

## **BFA Budget and Planning Committee, Year End Report, AY 2025-26**

**Chair:** Andrew Cowell, A&S (SS)

**Other Voting Members:** Tim Weston, A&S (A&H); Emily Yeh, A&S (NS); Alisha Quandt, A&S (NS); Sloan Speck, Law; Roudy Hildreth, EDUC; Terri Wilson, EDUC; Juleah Swanson, LIBR

**Process:** The Budget and Planning Committee met twice a month over the course of the year. Our admin liaisons were Mandy Cole and Fernando Rosario-Ortiz. They attended one meeting each semester, but we did not invite them to attend as a matter of course. Todd Hagerty also attended one meeting.

The Chair of the committee also attended all meetings of the ARMAC (Academic Resources Management Advisory Committee), and served as the faculty representative on the Strategic Advisory Committee (SAC) which was charged with reviewing the current Budget Allocation Model, which is now in its third year of existence.

### **Activity:**

The primary topic of discussion across the year was the current Budget Allocation Model, and providing feedback on that model to campus decision makers. Feedback was provided in multiple ways:

- 1) The Chair, Cowell, took committee feedback directly to the SAC and Rosario-Ortiz.
- 2) The Committee produced written recommendations to the SAC and Rosaio-Ortiz.
- 3) The committee communicated with the Chairs of the different unit-level faculty governance groups, and received feedback from them, while also urging them to raise various questions and issues with their faculty and their deans. This was designed to complement feedback going directly to the SAC. It was hoped that unit level groups would consult directly with either the Chair of the BPC, or individual members of the BPC, with farther questions.

Key issues discussed during the year included:

- a) The role of research in the budget model
- b) The nature and functions of the Strategic Fund
- c) The nature and functions of the Supplementary Fund
- d) The functions of the Faculty Actions Pool

Our committee made the following recommendations:

- a) Better communication needs to occur about how the current budget model supports research; the current model may be indirectly driving reductions in grad students and graduate programs – in response we urged that the model

- change so that the costs of grad student tuition remissions no longer be charged entirely to the unit hosting the grad students, but rather be charged more broadly to all units, and to both undergraduate and graduate students, because grad students (especially as TAs) are really a common good to all students and the campus generally. This change would end the “punishment” of units that have larger numbers of graduate students; some guardrails are needed, around basic maintenance of grad students, and tenure-track research active faculty, and these need to be enforced at the campus level.
- b) The Strategic Fund should be capped in the model, at a specific percentage (or alternately, specific dollar amount) and not be variable year to year at the discretion of the Chancellor; mid-year true-up funds should not be taken to be added to the Strategic Fund; and the ways in which the Strategic Fund is spent each year need to be clearly reported to the faculty and campus more generally.
  - c) The Supplementary Fund should be considered for four different purposes: supporting differential teaching costs; targeted investment in research in certain areas; serving as a way of smoothing fluctuations (deficits) from year to year, especially in smaller units; and recognizing and supporting the role CU plays as a public institution in the state, with certain units required to perform key state-service roles, such as teacher training (this latter category could also include public goods such as the Shakespeare Festival). We argued that the distribution of the supplementary fund needs to be rationalized and justified much more transparently, on the basis of these four criteria.
  - d) We discussed the faculty actions pool, and the issue that it is another skim (on top of the preceding two) which furthers diminishes the pure NTR aspects of the model. There is an argument that units should simply bear all the costs of faculty actions, as part of their operating base budgets. Conversely, the costs of such actions can be variably burdensome, and some degree of outside buffering from the campus is appreciated, especially in smaller units. We did not take a position on this issue, other than to be sure and point out the special stress on smaller units.

Another important topic discussed was future budget outlooks for the campus. This included a presentation from Todd Hagerty. The topic was driven in part by concerns over declining support for graduate programs on campus, and an interest in determining the forces driving this, and whether it was likely to continue.

Hagerty reported that after AY 2026-27, we will be facing notable downwards pressures on spending in the following years. While revenue is expected to grow, expenses are expected to grow faster, leading to deficits that will have to be addressed. The BPC feels that not

enough discussion is going on right now about this issue and how to address it. In response, Haggerty has been invited to address the BFA general meeting in September. Things do not look terrible (especially compared to other campuses), but action needs to be taken. We expect pressure on graduate programs will continue, as this is the easiest item to cut – one is only cutting potential future students/employees, rather than current employees.

There are certainly other topics that bear closer scrutiny next year: how will the faculty compensation task force findings and recommendations be implemented? How will the campus handle increasing costs and potential investments in IT and AI?

Finally, the committee elected Roudy Hildreth of EDUC as chair for AY 2026-27.