

## Division of Academic Affairs

### Preparing for 2021-22

September 15, 2020

Debra Larson, Provost and Vice President for Academic Affairs

This year's budgeting activities have demonstrated the role of uncertainty and the value of reserves. The University unveiled its final 2020-21 budget at the UBC on September 11. This final budget reflected a stronger annualized FTES than earlier versions; resulting in a 7% reduction to the University's operating funds. The Division of Academic Affairs was assigned a 9.3% reduction that included \$17,154,610 loss and an additive offset of \$3,844,000. Accordingly, the Division revised the September 1 penultimate budget, and added \$2,007,106 to the colleges. Forthcoming budget details will be located at the Budget and Academic Resources link found on the Provost's website.

The Division is managing the reduction of base funds by relying upon a \$3,782,196 planned reduction in operating expenses and the use of \$9,402,248 in one-time reserves. This draw-down of one-time funds leaves the division with \$9,580,553 in projected reserves for next year. The importance of reserves to the Division cannot be understated. Our 2020-21 budget plan is built upon a 2.6% reduction of operating expenses. This modest reduction gives the Division time – this year - to review, identify, and adjust its spending profile to prepare for what is predicted to be another challenging year in 2021-22.

Upon consultation with the PAC and respecting the expressed interest of unit autonomy, I am issuing the following charge to the Division of Academic Affairs. I believe in proactive, iterative, and data-driven budgeting. It has been this approach that enabled the Division to enter the 2020-21 academic year with a sense of stability while in the midst of uncertainty. Our ability, however, to plan for 2021-22 relies upon a greater involvement of the Division. It is in the best interest of our Division – to our students, faculty, and staff – to plan ahead, so we can calmly enter 2021-22 with an approach founded on shared governance that also addresses base revenue shortfalls while sustaining our mission and enabling innovations.

**Charge:** Each PAC-level unit (e.g. Colleges and Support Units) in the Division of Academic Affairs shall engage their respective communities to take stock of their offerings, business practices, structure, etc. to identify a realistic plan for reducing their 2021-22 budgets by 5% from the 2020-21 allocation as established on September 11, while also maintaining the 2020-21 revised instructional target (based on 15,292 annualized FTES). In other words, your 5% plan should not depend solely on possible enrollment reductions. Each plan will be completed and shared with Jennifer Mays, Daniel Grassian, and myself on or before January 4, 2020. Each unit's plan will be shared with the PAC and eventually the University, possibly through the UBC. These plans will inform subsequent efforts and the early phases of budget planning for 2021-22 during the 2021 spring semester.

Opportunities may be realized through a review of curriculum. You are encouraged to refer to the document the "Right Mix of Academic Programs" for framing such ideas. You are also encouraged to:

- Utilize dashboards such as the cost of instruction to inform a review of scheduling practices, curriculum offerings, enrollment trends and student-faculty ratios.
- Collaborate with other units and across colleges.
- Discuss and analyze activities that may generate additional revenue while meeting the ever-evolving interests of current and future students; serving beyond traditional undergraduate in-person programming into graduate programs, credentialing, professional development, degree completion, international opportunities, etc.