptions review; pending items check | Mid-Year review to check how things are working | FY22 Budget - Created in system with BAM |
| | Data sourcing | Pull all data reports to use in metric and allocation build. | Create BAM with existing metrics and assumptions. | Tweak any existing assumptions if we "break" the model. | Re-Create/Finalize BAM assumptions and metrics for allocations. |
| Process | Training | Train Budget Office Staff and introduce model assumption to financial assistants. | Continue in-depth training and outreach to School and Colleges | Additional training and meetings to share complete BAM deployment | |
| | Model variances | Actively work on finalizing pending items (e.g. BI, MOU, Telecom, aux) | Establish MOU process - metrics, holder of the agreements, etc. | Decision on MOU as potential exceptions to BAM | Finalize hybrid units, MOUs, and pending items for BAM |
| | Governance & Process | Work and establish as needed governance groups. | Clearly Define charge for all governance groups. BAM Training and Presentation. | ABR's - are Colleges and dept use BAM for presentation? New presentation? | Finalize any governance group and update group charge as needed. |
| Reporting | Campus Reports | Start identifying reports and worksheets needed for users (eg. Pro-Forma) | Build and test reports and worksheets | Educate campus constituents on use of tools and reports | Finalize and deploy all tools to campus |
| | Budget Software | Budget Software: Kick off meetings, technical requirements and Phase I (Operating Budget & Labor Plannign BOR: FY Set up, Roster, Comp 7 | Budget Software: Phase 2- Allocations & Long Range planning modules | Budget Software: Phase3 -Tuition Planning and Forecasting Module | Budget Software: Finalize any pending items realted to the deployment. |
| | Regent & System | Efficiencies Carryfwd, Spending Plans, F&A , BDB, Fees, | BOR: Fees, UNP, CFWD, Tuition and Comps | BOR: Fiscal notes, SIR, Comp Pool, Tuition and Fees | BOR: Tuition Fees and Comp. FY Budget |

Initial Set Up (July – Sept.)

| | |
|-----------------|---|
| | |
| Model Build | Load FY21 Tuition in model |
| Data Sourcing | Pull data for metrics and allocation build |
| Training | Train Budget office staff and introduce model to fin-admins |
| Model variances | Complete analysis of Dean's Meeting issues (Bl, Aux, etc.) |
| Governance | Strawman governance groups |
| Campus Reports | Identify reports and workbooks needed for user |
| BOR | Carry-forward, UNP, Spend plans, Efficiencies |

Training & Analysis (Oct. – Dec.)

| | |
|-----------------|---|
| | |
| Model Build | Assumptions Review; pending items check |
| Data Sourcing | Create BAM with existing metrics and assumptions |
| Training | Continue in-depth training and outreach to School/Colleges |
| Model variances | Establish MOU process – metrics holder of agreements, etc. |
| Governance | Clearly define change for all governance groups. BAM Training and Presentation |
| Campus Reports | Build and test reports & worksheets |
| BOR | Fees: UNP, CPWD, Tuition, Comps and Fees |

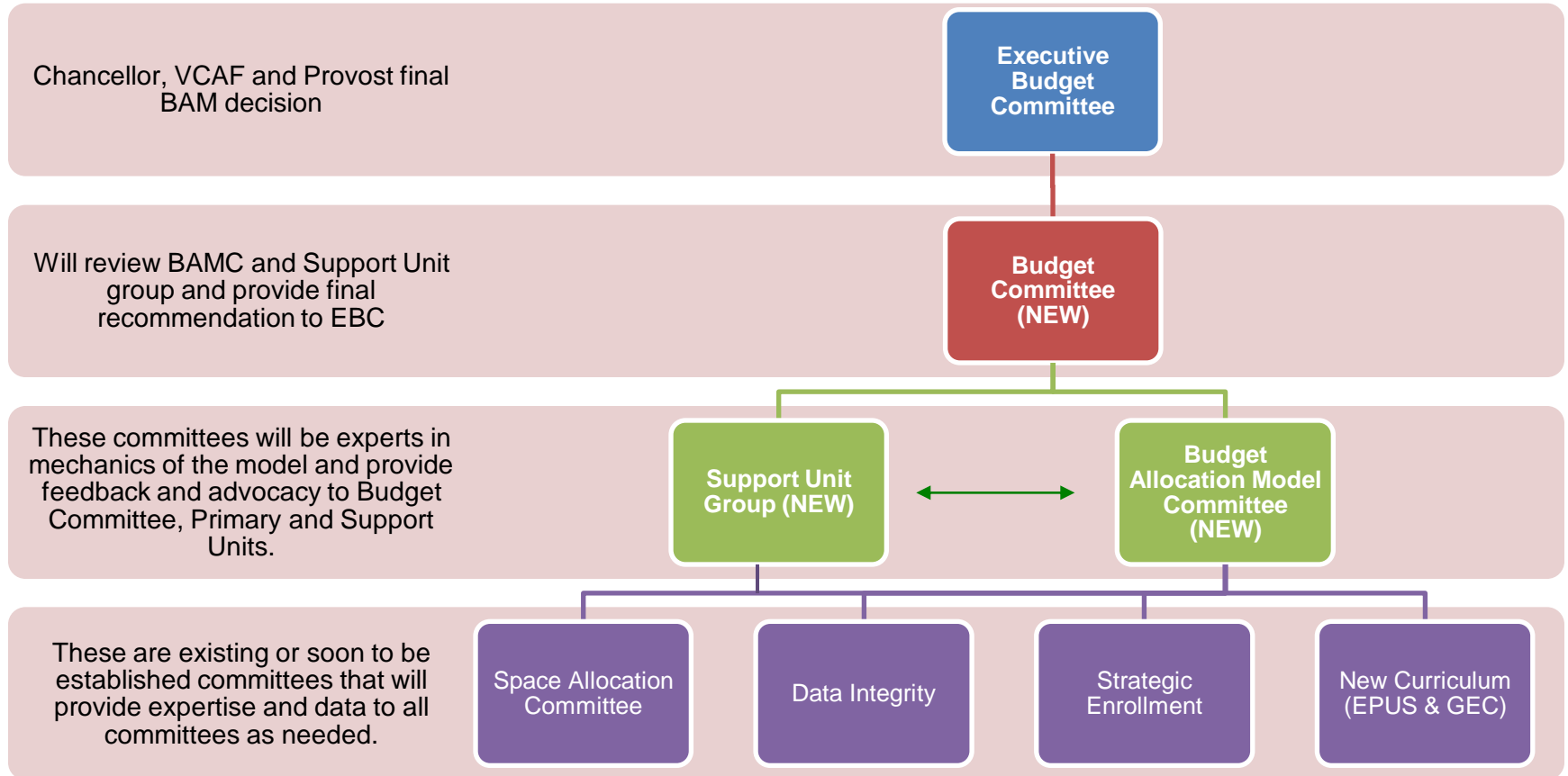
Review & Pre-Roll Out (Jan. – Mar.)

| Model Build | Mid-Year Review/Check in to see how things are working |
|-----------------|--|
| Data Sourcing | Tweak any existing assumptions if we “break” the model |
| Training | Additional training/meetings to share complete BAM development |
| Model variances | Decision on MOU as potential exceptions to BAM |
| Governance | ABR’s – Blend of new model and old budget process |
| Campus Reports | Educate campus constituents on use of tools and reports |
| BOR | Fiscal notes, SIR, Comp Pool, Tuition and Fees |

Final Roll Out and Budget Load (Apr. – June)

| | |
|-----------------|---|
| | |
| Model Build | FY22 Budget – Created in system with BAM |
| Data Sourcing | Re-Create/Finalize BAM assumptions/metrics for allocations |
| Training | |
| Model variances | Finalize hybrid units, MOU's and pending items for BAM |
| Governance | Finalize governance group and update group choice as needed |
| Campus Reports | Finalize and deploy all tools to campus |
| BOR | Tuition, Fees and Comp. FY Budget |

Committee Org-Chart –Version 2



Budget Committee Draft Charge

- **Existing charge:** *“UBAC shall review recommendations to the Chancellor in detail concerning the University budget for the short term and in broad outline for long term University budget policy. These recommendations should reflect the University’s Statements of Mission and Vision, the deliberations and decisions of campus committees, the actions of the Board of Regents, the President of the University, and the CU-Colorado Springs Chancellor. In addition to their advisory role to the Chancellor, all Committee members should consider themselves to be advisors to the general campus community about the nature and state of the budget and the budget process.”*
- **Proposed adding :**
 - *Ensure that any recommendation to changes in the incentive levers abide by the Guiding Principles and incentivize campus growth.*
 - *Review BAMC and SU recommendations and make final recommendations to EBC*
 - *Make recommendations to EBC about strategic investment pool use, reserve use/levels, new programs and overall subvention levels.*

Support Unit Group – Draft Charge

- **Proposed charge:**

- *Align all recommendations (decision) with the Guiding Principles*
- *Evaluate support units' cost allocations across Primary units*
- *Provide accountability process for support and Primary units as it relate to cost allocation and incentives*
- *Evaluate financial plans proposed by support and administrative units*
- *Bring forward recommendations and concerns regarding Support Units to the Budget Committee.*

Budget Allocation Model Committee (BAMC)- Draft Charge

- **Proposed charge:**

- *Uphold Guiding Principles*
- *Oversight of budget model metrics review (3-4 year review)*
 - *Provide expert input to support change or adjustment in tuition allocations, subvention tax rates, ETSP and cost drivers*
- *Provide expertise to all primary units and support units regarding the workings of the model*
- *Make recommendation to Budget Committee on Reserve Levels, Strategic Investment Pool, Subvention Level, ETSP and Depreciation pool.*
- *Bring model change recommendations to Budget Committee*
- *Set parameters for proformas and other analysis tools for model*

Thoughts on Committee Membership

- **Chaired by EBC members**
- **Representatives from Primary units**
- **Independent representatives from Shared Governance**
- **Appropriate Subject Matter Experts**
- **Ex-Officio Budget Office members**
- **Minimize dual membership due to meeting workload**