

Flagship 2030 Final Report

University of Colorado at Boulder

Budget Task Force

September 2008

Successful implementation of the many bold recommendations proposed in CU-Boulder's visionary Flagship 2030 will require equally bold and innovative changes to our financial, organizational and budgetary systems. The Budget Task Force recommends a comprehensive multifaceted approach to create the nimble, flexible and sustainable financial, organizational and budgetary systems that will be required to initiate and sustain the long-term goals of Flagship 2030. This will require CU-Boulder to make many internal changes in the ways we meet our mission to serve the state of Colorado and will require the development of a new relationship with the citizens and government of the state.

The Budget Task Force was given the responsibility to address the Flagship 2030 Initiative of "making enterprise work." This initiative states that:

"We will seek greater operating flexibility and expanded resources to meet our role and mission. A new relationship with the State of Colorado will emphasize our public mission and our accountability under a more self-reliant and market-driven model. We will enhance our private fundraising efforts in support of university initiatives."

The Budget Task Force met weekly from February 2008 through May 2008. Additionally, three closure meetings were conducted during the month of August. The group's research and discussions focused both on the externally and internally driven aspects of CU-Boulder's financial model. During this time, the group reviewed financial management reports and statistics that primarily focused on trends of campus revenues and peer comparisons. We held discussions with campus leadersⁱⁱ from both faculty and administration, who presented their insights into the financial situation of the campus and identified opportunities and challenges for change. We discussed different internal campus budgeting models ranging from responsibility centered budgeting to zero-based budgeting. In addition, we considered different externally driven funding models, focusing on how other Association of American Universities (AAU) universities, CU-Boulder's peers, are funded.

Challenges of CU-Boulder's current financial operating model are:

- CU-Boulder operates with a lower revenue base to support campus operations than AAU peers. Revenue is approximately \$14,000 per student, while the average for AAU peers is \$21,000. Investment in instruction, a top priority for CU-Boulder, is near our peers at 94% of the peer average. In contrast, institutional support and campus administration are 42% of peer average spending. Academic support and student services expenditures are between two-thirds and three-quarters of the peer average. This has led to an under-supported faculty and staff, a situation that interferes with our ability to meet our mission to provide an excellent education to our students and develop new knowledge for the benefit of Colorado and the world.
- For fiscal year 2008, tuition represented 72% of the General Fund operating budget. Nonresident enrollment is approximately one-third of the overall student enrollment, yet nonresident tuition represents approximately 62% of tuition revenue. This heavy dependence on nonresident tuition leads to significant budget fluctuations when nonresident enrollment levels change even slightly. The state contribution to CU's General Fund budget is only \$4,460 per resident student and accounts for only 17% of our General Fund budget. The state's contribution to Colorado resident student support at their flagship institution is at the bottom compared to peers and is \$8,324 per student below the peer average.

- Central allocation of resources occurs on an incremental basis, not based on the costs of delivering education, and provides minimal opportunity for multi-year resource commitments. Short-term budget shortfalls have regularly been solved by growing the size of the undergraduate student body. This model is not sustainable as the total cost of educating those additional students exceeds the revenue generated. Furthermore, the continuing budget adjustments needed to hire additional faculty and staff needed to teach and support the additional students' lags behind the increased enrollments. Processes for creating space to accommodate new students and faculty need to be integrated further into the campus budget process.
- The capricious nature of the annual state budgeting process constrains long-term investment in new programs and initiatives. The one-year planning horizon that the state uses provides uncertainty and general inability to plan past one year.
- The funding and management of interdisciplinary initiatives are not integrated fully into resource allocation planning and processes.

To address these challenges, CU-Boulder needs to ensure that adequate funding comes to the campus and that those resources are allocated appropriately. Furthermore, the goals of Flagship 2030 cannot be implemented without an infusion of additional funding. The following pages outline ideas and recommendations by the Flagship 2030 Budget Task Force to address those challenges.

Objectives

Flagship 2030 proposes many bold new ways for the University of Colorado at Boulder to expand its mission to better serve the citizens of Colorado in the coming decades. Strategic investment of new resources will allow the University to meet the challenges of the rapidly changing world in which we live so that the University will continue to meet the needs of our citizens in the decades to come.

The programmatic changes that will be needed are detailed in the other task force reports. Implementation of those recommendations will require new financial resources and new organizational structures and budgetary systems. Our current systems, even accounting for foreseeable incremental changes to those systems, do not provide the flexible and sustainable structures that will be needed for the University to meet the challenges we will face.

It is clear the status quo will not do. We propose many internal changes that we can implement ourselves. We also propose developing a new and forward-looking relationship with the state so that CU-Boulder can educate new generations of citizens who can flourish in an increasingly technological, international and interdependent world.

Implementation of the Flagship 2030 proposals will require investment in the faculty, staff, and infrastructure needed to educate and engage our students in the development of new knowledge, technologies and arts. These graduates will drive the next generation of economic development in the state, the nation and the world. We must do everything possible to train them with the skills they will need to excel in their careers and lives as leaders and engaged citizens.

Strategies for achieving our objectives

CU-Boulder will need a comprehensive, multi-faceted approach in order to create nimble, flexible and sustainable financial and budgetary systems to address the above challenges. Our strategies for achieving our financial and budgetary goals fall into two broad categories: those that can be developed and implemented internally and those that will require significant discussion and negotiation with the President, Board of Regents, the Governor and the Legislature.

In order to achieve CU-Boulder's financial stability and flexibility from an internal perspective, the Budget Task Force recommends implementing a **coordinated campus budget model** that

aligns practices with long-term campus goals and enhances alumni support. Recommendations that have an external focus are designed to **increase CU-Boulder's autonomy and flexibility** by establishing CU-Boulder as a public authority, fully implementing our state-approved enterprise status, developing a tuition/financial aid model that creates affordable access for all students, and creating a Board of Visitors to be advisors and public advocates of CU-Boulder.

Coordinated Budgeting

Today's method of allocating resources does not support the level of transformation implicit in Flagship 2030. New programmatic initiatives for investments of resources, regardless of size, are evaluated on an ad-hoc basis by senior campus officials, although with greater input for faculty review and input to budget allocation decisions in recent years. This has resulted in a significant number of faculty positions and other resources that are pre-allocated before going through the budget review process. As a result, there is often little campus buy-in for these initiatives. This generates widespread complaints that core missions and mainstream departments are being neglected, especially when enrollments are growing without concomitant growth in faculty and staff.

The Task Force recommends that a coordinated budget model for CU-Boulder be adopted that continues some aspects of the current practice of incrementalism for resource allocation, yet also methodically implements transformational changes. There are specific characteristics of this new budget model that must be implemented fully to realize the possibilities of the model.

The primary characteristics of this coordinated budget model are:

- A more holistic view of resources. As much as possible, consider as a whole such decisions as budget for faculty, staff, and graduate students; operating budget; reorganization costs; and space
- Resource allocations reviewed and evaluated based on meeting the goals of Flagship 2030
- Development of a more decentralized budgeting model that allows units to redeploy resources locally to meet local and campus goals
- Alignment of the organization in order to communicate effectively and discuss objectives and opportunities
- Support for innovation
- Matched demand and supply of resources
- Incentives to take risks
- Identification of cross subsidies with clearly stated rationale
- Resource allocation decisions based on a multi-year planning horizon, with more faculty input than today, and linked to campus goals and program review recommendations
- A campus resource allocation process that is evaluated continuously every few years;
- Periodic evaluation of campus organizational structures to ensure that they best meet the University's overall goals
- Development of a more coordinated funding and management model for interdisciplinary initiatives.

We recommend a phased transition to a much more decentralized budget model that is multi-year based. In this model, campus leadership would determine the allocation of funds based on proposals from units requesting resources for both Core and Transformational Flagship 2030 Initiatives. Proposals would be peer-reviewed and subject to systematic appraisal of University investments in Flagship 2030 initiatives.

To the extent possible, units should have flexibility to manage all their resources to meet their missions, subject to periodic evaluation of the contribution of those efforts to campus goals through program review. There should be sunset provisions incorporated into the resource allocation process, so that the campus reviews investments in its internal organizations on a

regular schedule. The organizational structure will require bold leadership to direct the discussions and resources to the highest priorities to meet the long-term needs of the University.

It is recognized that additional funds will be needed as a part of the Flagship 2030 initiative. It is expected that these dollars will be generated through increased state support, tuition increases, partnerships with governmental labs and the private sector and increases in annual giving and endowment income. Furthermore, we clearly understand that the Flagship 2030 goals will not be possible to achieve using only the new financial resources. In addition to those new resources, the University will also need to redeploy resources internally toward the strategic goals. The committee believes that a regular process of internal reallocation of resources should be a central part of the University budgeting process. Resources (tenure-track faculty, non-tenure track faculty, staff, graduate student assistantships and fellowships, operating budget, and space) need to be reevaluated and redeployed as part of the annual and multi-year budgeting process. Since our resource base is more than \$5,000 per student under our peer average, it is recognized that there are many efficiencies in meeting our educational and research missions, leaving not much left to eliminate or reallocate regularly. However, the ability to redeploy our resources to align with our most urgent needs should be done on a regular basis.

The campus should be prepared to redeploy a substantial percentage of its budget annually toward Flagship 2030 strategic goals. At this time, it is difficult to assess how much of the reallocation should be accomplished at the unit level and how much at the campus level. Unit-level resource redeployment will be a critical part of the more decentralized budgeting process we envision, but a campus-level reallocation that is too small will not provide the flexibility needed to fund the reorganizational and budgetary changes needed to implement Flagship 2030 goals. In the next steps of implementing this recommendation, the campus should develop a process to decide the annual reallocation goal and the split between unit and campus reallocation. We believe that as much as half of the annual reallocation should be decided at the campus level.

We recommend that the University provide incentives and opportunities for a more entrepreneurial model in which resources are allocated by formula to the units that generate those resources. One advantage of this approach is that resources will follow those activities that generate resources for the campus. Units also will have clear incentives both to terminate unproductive activities and to work hard on generating their own resources, instead of waiting for resources to be provided to them. In addition, the campus should develop flexible cross-disciplinary and cross-college/school management teams that are constituted and dissolved as necessary. The teams would include the appropriate Deans and have delineated reporting relationships within the campus organizational structure.

Next steps: In fall 2008, we recommend that the campus adopt practices that support the coordinated budget model approach. During the next resource planning cycle set to begin in fall 2008, we should incorporate a strategy for budget “windows,” which can be any opportunity for resource allocation decisions, and pilot entrepreneurial opportunities. Budget “windows” and pilot examples of the “entrepreneurial model” should be selected based on financial opportunity, contribution to CU-Boulder in supporting its role and mission, and opportunity for success. The Boulder campus Office of Planning, Budget and Analysis would provide the technical and administrative support for this effort.

As part of the development of a coordinated campus budget model, the senior administration should determine an appropriate organizational structure for efficient budget strategies and operational efficiencies. The committee members strongly agreed that the status quo should not be an option.

Timeline: Implement immediately and continue for five years.

Resource Requirements: Personnel time is considered within current workloads and existing resources. New funding that has been earmarked for Flagship 2030 initiatives or any other funding that is beyond required budget increases should be put towards these ideas.

Critical Success Factors: Sufficient resources will be needed to fund the core and transformational initiatives of Flagship 2030.

Increased Autonomy and Flexibility

Public Authority

CU-Boulder should enter into a negotiation with the state to become a public authority. A public authority is a public corporation that is chartered by the state to provide benefit and service to the state. Public authority legislation would allow the institution more autonomy in running its business affairs. This would allow it to operate more efficiently and better meet articulated State needs. Using the University Hospital legislation and similar legislation governing peer public universities as a guide, similar legislation could be crafted for CU-Boulder. *Appendix A* outlines details about this recommendation. The following outlines some important characteristics that also could be included in the legislation. They are derived from a paper by David W. Breneman and H. Lane Kneederⁱⁱⁱ about the University of Virginia experience negotiating their relationship with the state of Virginia.

- A University commitment to state goals in exchange for more autonomy.
- An institutional commitment to be fully accountable to the state for the additional autonomy granted to us.
- An agreement to allow independent assessments and comparisons of tuition and fees to those of peer public institutions.
- Agreement to provide affordable access for Colorado resident students, regardless of individual or family income.
- Assurance that our broad range of programs and courses maintain high academic standards and meet state needs for numbers and geographic distributions of graduates.
- Improvement of training of our graduates to meet state economic needs.
- Active contribution to efforts to stimulate state economic development, especially in areas of low income or high unemployment.
- Increased level of externally funded research and facilitate the transfer of intellectual property and technology from University research centers to the private sector.
- Active work in cooperation with elementary and secondary schools to improve student achievement and skills of teachers and administrators.

Next steps: We recommend the development of draft legislation for the 2011 legislative cycle using the University Hospital public authority legislation as the initial point of reference. We should begin the vetting process with key stakeholders, ranging from the campus community to external entities, such as the Board of Regents, the Office of the President of the University of Colorado, State legislators, and citizens of Colorado.

Timeline: 18 months

Resource Requirements: \$35,000 to hire graduate students to assist in research and drafting of public authority legislation. Assistance from faculty, either in-kind with credits towards service or with additional stipends, also would be beneficial. In addition, there will be legal fees and time spent by executive administration and their staff on a one-time basis for this item. Consideration of full costs to transition CU-Boulder as a public authority will be better understood when the terms are drafted and reviewed. We would anticipate some cost savings from further reducing redundancies and continuing to become more efficient.

Critical Success Factors: There must be stakeholder support ranging from Colorado citizens and Legislature, Board of Regents, other University of Colorado campuses, and the CU-Boulder community. In addition, culture changes will need to be assessed and managed at the onset of pursuing this idea.

Enterprise Authority

Enterprise authority for the State of Colorado higher education was granted as part of Colorado Senate Bill (SB) 04-189. CU-Boulder should revisit enterprise designation to determine if additional opportunities are stated and implied by SB04-189, Taxpayers Bill of Rights (TABOR), and Colorado Revised Statutes 23-5-101 to explore possible avenues for CU-Boulder. An

additional recommendation within this context is to establish a new relationship with the state of Colorado, in which research in and service to the state is integral to the mission of the campus.

It is fully recognized and understood that both the public authority and enterprise concepts promote the idea to move the operating environment from a pre-approval and permission to a post-audit and review environment.

Next steps: As good ideas for revenue opportunities come up, we recommend reviewing them in light of legislation described above.

Timeline: Immediate and on-going timeline for good ideas and establishing a new relationship with the state.

Resource Requirements: A parallel review should occur at the same time as the public authority review as there are similar resource requirements to the public authority concept.

Critical Success Factors: There must be stakeholder support from Colorado citizens, Board of Regents, and leadership of the University.

Ensure Access

To complement the guaranteed access at CU-Boulder for residents of Colorado outlined in the Public Authority recommendation in *Appendix A*, CU-Boulder would create student financial aid programs that are designed to provide limits on debt when a resident student graduates from CU-Boulder. In order to make this approach work for CU-Boulder, a higher tuition and higher financial aid model for residents would need to be adopted since a portion of the incremental tuition received would be used to support financial aid programs. The University of California has had a financial aid model that limits debt in place since the 1990's, demonstrating that such a program can work.

Next steps: We recommend implementing a higher tuition and higher aid model. This model could be pursued regardless of public authority status and would be an element within exercising authority as an enterprise.

Timeline: Ten months of operational preparation to be in place for FY2010, continuing each year for the next five until fully implemented.

Resource Requirements: Personnel effort is required to develop and implement the higher tuition and higher financial aid plan. If this initiative is approved, one-time resources needed are estimated at \$110,000 for the development of promotional materials, programming of systems, and operational support for student services offices directly affected by this initiative.

Critical Success Factors: Guarantees from the state and Board of Regents to implement on a long-term basis.

Board of Visitors

CU-Boulder should consider establishment of a Board of Visitors (BOV) similar to the model used at the University of North Carolina. The Board of Visitors would serve as advisors, public advocates and fundraisers for CU-Boulder. *Appendix C* outlines details about this recommendation. This recommendation will advance the campus in terms of marketing and communications. Marketing and communications are broader topics that deserve greater attention than this report alone. Effective marketing and communications for the campus can enhance perceptions of CU-Boulder.

Next steps: We recommend reviewing North Carolina's BOV's concepts and processes, including discussions with North Carolina institutions. Executive management needs to assess the level of participation that a Board of Visitors would have, as well as consider possible legislative implications. Discussions should then proceed with the President, Board of Regents, campus/University community, and Colorado communities throughout the state.

Timeline: 8 months for review of other State BOVs, and 18-24 months for discussion with stakeholders.

Resource Requirements: \$50,000 for operating and travel costs associated with evaluating and discussing the BOV concept. Personnel time is considered within current workloads and existing resources.

Critical Success Factors: It should be decided whether a Board of Visitors is a stand-alone item, separate from Public Authority. There must be clear articulation and definitive support by CU-Boulder internal and external constituents of a BOV's role and responsibilities. Support by the Board of Regents is essential. The Regents should be asked to allow CU-Boulder to pursue this initiative as appropriate.

Public and Alumni Relations and Fundraising

Given the likely dynamics of other sources of support, greatly increased support by our alumni is critical to the long-term prospects of the University. Increasing support is not only a matter of increased fundraising. Rather, we need to develop lasting relationships with our students to make them likely to be loyal and supportive alumni. At present, there are only minimal incentives for schools/colleges and individual faculty to pursue collective goals in training and nurturing students to become engaged and committed alumni with long-term relationships with the University. Private institutions have long lived with this reality, and have made it work extremely well. Public institutions, given the long-term decline in state and federal support, must learn to do the same.

Next steps: We should identify efforts and programs that will most effectively begin the process of engaging our students to become committed alumni of the future. Campus leadership should further its efforts to work with the Alumni Association, Foundation and other stakeholder groups to establish lasting relationships with all members of the University community.

Timeline: Begin these discussions in fall 2008 with the expectation that recommended changes will begin immediately and re-evaluate efforts after five years. Nurturing enhancement begins immediately and continues in perpetuity.

Resource Requirements: Undefined at this time.

Critical Success Factors: New investments and reallocations should include a consideration of impact on culture.

Part Two

Support for Re-accreditation

CU-Boulder is beginning the re-accreditation process. A primary outcome that should result from all recommendations by the Budget Task Force is to enhance CU-Boulder's revenue sources. These additional resources would fund programs that contribute to CU-Boulder's mission as a comprehensive graduate research institution with selective admission standards. They would help foster the acquisition, discovery and application of knowledge and promote a life of learning for students, faculty and staff. The alumni support recommendation would improve student learning and effective teaching because it calls attention to the need to cultivate relationships with students, faculty and staff.

All of our recommendations have a significant impact on the allocation of campus resources (personnel, financial, and facilities, among others). The Task Force's recommendation of coordinated budgeting can be realized in the near term and is not as dependent on external factors as the other recommendations. The coordinated budgeting model would allow the University to respond rapidly to changing conditions. These proposals are designed to provide the flexible budgetary and financial environments that will allow the University to achieve the goals of Flagship 2030.

Conclusion

The first consideration for funding Flagship 2030 is to scale the expectations and proposed outcomes for CU-Boulder's future. Our goals are designed to meet our state mission and mandate as the premier comprehensive research university in Colorado. This plan needs to take our state mission into account but balance that with our national and international leadership role to meet the needs of a rapidly evolving world. The Budget Task Force believes that the goals of

Flagship 2030 can be met with a coordinated financial plan that achieves increases in revenue to fully support the cost of education of our students. Again, the status quo will not do.

Our recommendations call for a restructured tuition/financial aid system, increases in state support for resident students, carefully planned enrollment growth, increases in extramural funding from the public and private sector and increases in private giving. In addition, the campus should commit to a regular process of continued strategic investment, ongoing evaluation of the success of our programs and periodic review of organizational structures.

Appendix A

Public Authority

A public authority entity is a public corporation that is chartered by the state to provide benefit and service to the state. As an example, prior to 1989, the University of Colorado Board of Regents managed and controlled the operation of the University of Colorado Hospital. In 1989, the Colorado General Assembly passed legislation to establish University Hospital as a public authority.

The intent to establish the public authority stated in Colorado Revised Statute (C.R.S.) 23-201-501 was that it was necessary for University Hospital to provide the best care and that it was not economically viable to do so “due to constraints imposed by being subject to various kinds of government policy and regulation.”^{iv} The University Hospital was set up as “a quasi-governmental and corporate entity charged with the mission of operating a teaching hospital for the benefit of the health sciences schools and providing care for the medically indigent” to best serve the citizens of Colorado and the University of Colorado Health Sciences.^v

Public authority for the University Hospital meant that the ownership and management of the Hospital's assets and operations were reorganized to operate as a private nonprofit corporation with an obligation to provide subsidized indigent care and “invest its resources with a view to maximizing the hospital's long-term ability to provide uncompensated care.”^{vi}

Due to financial challenges listed above, elements of the University Hospital public authority arrangement could benefit both the state of Colorado and CU-Boulder. Using the University Hospital legislation as a guide, similar legislation could be crafted for CU-Boulder. Elements important to the legislation include, but are not limited to:

- Business activities of the CU-Boulder public authority are conducted solely to serve the role and mission of CU-Boulder.
- Assets, personnel management, investments, and all decision-making authority for conducting its business reside within the public authority similar to that of a corporation.
- Immunities, privileges, and rights as a subdivision of the state are provided, including an exemption from property taxation.
- Steady funding from the state is guaranteed since this revenue source is still vital to CU-Boulder economic model and should not be forgone. Current calculations of CU-Boulder's funding gap (to catch up to the peer average for state funding and resident tuition and fees) is \$132 million annually. This is by far the largest higher education funding gap in the state, with other gaps ranging from \$0 to \$37 million.
- CU-Boulder will commit to providing outstanding educational opportunities for the residents of Colorado.
- There will be guaranteed access for qualified residents of Colorado to attend CU-Boulder.

Both the state of Colorado and CU-Boulder could benefit from this arrangement, which should alleviate any perceived loss from the lack of direct state oversight.

Appendix B

Enterprise Authority

Enterprise authority for the state of Colorado higher education was granted as part of Colorado Senate Bill 04-189. This bill established the Colorado Opportunity Fund and Fee-For-Service financial model for how Colorado higher education received its (former) state tax appropriation. In addition to changing how institutions of higher education received funding, there was recognition of the need to have greater resource flexibility. Higher education institutions were provided with the opportunity to be designated as an “enterprise,” provided that less than 10 percent of total revenues are from the state and local government grants.^{vii}

What enterprise authority meant was not totally clear in SB04-189, other than exemptions from select procurement and state fleet rules, and campus cash-funded building construction approval. There also is mention of exemption from section 20, article X of the State Constitution, commonly referred to as Taxpayers Bill of Rights (TABOR^{viii}). It was stated in SB04-189 that the Colorado General Assembly retained the authority to approve, not set, tuition spending authority, which is consistent with statute before SB04-189.

Currently, Colorado higher education appears to be operating within similar parameters of the ones in place before enterprise status was provided. CU-Boulder should revisit enterprise designation to determine if additional opportunities are stated and implied by SB04-189, TABOR, and C.R.S 23-5-101 to seek new opportunities for progress, including becoming more efficient in campus operations.

An additional recommendation is to establish a new relationship with the state of Colorado, in which research in and service to the state is integral to the mission of the campus. Similar to Public Authority, the outcome of this arrangement can benefit the state and CU-Boulder, which should more than offset a perceived loss of direct state oversight.

Appendix C

Board of Visitors

CU-Boulder should consider establishment of a Board of Visitors (BOV). There are two states that have universities with BOVs, Virginia and North Carolina. The BOVs in Virginia appear to be similar to the University of Colorado Board of Regents in terms of role and responsibilities. The main difference between the Virginia university's Board of Visitors and the University of Colorado's Board of Regents is that the BOV is the governing authority for school, which is a public corporation, and the Virginia General Assembly is in control of the public corporation.

North Carolina has a different purpose for its BOVs. For example, the Board of Visitors at the University of North Carolina at Chapel Hill is described as:

“an active group of volunteers, assisting the Board of Trustees and Chancellor in a range of activities that help advance the University, including public relations, government relations and fund raising. But most important, Board of Visitors members serve as ambassadors, informing members of their communities about what is going on at Carolina and, in turn, keeping the University administration informed about what they are hearing about Carolina in their communities”^x.

North Carolina's BOV mission and structure could be an appealing model to adopt for CU-Boulder; however, there may be elements of Virginia's BOV that could assist in the public authority and BOV reviews. SB04-189 also refers to similar functional aspects of those BOVs by allowing a Colorado higher education governing board to seek Governor appointments for advisory members to a governing board, with the appointees' purpose being “to improve the governing board's opportunities to develop and enrich the academic and research programs at the institution”^x.

Appendix D

Glossary of Terms

Budget windows: Opportunities to make resource allocations that occur as one-time events or on a recurring basis

Central allocation of resources: Budget authority and other related decision-making about resources are made from the executive administration level

Continuing budget: Recurring spending authority that is re-established at the beginning of each fiscal cycle

Coordinated (campus) budgeting: All levels within the organization have access to the same information and collectively participate in resource allocation decision-making

Enterprise: Self-supporting government entity that provides goods or services for income. Specifically, under the Tax Payer's Bill of Rights (TABOR) established in the state of Colorado in 1992, government-owned entities must receive less than 10 percent of their annual revenues from the state of Colorado (and local government) grants. "Grants" in this instance means appropriations.

Flexible and sustainable structures: Processes and policies of an organization that can withstand changes in internal and external drivers such as changes in leadership, technology, market forces, laws, etc; and adapt to changes in culture and those drivers.

Public authority: A public corporation that is chartered by the state to provide benefit and service to the state

Responsibility-centered budgeting: Each cost center operates independently and manages all sources and uses of resources. This concept supports a decentralized budget model in that all resource allocation decisions are made at a local level

Zero-based budgeting: The budget is redone completely on a regular cycle, such as annually, to justify the upcoming cycle's source and use of resources

Appendix E

Flagship 2030 Budget Task Force Roster

Steve McNally, *Chair*
Associate Vice Chancellor for Budget,
Planning & Analysis

Paul Beale, *Co-Chair*
Professor, Department of Physics
Director, Academic Advising Center

Erika Smith, *Administrative Support*
Director
Office of Planning, Budget & Analysis

Greg Carey
Associate Professor
Department of Psychology

John "Jinx" Cooper
Professor Emeritus
Department of Physics

Sam Fitch
Professor
Department of Political Science

Michele Jackson
Associate Professor and Chair
Department of Communication

Dave Kassoy
Professor
Department of Mechanical Engineering

Deb Keyek-Franssen
Director, ITS
ATLAS Institute

Ken Krauter
Professor
Department of Molecular, Cellular &
Developmental Biology

Clayton Lewis
Professor
Department of Computer Science

Stephanie Morris
Assistant to the Chair
Department of Computer Science

Chuck Rogers
Professor
Department of Physics

Ann Schmiesing
Associate Professor and Chair
Department of Germanic & Slavic
Languages & Literatures

Mike Waggoner
Associate Professor
School of Law

References

ⁱ <http://www.colorado.edu/flagship2030/>

ⁱⁱ Todd Gleason, College of Arts and Sciences Dean

Bill Kaempfer, Vice Provost and Academic Affairs Budget Advisory Committee Chair

Jeff Mitton, Professor of Ecology & Evolutionary Biology and Boulder Faculty Assembly Budget and Finance Committee Chair

Ric Porreca, Senior Vice Chancellor and Chief Financial Officer

ⁱⁱⁱ "Negotiating a New Relationship with the State: The Virginia Experience", David W. Breneman and H. Lane Kneedler, (<http://teach.virginia.edu/files/pdf/brenemandocs/Breneman.Kneedler.UnivRestructuring.pdf>)

^{iv} CRS 23-21-501.c

^v CRS 23-21-501.e

^{vi} CRS 23-21-501.f

^{vii} Grants in this context mean that there is a direct contribution or subsidy provided with no provision for payback.

^{viii} C.R.S 23-5-101 defines auxiliary enterprises for higher education.

^{ix} <http://www.unc.edu/bov/>

^x State of Colorado Senate Bill 04-189, page 20.