# Budget Recalibration Steering Team Agenda

February 16, 2017  
8:30 – 10:00 AM  
UWBX M/N

<table>
<thead>
<tr>
<th>Time</th>
<th>Topic</th>
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<tbody>
<tr>
<td>8:30 AM</td>
<td>Welcome &amp; Updates</td>
</tr>
<tr>
<td></td>
<td>- Chancellor’s Team and Town Hall feedback</td>
</tr>
<tr>
<td>8:40 AM</td>
<td>Comprehensive Budget Overview</td>
</tr>
<tr>
<td>8:55 AM</td>
<td>Fund Restriction Matrix</td>
</tr>
<tr>
<td>9:10 AM</td>
<td>“Other” Sources of Funds</td>
</tr>
<tr>
<td>9:25 AM</td>
<td>Discussion &amp; Brainstorming</td>
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<tr>
<td>9:40 AM</td>
<td>Faculty Metrics</td>
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<tr>
<td>9:55 AM</td>
<td>Messaging for Today</td>
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</tbody>
</table>
Opportunity Statement (Draft/Review)

Identify needs and create mechanisms for funding ongoing and sustainable campus level investments, to include:

- Reserves (savings, liabilities/risks, disasters, enrollment variance, etc.)
- Innovations/strategic investments
- Facilities/equipment, asset replacement/refreshes
- Equity contributions for new construction (residence hall with dining, parking)
- All mandatory expenses (leases, salaries, debt service, inflation, UW overhead, etc.)
- Prior commitments (Purple & Gold scholarships, Campus Master Plan updates, Diversity Center, Safety Corridor, etc.)
Work to Date & Coming Events

- Identification of assumptions
- Steering Committee questions
- Opportunity statement draft

Coming:
> GFO on budget and enrollment, Feb. 22
> Core, Feb. 23
> Steering, Mar. 6
Comprehensive Budget Overview
### COMPREHENSIVE SOURCES OF FUNDS

<table>
<thead>
<tr>
<th>Source</th>
<th>Amount</th>
<th>%</th>
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</thead>
<tbody>
<tr>
<td>OPERATING BUDGET</td>
<td>83,089,786</td>
<td>70%</td>
</tr>
<tr>
<td>STATE APPROPRIATION</td>
<td>20,619,654</td>
<td>17%</td>
</tr>
<tr>
<td>TUITION</td>
<td>49,758,858</td>
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<tr>
<td>OTHER</td>
<td>536,191</td>
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<tr>
<td>SUMMER QUARTER</td>
<td>2,468,750</td>
<td>2%</td>
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<tr>
<td>LOCAL FUND ALLOCATION</td>
<td>9,706,334</td>
<td>8%</td>
</tr>
<tr>
<td>RESEARCH COST RECOVERY</td>
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<tr>
<td>REVENUE BUDGETS</td>
<td>5,878,377</td>
<td>5%</td>
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<tr>
<td>NET FEE BASED PROGRAMS &amp; FEES</td>
<td>1,987,482</td>
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</tr>
<tr>
<td>CASCADIA REVENUE</td>
<td>2,341,058</td>
<td>2%</td>
</tr>
<tr>
<td>OTHER</td>
<td>1,549,838</td>
<td>1%</td>
</tr>
<tr>
<td>GRANTS &amp; GIFTS</td>
<td>19,938,059</td>
<td>17%</td>
</tr>
<tr>
<td>GRANTS &amp; CONTRACTS</td>
<td>14,220,511</td>
<td>12%</td>
</tr>
<tr>
<td>GIFTS &amp; DISCRETIONARY</td>
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<tr>
<td>STUDENT FEES</td>
<td>2,955,276</td>
<td>3%</td>
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<tr>
<td>STUDENT ACTIVITY FEE</td>
<td>2,003,400</td>
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<tr>
<td>SPORTS FIELD FEE</td>
<td>174,900</td>
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<tr>
<td>STUDENT TECHNOLOGY FEE</td>
<td>776,976</td>
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</tr>
<tr>
<td>AUXILIARY BUSINESS</td>
<td>5,351,314</td>
<td>5%</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$ 118,123,728</strong></td>
<td></td>
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</tbody>
</table>
## Which funds can we leverage? Or have least restrictions

<table>
<thead>
<tr>
<th>FUND TYPES</th>
<th>SOURCES</th>
<th>SPENDING DISCRETION</th>
<th>PRIMARY USE</th>
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<tr>
<td>GENERAL OPERATING FUNDS</td>
<td>STATE APPROPRIATION</td>
<td>SIGNIFICANT</td>
<td>OPERATING BUDGET</td>
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<td></td>
<td>TUITION</td>
<td></td>
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<td></td>
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<td>DESIGNATED OPERATING FUNDS</td>
<td>LOCAL FUND ALLOCATION (DOF)</td>
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<td>RESEARCH COST RECOVERY</td>
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<tr>
<td></td>
<td>SUMMER QUARTER</td>
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<td></td>
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<tr>
<td>REVENUE BUDGETS</td>
<td>FEE BASED PROGRAMS</td>
<td>SOME LIMITATIONS</td>
<td>SELF SUSTAINING</td>
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<td>OTHER REVENUES</td>
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<tr>
<td>GRANTS &amp; GIFTS</td>
<td>GRANTS &amp; CONTRACTS</td>
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<td></td>
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<td>SIGNIFICANT</td>
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<tr>
<td>STUDENT FEES</td>
<td>STUDENT ACTIVITY FEE</td>
<td>LIMITED</td>
<td>STUDENT DISCRETION</td>
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<td></td>
<td>SPORTS FIELD FEE</td>
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<tr>
<td></td>
<td>STUDENT TECHNOLOGY FEE</td>
<td></td>
<td></td>
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<tr>
<td>AUXILIARY BUSINESS</td>
<td>COMMUTER SERVICE</td>
<td>UNLIMITED</td>
<td>SELF SUSTAINING</td>
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<td></td>
<td>HOUSING</td>
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<td></td>
<td>FOOD SERVICE</td>
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<td></td>
<td>EVENTS</td>
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</table>
UNIVERSITY OF WASHINGTON BOTHELL
By Type of Fund

- OPERATING BUDGET: 70%
- RESEARCH COST RECOVERY (RCR): 1%
- REVENUE BUDGETS: 5%
- GRANTS & GIFTS: 17%
- STUDENT FEES: 2%
- AUXILIARY BUSINESS: 5%
## Campus-wide Funds (including non-operating)

<table>
<thead>
<tr>
<th>Department</th>
<th>Amount</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>CENTRAL</td>
<td>16,190,468</td>
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<tr>
<td>ACADEMIC AFFAIRS</td>
<td>81,011,369</td>
<td>69%</td>
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<tr>
<td>SCHOOLS</td>
<td>41,734,854</td>
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<tr>
<td>ACADEMIC AFFAIRS</td>
<td>24,083,715</td>
<td>20%</td>
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<tr>
<td>CENTERS <em>(CEDR, CRPE, GOOLAD)</em></td>
<td>15,192,801</td>
<td>13%</td>
</tr>
<tr>
<td>ADMIN &amp; PLANNING</td>
<td>16,044,769</td>
<td>14%</td>
</tr>
<tr>
<td>ADV &amp; EXT RELATIONS</td>
<td>2,743,992</td>
<td>2%</td>
</tr>
<tr>
<td>CHANCELLOR</td>
<td>2,133,129</td>
<td>2%</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$ 118,123,728</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

*Centers delineated by org code; does not include CIAC
FY 2018 Operating Budget Assumptions

Budget reallocation:

- Enrollment Target on Bothell Campus: 5300 FTE
- Tuition increases: Assumes 2% for FY 2018 (University to determine)
- Mandatory cost increases: Current assumption of 2% per year
- 6 Full-time lecturers approved for Autumn 2017
- Salary increase target: 3-4% each year for Faculty, Librarians and Professional Staff, partial funding from State, rest from UW Bothell; 3% each year from State for classified staff
- New Faculty promotion policy impact: $300,000 annually
Enrollment Pause SWOT Analysis

**Strengths**
- Opportunity to focus efforts
- Revisit mission/vision
- Strengthen what we do best
- Discipline

**Strengths/Weaknesses**
- Campus morale may be affected
- Faculty mix: 60/30/10
- Student to Faculty ratio: 20:1

**Weaknesses**
- No money for growth
- Fewer degrees of freedom to shape student body or faculty
- Each decision is magnified
- Organizational culture: inertia, differing opinions

**Opportunities**
- Innovation/Change
- Leverage with UW Seattle and UW Tacoma
- Legislature to provide funds for STEM/Education programs
- Become more vibrant/rebrand
- Build external partnerships (cities, donors, legislature, partners like hospitals)
- Create innovative/distinctive processes in Higher Education

**Threats**
- Are we still vibrant?
- Impact on brand
- Impact on values (such as access)
- Maintain/increase status quo
- Change as threat
- Competition
Discussion & Brainstorming
Discussion topics/Brainstorming from last Steering Committee – to be addressed over time

- Discuss what goes into campus-wide pool
- Understand decision-making practices from Chancellor to Dean to budget manager level
- Discuss where we can cut expenses
- Generate principles around how to harness fee-based pieces and how to leverage without dampening entrepreneurialism
- Consider new revenue stream ideas
- Discuss process for oversight into unit practices
February 14 Town Hall Feedback

- **Start, stop or improve something we are doing now**
  - Start food services
  - Reduce redundancies
  - Improve clarity of roles and responsibilities
  - Stop adding new programs/operations without a full assessment and decision making process

- **What we could do to save money or avoid costs**
  - Shared services!
  - Close during extended breaks
  - More activities/courses during summer
  - Correct balance of faculty types
  - Assess program enrollment – are they sustainable?

- **Organization structure ideas**
  - Add staff to mission statement
  - Matrix organization vs. hierarchical
  - More transparency
  - Consistency between job titles/descriptions/compensation

- **What causes you – faculty, staff, students – “pain”**
  - Parking
  - Understaffed (need more help, specific roles)
  - Lack of flexibility in departments
  - Better communication channels (NBALLS, transparency)
  - Lack of space for staff/students/faculty (group work, meetings, trainings, communal)
  - Unnecessary steps for everything
  - Lack of consistency
  - Data quality
Faculty Metrics
Faculty Metrics Retreat- February 13th

- **Purpose**: Review metrics and discuss and agree on recommendations for faculty planning metrics and methodologies

- **Participants**: VCAA, VCAP, Academic deans, Director of First Year & Pre-major Programs, and members of Institutional Research, Institutional Planning & Budget, and Division of Enrollment Management
Faculty Metrics Methodologies

Delaware Cost Study (Institutional Research)

- Faculty FTE (full time equivalent) are attributed to the school that pays the faculty member.
- Student FTE are attributed to the school who pays the faculty member of record for a course.

Faculty Composition Analysis (Institutional Planning & Budget)

- Faculty FTE are attributed to the school that pays the faculty member.
- Student FTE are attributed to the school which “owns” the curriculum abbreviation.
Faculty Metrics: Student-to-Faculty Ratio

Full-Time Equivalent (FTE) is used, not headcount

- **Student FTE**
  - Undergraduate: 45 student credit hours = 1.0 annualized FTE
  - Graduate: 30 student credit hours = 1.0 annualized FTE

- **Faculty FTE**
  - Date Range: September 16 – June 15
  - FTE = Sum of FTE / 9 months

Student-to-Faculty Ratio = Student FTE / Faculty FTE

- Student FTE: 4539
- Faculty FTE: 260
- Student-to-Faculty Ratio: 17.5:1
Faculty Metrics: Faculty Composition

- 3 major categories of faculty
  - Tenured/tenure-track, full-time lecturer, part-time faculty

- Each category of faculty has different expectations
  - Salary, startup packages, governance, research, teaching expectation, experience, etc.

- Provost directive to reduce utilization of part-time faculty to 15% or lower

  - FY 2016 Composition
    - Tenured/tenure-track: 47%
    - Full-time lecturer: 24%
    - Part-time faculty: 23%
    - Graduate student: 4%
    - Other: 2%
Importance of Metrics

- Student-to-Faculty Ratio (S/F Ratio): Given student FTE, projects the overall size of faculty FTE at the school or campus level

- Faculty Composition: Given faculty FTE, projects the type of faculty at the school or campus level

- Student/Faculty Ratio and Faculty Composition together allows projections of:
  - Faculty salaries
  - Faculty startup packages
  - Number of section offerings to meet student FTE targets
  - Faculty offices
  - Administrative support requirements of faculty
## Faculty Metrics: Academic Year 2015–16

<table>
<thead>
<tr>
<th>School/Program</th>
<th>Student FTE</th>
<th>Faculty FTE</th>
<th>S/F Ratio (IR)</th>
<th>Tenured/ TT</th>
<th>FT Lecturer</th>
<th>PT Faculty</th>
<th>Graduate Student</th>
<th>Other</th>
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<tbody>
<tr>
<td>Business</td>
<td>803</td>
<td>40.6</td>
<td>19.8</td>
<td>57%</td>
<td>15%</td>
<td>26%</td>
<td>1%</td>
<td>0%</td>
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<tr>
<td>Educational Studies</td>
<td>290</td>
<td>18.5</td>
<td>15.7</td>
<td>48%</td>
<td>18%</td>
<td>28%</td>
<td>2%</td>
<td>4%</td>
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<tr>
<td>FYPP</td>
<td>532</td>
<td>20.4</td>
<td>26.1</td>
<td>1%</td>
<td>6%</td>
<td>89%</td>
<td>3%</td>
<td>1%</td>
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<tr>
<td>IAS</td>
<td>1359</td>
<td>77.8</td>
<td>17.5</td>
<td>50%</td>
<td>27%</td>
<td>12%</td>
<td>10%</td>
<td>2%</td>
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<tr>
<td>NHS</td>
<td>303</td>
<td>24.2</td>
<td>12.5</td>
<td>60%</td>
<td>23%</td>
<td>17%</td>
<td>0%</td>
<td>0%</td>
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<tr>
<td>STEM</td>
<td>1252</td>
<td>78.6</td>
<td>15.9</td>
<td>48%</td>
<td>31%</td>
<td>17%</td>
<td>1%</td>
<td>3%</td>
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<tr>
<td>UW Bothell</td>
<td>4539</td>
<td>260.0</td>
<td>17.5</td>
<td>47%</td>
<td>24%</td>
<td>23%</td>
<td>4%</td>
<td>2%</td>
</tr>
</tbody>
</table>
Faculty Metrics: Academic Year 2015–16

- Student FTE: 4539
- Faculty FTE: 260
  - S/F Ratio of 17.5:1
  - Assuming a S/F Ratio had been 20:1, faculty FTE would have been 227
- Faculty salary funding: $24.4M*
  - Assuming a S/F Ratio of 20:1 and faculty composition of 60/30/10, faculty salary funding would have been approximately $21.2M*
- Section offerings
  - Movement towards a ratio of 20:1 and composition of 60/30/10 projects a reduction in section offering of 8-10%

*Does not include benefits funding
Faculty Metrics Retreat: Decisions and Impacts

- Methodology: Delaware Cost Study
  - Process changes in data organization for faculty FTE and time schedule

- S/F Ratio: Target 20:1 at the school and campus level (pending analysis)
  - Reduction of overall faculty FTE, comparatively

- Faculty Composition: Target 60/30/10 at the school and campus level (pending analysis)
  - Moving faculty FTE from PT faculty to TT and FT lecturer positions

- Institutional Course Releases: Funded centrally at true cost
  - Additional funded required centrally

- Non-Institutional Course Releases and Sabbaticals: Funded within schools and programs
  - Additional analysis support required at the school level
Faculty Metrics: Next Steps

- VCAA engage with general faculty leadership on impact
- Institutional Research (IR) and Institutional Planning & Budget (IPB) perform analysis requests and return to group by first week of March
- IPB and IR engage with school administrations on data organization impacts
- Another meeting is being scheduled for early April
Steering Next Steps
Messaging for Today