

Course and Program Fees Transition Plan

Background

Course and program fees at the University of Colorado Boulder were originally established to provide funding for costs related to the delivery of specific academic and instructional offerings. In Fall 2018, in an effort to improve transparency and student affordability, the campus eliminated these fees and shifted the source of funding from student-paid fees to campus-funded budgets, now reconceived as Academic Program Allocations (APAs).

Beginning in January 2018, a working group comprised of four Arts and Sciences faculty members, one Engineering faculty member, and staff from other schools/colleges, the Office of the Provost, and the Office of Budget and Fiscal Planning (BFP) provided recommendations to the Senior Vice Provost for Academic Resource Management and Deputy Chief Financial Officer. The recommendations were discussed with academic and administrative leadership from several schools/colleges and BFP staff. The Sr. VP and Deputy CFO received the working group's recommendation, considered the additional feedback received, and revised the proposed plan accordingly to reflect a more flexible, scalable process that allows for individual customization according to each school/college's own needs and strategic priorities.

This document outlines a pilot model that will begin July 1, 2019, and will be evaluated during the subsequent three-year period for improvements that would take effect for fiscal year 2022-23 and beyond. This document describes the process to be followed during the pilot period.

Fiscal Year 2018-19 as a Bridge Year

For fiscal year 2018-19, units received budget allocations equivalent to what they would have received if the original fees had still existed. These figures are subject to a Spring 2019 budget adjustment based on enrollment counts, just as they were in the prior era. Fiscal year 2018-19 has thus been a 'bridge year,' to be followed by the three-year pilot period.

Components of the APA Pilot Model

1. Carve-Out of Salary Budgets

Effective July 1, 2019, the portion of any APA budget allocation which currently funds salaries will be carved out and converted from Operating Budget to Salary Budget (if this conversion has not already taken place in the past). As a result, these Salary Budgets will be included in the annual merit allocation process. The remaining portion of each APA budget allocation will be known as the APA base.

- a. If a school/college elects to fund any new ongoing salaries from its remaining APA base, that portion will likewise be carved out, converted to Salary Budget, and considered to be outside of the unit's APA base going forward.
- b. Any instances of salaries whose benefits have not been fully funded will be evaluated and addressed as part of the overall benefits budgeting transition plan.

2. APA Base: Allocation from Campus to Units

After carving out salary budgets, all remaining budget will become known as the APA base and will be provided as Continuing Operating Budget to each Dean's office.

- a. APA base allocations may fluctuate annually based on the school or college's enrollment growth or decline.
- b. Beginning Spring 2020, the Office of Budget and Fiscal Planning (BFP) will compare each school/college's enrollment in the most recent three terms (Summer, Fall, Spring) to that of the prior year, and apply that percentage change to each APA allocation for the subsequent fiscal year beginning July 1. BFP will communicate allocation changes to units in March.

3. APA Base: Guidance for Allocation within Units

- a. Deans or their delegated authority will make internal decisions about the allocation of their APA base based on their own process or methodology, while adhering to the following principles:
 - i. APA funds shall continue to be allocated in accordance with the original intent of course & program fees: to provide funding for costs related to the delivery of specific academic and instructional offerings.
 - ii. No school, college, or department shall introduce new direct course or program-related costs to its students.
 - iii. Faculty shall have visibility on an annual basis into the internal allocation and use of APA base funds by their school or college.
- b. Failure to adhere to the above principles will invoke a review by the Provost's Office and BFP, and could result in the loss of enrollment-linked growth, and/or a reduction in the APA base.
- c. Each fall, in order to promote transparency for their faculty, Deans or their delegated authority will produce an annual summary of the internal allocation and use of their APA base funds.
- d. BFP will provide analytical support as appropriate and if needed to assist Dean's offices in executing their internal allocation methodologies and/or preparing their annual summary reports.

4. APA Base: Process for Requesting an Increase

- a. Any departmental requests for new APA allocations, e.g., for a new program, will be made first to the Dean, for consideration within the school/college's existing internal APA allocation processes.
- b. To the extent that funds, whether from APA allocations or other sources, are not available at the local level, the Dean may elect to request an increase to his or her school/college's overall APA base from the Provost and CFO. This request must be submitted by November 15 for the fiscal year beginning on the following July 1.
- c. All budget requests, APA and otherwise, will be evaluated by campus leadership based on competing strategic needs and the availability of funds as part of the campus's annual budgeting cycle.

5. Looking Ahead

Campus leadership, in partnership with school/college leadership and faculty, will use the three-year pilot period for two purposes:

- to test and identify refinements to the piloted APA allocation model; and
- to explore whether there may be a different, more universal approach to providing funds for academic and instructional costs.