

Boulder Faculty Assembly Budget and Planning Committee 2022-23 Annual Report

The BFA Budget and Planning Committee met roughly every two weeks throughout the academic year, for an hour and a half each time, on zoom. Meetings during the Fall semester were held: August 26, September 2, September 9, September 23, September 30, October 21, December 9. In the spring, our meetings were held: January 27, Feb 10, Feb 24, April 14, April 28.

BPC Membership

Elected members: Emily Yeh (GEOG, committee chair), David Paradis (History), Max Boykoff (ENVS), Carol Cogswell (Engineering), Jennifer Hendricks (Law), Jonathan Rogers (Business), Burton St. John (CMCI), Tad Pfeffer (INSTAAR)

Resource Members: Andy Cowell (ASFS Faculty Council Rep), Todd Haggerty (CFO), Ann Schmeising (Executive Vice Provost for Academic Resource Management), Danielle Brunner (Associate Vice Chancellor for Academic Affairs Budget and Finance). [Note that Carla Ho-a retired and was replaced by Todd Haggerty in October.]

Topics

Key topics of discussion included the new budget model and its supplements; periodic budget updates from Todd Haggerty, including what was happening legislatively (for example, regarding the Hellems renovation, mandatory 5% staff salary increase, small changes to calculation of out of state students) and overall decline in revenue; the recommendations of the Faculty Salary Procedure Working Group; infrastructure related issues including campus priorities and lobbying, and sustainability; online and continuing ed.

Budget Model and its supplements

The topic that was most important and took up the bulk of our discussions was the new budget model and its supplements. As a committee, BFA BPC was not involved in the design of the budget model in AY 21-22 though one resource member (Andy Cowell) was part of that committee and one member of BPC was also a member, but that committee member was largely absent and participated very little. Thus much of the first part of the fall semester was necessarily spent by the BPC members coming to understand the budget model and its supplements.

The first item of contention was the decision for the supplement to be skimmed at 14% of the total NTR available from the educational portion of the budget (65%). Administration disagreed with faculty members of the 21-22 committee about whether there was any principle behind this percentage and even on whether the committee had agreed to keep 14% constant over 3 years (rather than a flat amount).

At the start of the year the committee was told there would be a working group that would determine principles on how to distribute that supplement, but by the end of the year no working group was ever established (to the knowledge of the committee). The committee's input on the supplement was solicited but roundly ignored by the administration, which by the end of the semester had made a decision to keep the supplement largely constant into the distant future, through a decision to alter the dollar amount of each college's supplement by at most 5% for

every 3-year period. This was presented as having been the result of “stakeholder” input, but because it was not discussed at ARMAC, and because the decision was contrary to both the input of the ASFS and BFA BPC, it is clear that the only “stakeholders” who may have pushed for this solution was the Dean’s Council. This is also made clear in the “Supplemental Fund Principles and Processes” document, where the administration makes clear that “recommendations...were discussed and refined with deans.” The committee is aware, however, that at least A&S also objected to this through dean’s council. More importantly, however, the yearlong struggle on the budget model demonstrates that on the issue of budget, the administration, including the provost, is uninterested in faculty input, calling into question the role of the BPC and of faculty governance more generally.

The committee discussed the possible “course hoarding” that might occur as a result of the new budget model (the Engineering college’s teaching of humanities being the obvious existing example), but this issue was addressed by Katherine Eggert and Tiffany Beechy who worked on a resolution for a campus wide committee to oversee such issues.

The committee also spent time in the fall semester arguing that to fulfill promised transparency of the new budget model, the committee, and faculty more generally, needed to see what the supplements are. The committee was originally told that the deans did not agree. Eventually this information was released to the committee and eventually FY23 numbers (projected and after true-up) were posted on a public website but notably in a form that still obscures the true amount of subsidization between colleges. The decision to make the degree of subvention unclear was attributed by administration members to the recommendations of the Strategic Alignment Committee.

There appear to be a number of contradictions between the stated principle of the budget model and the decisions made by about how it will operate. For example, when BPC members pointed out that the CU Law School appears to be the most heavily subsidized law school in the country, with a faculty: student ratio higher than all but one (much wealthier) private Ivy League university, the only response was that CU wants to be a comprehensive university. Yet it is self evident that CU need not have the most subsidized law school in the country to have a comprehensive university. Similarly, we note that the CFO has talked about the need for overall cost containment, and the impossibility of continuing to increase supplementation of the expensive units (Engineering, Law) at the expense of less costly ones (A&S), but these contradictions have been ignored in the decision to keep supplement levels from fluctuating in the name of “stability” for planning – effectively continuing the historical model into the future.

The administration’s primary other response to questions raised is to talk about the new strategic enrollment management tool. It is not at all clear, however, what role faculty governance will have, if any, in this management.

Other budget

Because this committee was one of the originators of two BFA resolutions on divestment last week, and had consulted with the former CU System Treasurer, the committee asked question when the Treasurer was dismissed and blamed for very large scale losses in one time funding (Presidents Initiative Funding) at the system level. The BPC remains skeptical of the explanations given for these losses, particularly the idea that the former Treasurer was solely responsible. The committee received updates from the CFO about how CU was able to avoid some of the heavy losses sustained by other campuses because it used the money very early on to pay back a capital construction loan in order to eliminate that fee for students.

We also raised questions about overall bond debt (given that part of student tuition goes toward paying off debts.) This continues to be a question as a new Chemistry /ENVD building will be built soon through bond issuance. The CFO argued that the current debt ratio (4.3%) is below the Regent policy debt limit of 7%. It is not clear how much the ratio will be increased with the debt for the new Chemistry building.

Overall enrollment declines and severe budget problems at UCCS and UC Denver led to conversations about long-term budget outlooks, with the “demographic cliff” (or slide) and questions about long term planning. Administration acknowledges long term strategic planning is needed but it’s not yet clear what sort of process will be implemented beyond the hopes pinned on the strategic enrollment management tool.

Other issues included a discussion of how differential tuition flows through the budget model, and discussion of ICCA (transfer of funds from Boulder to Central system and back to campuses).

FSPWG

The EPEWA raised a number of questions for the faculty at large about the formula that were used, as well as questions about how to deal with compression and other issues going forward. The Faculty Salary Procedures Working Group was charged with coming up with recommendations; thus BPC did not play an active role beyond asking questions about compression and retentions given the existence of EPEWA. The committee did invite FSPWG to two committee meetings to share their results and offer feedback. One issue discussed is whether preemptive retentions, meant to try to equalize the playing field for those who cannot go on the job market, may be unfair. In discussing data available to departments, the committee asked why NTT faculty are not included on scatterplots.

Continuing Ed and Online education

Given questions about the centralization of online education to system level under Mark Kennedy, as well as lack of clarity about continuing education revenue as an auxiliary, the committee invited Robert McDonald (SVP of online education) and Scott Battle (dean of Continuing Education) to discuss campus strategies on both issues. McDonald informed the committee that everything was pushed back to individual campuses in December 2021 except the postbaccalaureate in computer science

Lastly the BPC inquired about why the university cannot become a global employer and why graduate students are not allowed to use Global PEO. This is a problem for students who conduct dissertation research internationally while also teaching for continuing education for the degree completion program (and to support their research in a landscape of declining funding). The committee did not receive an answer.

Infrastructure and sustainability

BPC member Carol Cogswell brought to the committee’s attention dissatisfaction among Engineering faculty and staff about the poor state of the labs and damage to equipment, and the desire to directly lobby the state government. Kristen Schuchmann was invited to a meeting; she addressed state budget updates as well as why direct lobbying of the legislature by individual faculty is a bad idea. BPC faculty recognize and understand this, but still expressed a wish that there were ways for the faculty to assist campus and system leadership to more effectively make headway in changing the picture for higher education in the state (ie. TABOR).

AVC for Infrastructure and Sustainability Chris Ewing came to the last meeting and discussed the campus prioritization of requests for state funding for deferred maintenance. Student representatives from Fossil Fuel CU participated in part of the meeting to ask questions regarding the Campus Climate Action Plan, particularly regarding the role of Blue Strike consultancy, the place of climate justice in the plan, the inclusion (or not) of Scope 3 emissions, as well as plans for funding of the plan implementation. Members of the BFA Climate Action & Education Committee participated as well, to ask questions regarding why the new residential buildings (Res 1, Res 2) are not being electrified from the start (answer: the plan is to work on a campus level rather than by-building, with low temperature hot water. Because the campus still needs to run off of steam and has 200 some buildings, the transition will be very long).

BPC member Max Boykoff reported several times about his work with campus leaders (Phil DeStefano) and a regent (Lesley Smith) to demonstrate the financial wisdom of divesting from fossil fuels, but reported at the end of the year that there was little progress.

Other issues

- We consulted with Seth Hornstein for questions regarding athletics financing.
- One member suggested providing a greater tuition benefit for faculty & staff household members.