Resolution
BFA-R-6-1299: Silver and Gold Record Budget Request

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Resolution:
In support of Silver and Gold Record's Budget Strategy for Fiscal Year 2001

Because the Silver & Gold Record has not received adequate general fund increases since its 1994 budget cut and its ability to self-fund its operations through auxiliary revenue has now virtually reached its limit, the newspaper faces an extreme financial situation. Without a substantial increase in the general fund allocation the newspaper will not be able to begin another publishing year in July.

Given the vital mission of S&GR as the official newspaper for faculty and staff at the University of Colorado, be it therefore resolved that the Boulder Faculty Assembly strongly urges both campus and system administration to ensure the newspaper's financial viability.

Addendum: Rationale

1. The president and chancellors requested that S&GR prepare a comprehensive business plan. The business plan was developed by Entrepreneurial Solutions and M.B.A. students of the UCB College of Business and Administration and was reviewed by the Silver & Gold Record Editorial Board on Oct. 15. This business plan established the following:

   - The paper has increased its reliance on self-funded auxiliary accounts over time, from 9 percent of total budget in 1994 to 20 percent of total budget in 1999. Professional salaries are covered by the general allocation.
   - However, when only operating expenses are considered, S&GR is now funding fully 75 percent of its operations through the auxiliary account. The general fund allocation is only $11,000 for operating expenses and printing costs alone run $30,000.
   - Self-funded revenues are constrained because board policies do not support an advertising-driven publication in the interest of providing a service to the University.
   - Even if ad rates were doubled, ad revenue would not cover operating deficits.
   - Since 1994 the paper has covered shortfalls in the general fund with reserve money from the auxiliary account. This reserve is now virtually depleted and would not provide enough to cover expenses in 2000-01.

2. After reviewing the business plan, the Editorial Board developed a three-pronged strategy for recovering financial stability.

   a. The newspaper will incrementally raise its advertising rates for both on-campus and off-campus advertisers. Those rates are currently $7.50 and $15 per column inch, respectively.
b. S&GR will seek increased campus-level financial commitments in the form of a guaranteed number of special inserts each fiscal year from each campus and various system departments.

c. The board will request a significant general fund increase from the president to meet financial requirements not otherwise addressed.

Notice of Resolution to the BFA
Executive Committee: November 1, 1999
Notice of Resolution to the BFA: December 2, 1999
From: Silver and Gold Editorial Board
From BFA Committee: Amended:
Approved by BFA Executive Committee: November 29, 1999
Approved by BFA: December 2, 1999
Forwarded to: UCB Administration, Deans, Media
Forward date: December 6, 1999