



Strategic Planning and Budget Advisory Committee

Wednesday, April 6, 2022

8:15 am - 9:50 am

AGENDA

1. Call to Order
2. Presentation and Discussion: Planning Office –Benchmarking Expenditure#3
(Presenter: Barry Brummund, Co-chair SPBAC)
3. Presentation and Discussion: AIB – Grad Topics
(Presenter: Garth Perry, Vice President/Chief Budget Officer; Meg Lota Brown, Director UA Graduate Center)
4. Senior Leadership Updates
5. Adjournment

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Minutes

Wednesday, April 6, 2022
8:15-9:50am **via Zoom**

Present: B. Brummund (**Co-Chair**), S. Helm (**Co-Chair**), M. Abecassis, L. Benson, B. Berrellez, C. Bourget, E. Cantwell, E. Cheu, S. Colina, J. Duran, J. Florian, D. Hahn, L. Hudson, J. Hunter, J. Jones, I. Moore, S. Moore, G. Perry, C. Ramirez, L. Rankin, H. Rodrigues, L. Rulney, S. Sen, R. Stephan, J. Summers, M. Taylor, S. Troutman K. Van Renterghem, N. Vega

Absent: L. Folks, G. Heileman, A. Miller, J.P. Rocznik,

Guests/Observers: K. Bonine, M. Hingle, M.L. Brown, P. Robles, A. Romero, K. Urquidez

Presenter(s): Barry Brummund, Co-chair SPBAC
Garth Perry, Vice President/Chief Budget Officer
Meg Lota Brown, Director UA Graduate Center

Call to Order

Co-Chair Helm called the meeting to order at 8:17 a.m.

Approval of the Minutes of March 16, 2022

An updated version of the minutes of March 16, 2022 will be approved at the next meeting.

Updates

Helm expressed that there were only nine responses to the AIB Survey that was sent out after the last meeting. A link was put into the chat and Helm asked that the members that have not responded to complete it before the next meeting.

Co-chair's Brummund and Helm have a meeting with the president of UAGC, Paul Pastorek next Friday. They will be asking for materials for SPBAC and hope to have the information for the SPBAC meeting on April 20, 2022. Helm also asked Burd for an update on UAGC which will come during leadership updates.

Presentation and Discussion: Planning Office- Benchmarking Expenditure #3
(Presenter: Barry Brummund, Co-Chair SPBAC)

Brummund explained that this presentation is the last of eight on external benchmarking and data analysis. This presentation will cover sponsored contracts, grant revenue, and sponsored research expenditures; there will also be a summary of past presentations. Currently there are 2,500 externally sponsored contracts and grants at UArizona. The presentation will show the research expenditures per SCH since this is what UArizona's accounting system recognizes and what is reviewed by auditors in the annual financial statement. UArizona has decreased in research intensity by .9% per year for the past 12 years. A committee member expressed that there are different meanings for the term "research intensity" and wanted the committee to be aware that this is only meant in terms of financial processes for this presentation. They asked why these measurements used. Brummund explained that the measurements being used are the same for every other presentation and his team wanted to show the relative comparisons to UArizona's peer institutions. Brummund expressed that for this presentation, research intensity per faculty member is 29.1% greater than the benchmarking average. Research expenditures per 12-mo SCH has changed from \$494.87 (ranking #10) in FY '08 to \$442.09 (ranking #21) in FY '20.

In looking at state and federal grants, the total amount from FY '08- FY '20 has increased slightly. In 2008, UArizona received \$316.7 million (ranking #18) and in 2020, UArizona received \$331.5 million (ranking #26). This includes \$12.5 million in state funding and \$319.1 million in federal funding. Local and private sponsored contracts and grant revenue has increased greatly in the past 12 years. These are not necessarily research funded yet the growth is largely an effect of UArizona's collaboration with Banner Medical. In FY '08 UArizona received \$64.8 million (ranking #23) and in FY '20, UArizona received \$168.7 million (ranking #13). This includes \$3.7 million local and \$165 million private contracts.

Brummund went over multiple slides to summarize the benchmark presentations provided for this committee. There are a total of 240 slides over eight presentations which compare UArizona to 78 peer institutions that use the same metrics. Brummund showed a slide that had average metrics for the 79 total peer institutions that are being compared: 36,523 students enrolled in fall, 43 institutions are land grant, 35 are AAU publics, 43 are MD granting, 5 are HSI, with \$492.3 million in average research expenditures. Comparatively, UArizona has 44,577 students enrolled in fall (ranking #17) with \$761 million in research expenditures (ranking #16) and 83.2% retention rate (ranking #61). Brummund explained that there has been a shift from more state appropriations and less NTR to more NTR with less state appropriations. UArizona's state appropriations decreased from \$492.68 per SCH in FY '08 to \$240.95 per SCH (ranking #48).

UArizona's NTR increased from \$256.34 per SCH in FY '08 to \$519.01 per SCH (ranking #21); added together the total is \$759.97 per SCH (ranking #34). The total state appropriations and NTR is \$1.2 million; \$296.9 million in state appropriations (ranking #33) and \$639.6 million in NTR (ranking #18). When looking at NTR by

residency, non-residents on average are 42.6% of the NTR; for UArizona, non-residents are 83.4% of the NTR.

Federal, state and local grants for students flow better to peer institutions than to UArizona. The average amount for UArizona per SCH is \$44.19 which is 32.4% less than the benchmark average. This amount includes \$38.63 for federal and \$5.56 for state and local. Brummund brought up personnel, operational and capital related expenditures; UArizona spends similarly to its peer institutions. UArizona's employee FTE is 11,322 (ranking #18), personnel expenditures per employee FTE is \$120.1 thousand (ranking #49) with a total personnel expenditure of \$1,359.6 million (ranking #29). UArizona's mission related and common overhead expenditures equal \$1,234.6 million in mission and \$630.6 million in common overhead. Brummund explained that the goal of these presentations was to identify external benchmarks and review institutional and financial metrics per unit. The next steps are to work on disaggregation, research differences and outliers and to identify opportunities for UArizona.

Helm thanked Brummund and asked for questions. A committee member expressed that this is a good situational analysis, but they are concerned that UArizona does not have the staff to grow research more in-house. The research faculty are working hard but there is only so much to grow without more people to do the work. A committee member suggested to look into what to do with this data and to do a deeper analysis that may lead to action planning. The committee member agreed that more research faculty are important yet explained that UArizona does not have spaces that are usable to recruit the types of research faculty needed. A committee member suggested to take a deeper dive into personnel expenditures and would like to compare in terms of compensation.

Presentation and Discussion: AIB – Grad Topics

(Presenters: Garth Perry, Vice President/Chief Budget Officer; Meg Lota Brown, Director UA Graduate Center)

VP Perry and Professor Brown discussed the AIB white paper that was recently released regarding AIB and graduate students. Perry explained that this came from a sub-committee of the AIB stakeholder group that was formed last Spring. The sub-committee worked on how AIB will affect graduate students and came up with recommendations. Brown expressed that the sub-committee unanimously agreed that the graduate revenue portion of RCM is working well; 75% of graduate revenue goes to the major/unit of enrollment and 25% of the revenue goes to the unit that paid the instructor. With this set-up, interdisciplinarity has not suffered. Brown explained that time to degree and completion rates have actually increased, even during the pandemic. Provost Folks wants more opportunities for strategic budget allocation of funds, so the committee had to make some recommendations for changes even though the graduate portion of RCM is working.

Brown explained that in RCM, GIDP are in a separate category from traditional graduate programs; their costs for SCH are not incurred in the unit that houses the GDIP (graduate college). The sub-committee recommends that 100% of GIDP and graduate

non-degree seeking revenue by SCH go to the college that houses the course instructor. All other graduate revenue will be split via 75% to the college of enrollment and 25% to the college that houses the course instructor. There are manifold reasons for funds not to flow directly to the course owner. By going to the course owner, this is not consistent with activity-based rewards; teaching students produces SCH yet the work that informs course ownership is primarily curriculum design, not teaching. Also, if no funds flow to instruction, the sub-committee feels that interdisciplinarity would suffer; colleges would be dis-incentivized to support teaching outside their unit. Brown asked for questions before going to the second recommendation. A committee member verified it will be the college where the student is enrolled, not the specific courses they are enrolled in. A committee member asked Brown to go over the cons for recommendation one. Brown explained that if GIDP's flow 100% based on SCH, the graduate college cost of administering GIDP's will require a strategic budget allocation. Currently the 19 GIDP's that are housed in the graduate college do not direct revenue to the graduate college, it is directly sent to the unit that pays the instructor. Brown explained that having a unique flow for funding GIDP's and non-degree seeking students adds complexity to the model. Currently, the graduate college costs of administering GIDP's is about \$3.3 million. Perry will research the total graduate college budget and provide to SPBAC as a supplement.

A committee member asked about the second recommendation about RC waivers. They want to know about the tax and about the implication of the tax; the member is concerned that it will have a disproportionate effect on some graduate programs. Brown explained that the majority of the committee preferred not to have any graduate financial assistance taxed yet the provost expressed that would not work. The committee tried to come up with a constructive compromise that would be okay for all parties involved. The committee looked at the RC waivers over the past three years and took an average of how much money was being dispersed amongst the colleges for graduate financial assistance in the form of RC waivers. The committee found that the current amount, with no tax at all on the RC waivers is about 15% of NTR so they kept that amount and applied the 15% principle on average across all the colleges; this allows for taxation of growth. The committee recommends that RC waivers issued by colleges that are 15% or less of the graduate NTR will be applied prior to revenue share. All waivers more than 15% will be applied after revenue share. Brown shared that very few colleges are using the amount of RC waivers that are allocated to them; there are three consistently that use as much or more RC waivers than were originally allocated. Brown asked for questions/comments. A committee member expressed concern that this "compromise" will have a negative impact on diversity and programs being offered to students. A committee member expressed that the provost overriding a committee does not constitute shared governance. Brown replied that the committee was not overridden by anyone and that the provost and the budget team have been respectful, receptive and responsive to the committee's deliberations. Perry clarified that the decisions have not been made yet, they are looking at the committee's recommendations. Perry will send Helm and Brummund a survey to gain feedback from the committee.

Senior Leadership Updates

Steve Briggs Moore, Senior Vice President and Chief Marketing and Communications Officer

- Member Moore put his update via chat; he will be focusing on the South x Southwest experience in Austin, TX. Moore asked for the committee to review the website www.sxsw.arizona.edu to see the daily highlights and content delivered by UArizona faculty. Moore thanked everyone who participated in the planning, development and execution. The website will soon feature videos of all of the faculty sessions.

Andrea Romero, Vice Provost for Faculty Affairs

- VP Romero shared her update via chat and gave multiple links. Retention reports and Workload reports are now available on the faculty affairs website at <https://facultyaffairs.arizona.edu/faculty-reports-and-data>.
- Information about awards, seed grants and resources can be found at <https://facultyaffairs.arizona.edu/mentor-mentorship-through-effective-networks-transformational-opportunities-and-research-institute>.
- Promotion and tenure for the '22-'23 cycle has been launched with updated templates and guidelines. Two live synchronous workshops will be given next week, all other workshops are recorded and available online at <https://facultyaffairs.arizona.edu/promotion-dossier-templates> <https://facultyaffairs.arizona.edu/promotion-workshops>.

Lisa Rulney, Senior Vice President for Business Affairs and Chief Financial Officer

- CFO Rulney explained that UArizona is in the process of searching for the new director of the bookstore. There are three main applicants, and the decision will be made next week.
- The new chief of police is Paula Balafas and the deputy chief is Mario Leon, who was pinned on Monday.
- The proposals for the salary increase program are due on April 18. Garth Perry's team will be able to give all units on campus the budget information before July 1, 2022.
- CFO Rulney shared a link to an article with a webinar that was in the Chronicle on Monday about flexible workspaces. There are three options that are being looked at: flexible (coming in early or working later), hybrid (a mixture of in person and remote) or fully remote.
https://chronicle.zoom.us/webinar/register/rec/WN_b1WBuyVGTWu1tPu-sSG4uQ?meetingId=GSbk_Ws_34aXd-GYO6xLjxK22o1ZvvNsmwflVZS_OEB8dKoqeMTh5IzbKtUJKDFo.3Nn2jzZgdu6_wP04&playId=tLHuWUMNg5-yHcobnCtrpyLrjms3gvq90FcGLoiJ-32h3LmMloBBK-lqLErubQAd0TLXnI5INrvL2AoG.vsrbnlaCqleofU3&action=play.

Betsy Cantwell, Senior Vice President for Research and Innovation

- SVP Cantwell shared her update via chat. Her department has been awarded two tranches of additional (Regents-managed) TRIF in the past six weeks. There was an award of \$10 million to support UArizona's proposed Workforce Development/Experiential Learning Proposal. UArizona is a participant in 4 of the 5 awarded Regents Fund grants that are targeted at working with state agencies on their problems.

Jessica Summers, Chair of the Faculty

- Chair Summers asked Burd about UAGC and the possibility of GI Bill funding being revoked. Burd explained that it is just a matter of paperwork; with UAGC moving from CA to AZ, UArizona had to apply for a switch of funding. It takes 60 days normally, but it has been 120 days which Burd explained as bureaucracy. Brummund explained that per ABOR, the only structure available is a branch campus which allows for separate accreditation, faculty, students, etc. UArizona's HR rules will apply to UAGC as well. A committee member brought up that Regent Henley wanted this from day 1. A committee member asked about committees and UAGC; Burd explained that it will be something that ABOR and President Robbins will accept and is unsure who will be in charge of that.

Gail Burd, Senior Vice Provost for Academic Affairs, Teaching, and Learning

- Vice Provost Burd explained that the UA/UAGC coordination work has focused on UAGC's structure and ABOR wants UAGC to come into UArizona as a branch campus with President Robbins in control and reporting to ABOR. They are working now to develop the paperwork for a change of control with the accrediting agencies.

Noah Vega, ASUA President

- Member Vega introduced the ASUA president for the '22-'23 school year: Patrick Robles. Robles expressed that he is excited for the next school year and is ready to work to improve the student experience.

Adjourned

With nothing further, the meeting adjourned at 9:58 a.m.