Making Sense of UVU’s Dollars and Cents
Where do dollars come from?
STUDENTS

- Working  (47% work more than 20 hours per week)
- Mom & Dad
- Federal Financial Aid (taxpayers)
- Scholarships
  - Private
  - Waivers (other students)
- Loans
TAXPAYER

Income tax (portion of earnings)
Sales tax (portion of spending)

Utah Sales Tax Revenue

Note: f = forecast
Source: Utah Tax Commission
How does it get to UVU

- Additional Tax Funds from Legislature (taxpayers)
- Additional Tuition Revenue (students)
  - Increased enrollments (may increase costs)
  - Increased rates (may decrease enrollments)
TAX FUNDS
Overview of Tax Fund Appropriations

UVU

Council Of Presidents

Office of the Commissioner

Regents

Governor’s Budget

Tax Fund Revenue Estimates

Higher Education Appropriation Subcommittee

Executive Appropriations

Division of Finance

Governor’s Signature Enacts

Budget Bills Developed Passes
Tuition

Fall Enrollment History

Student Profile by Enrollment Type
(Fall Growth Indicators)

- Continuing Students
- Transfer Students
- New out of High School
- Other
- In High School


Tuition
TUITION

2010-11 USHE Tuition & Fees
(Academic Year, 15 Credits, Resident)
Tuition Setting In Utah

1st Tier Tuition
- Set by Regents for all USHE Institutions
- Traditionally, funds utilized by Legislature for compensation increases

2nd Tier Tuition
- Increase determined at institutional level with approval by Trustees and Regents
- Utilization of funds determined at institutional level in consultation with students
- Truth in Tuition hearing--required
REVENUE

- Dollars come together to create available revenue.

2011-12 Proj.

Tuition Funds 61.68%  Tax Funds 38.32%
REVENUE

Appropriated Budget Revenue History
(Initial Base Budget)
### Expenditures by Natural Classifications

<table>
<thead>
<tr>
<th>Category</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries &amp; Wages</td>
<td>58.68%</td>
</tr>
<tr>
<td>Benefits</td>
<td>24.00%</td>
</tr>
<tr>
<td>Current Expense</td>
<td>14.04%</td>
</tr>
<tr>
<td>Travel</td>
<td>0.66%</td>
</tr>
<tr>
<td>Capital Equipment</td>
<td>0.49%</td>
</tr>
<tr>
<td>Fuel &amp; Power</td>
<td>2.14%</td>
</tr>
</tbody>
</table>
### Expenditures by Function

<table>
<thead>
<tr>
<th>Category</th>
<th>Percentage</th>
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<tbody>
<tr>
<td>Instruction</td>
<td>50.75%</td>
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<tr>
<td>Academic Support</td>
<td>8.15%</td>
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<tr>
<td>Library</td>
<td>1.94%</td>
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<tr>
<td>Student Services</td>
<td>8.09%</td>
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<tr>
<td>Athletics</td>
<td>1.63%</td>
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<tr>
<td>Scholarships</td>
<td>0.41%</td>
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<tr>
<td>O&amp;M Plant</td>
<td>9.27%</td>
</tr>
<tr>
<td>Institutional Support</td>
<td>19.69%</td>
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</table>
Centers of Responsibility

150 Million Pieces
Decision Making

- Decisions are made at all levels of the university
  - President’s Cabinet
  - Dean’s/Assoc. VPs
  - Departments
Decision Making

Executive Decision Making System

- Yes
- No

Magic 8 Ball

Ask a Question
Turn Over for the Answer

- Yes
- No
- Maybe
Hierarchy of Decision Making

- Institutional Character
- Involvement Across Campus
- Openness of Process
- Decision-Making Authority
- External Environment and Processes
  - Limited Resources
- Pressing initiatives are funded or implemented over time
Decision Streams

- Every decision
  - follows previous decisions
  - enables many future decisions
  - prevents other future decisions

Introduction to Decision Making—Robert Harris
Planning, Budgeting & Assessment Cycle

Campus Conversations

Division/Departmental Conversations and Divisional Prioritization

Institutional & Divisional Planning and Assessment

State of the University

Legislative Outcomes and Tuition Setting

President and Cabinet Decision Making

PBA Outcomes with President Holland

Trustees Approve Operating Budget

Jan

Feb

Mar

Apr

May

Jun

Jul

Aug

Sept

Oct

Nov

Dec
PBA

**Process**
- Promotes collaboration, communication and transparency
- Develops unity toward institutional mission and goals

**Conversations**
- Provide unique opportunity for engagement
- Include accountability for previous initiatives
- Focus on planning to advance strategic directions
BUDGET PHILOSOPHY

A budget is a map guiding an institution on its journey in pursuit of its mission.

Source: College & University Budgeting, NACUBO
Budgetary decisions naturally evolve from the planning process. By the time the budget process is under way, the critical decisions already have been made.
Planning and Budgeting

- Many plan without even realizing that is what they are doing
- A budget is, in reality, a plan, expressed in dollars instead of the letters of the alphabet

Smart Planning: Why Do Any Other Kind?
By: Terry Calhoun
October 2008
DEPARTMENTAL BUDGETS

- Fiscal year (July 1 through June 30)
- Same base resources as previous year; plus or minus changes
  - Budget cuts
  - Reallocations/Permanent Transfers
  - New Allocations
Budgeting Process

- Essentially, the process of saying--

  --Because requests always exceed available funds

The art of leadership is saying no, not yes. It is very easy to say yes.—Tony Blair
Within constrained resources, a financial plan that:

- Reflects priorities
- Fiscally responsible
- Flexible to respond to unanticipated circumstances
- Applies effect of decisions made through the planning process
Money is only an input, and not a measure of greatness.

Jim Collins, Good to Great and the Social Sectors
Questions & Answers