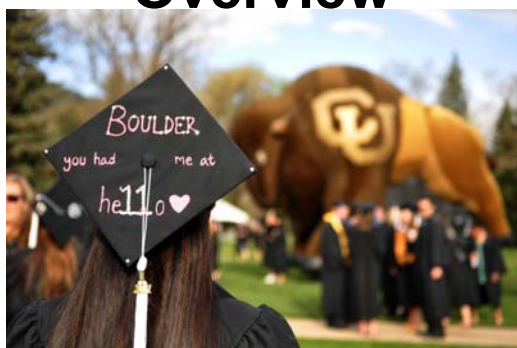


CU-Boulder Budget Overview



Kelly L. Fox
Senior Vice Chancellor
and Chief Financial Officer



Objectives

- Provide the opportunity for discussion regarding university budget
- Establish common understanding of budget challenges and budget planning assumptions
- Review FY 2015 budget proposals and proposed investments
- Review action items for revenue generation and expense containment



What Is the Current Funds Budget?

Unrestricted Revenues

Education and General Fund

- Student tuition and fees
- Direct state appropriations
- Indirect cost reimbursement

Auxiliary Funds

- Revenues from activities conducted primarily to provide facilities or services for students, faculty, and staff
- Continuing Education
- Housing & Dining Services
- Parking Services
- CU Book Store
- Sales and services of educational departments

Restricted Revenues

- Gifts and donations
- Contracts and grants
- Endowment and investments
- Federal financial aid programs

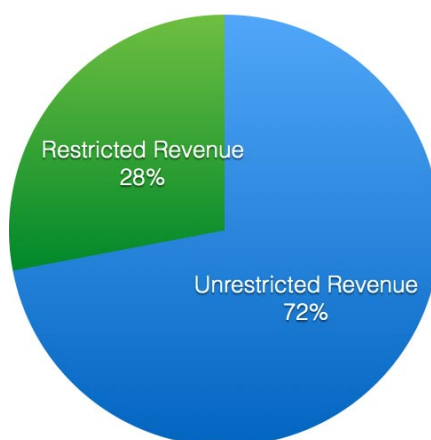


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What Is the Total FY 2014 Budget?

FY 2014 Total Budget: \$1.3 Billion



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What Funds Are Available to Educate Students?

Education and General Funds

Sources of revenue include:

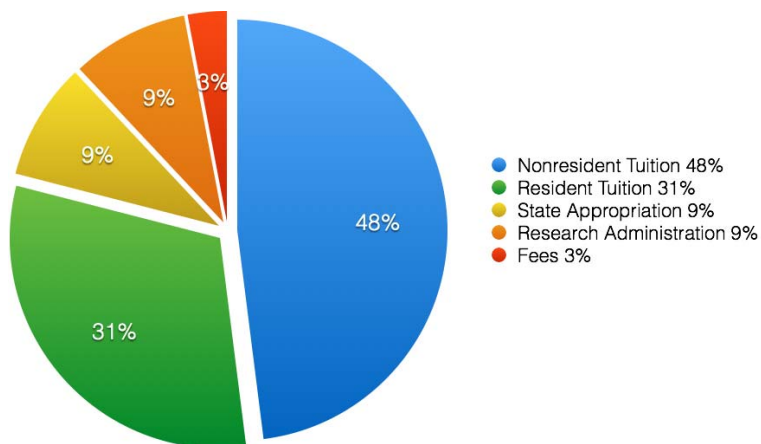
- Direct state appropriations
- Resident tuition revenue
- Nonresident tuition revenue
- Student fees
- Research overhead Reimbursement



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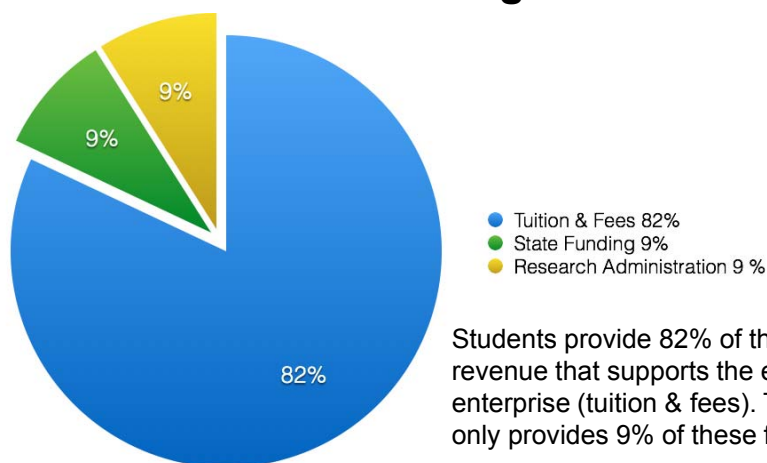
FY 2014 Education & General Revenues: \$614 M budget



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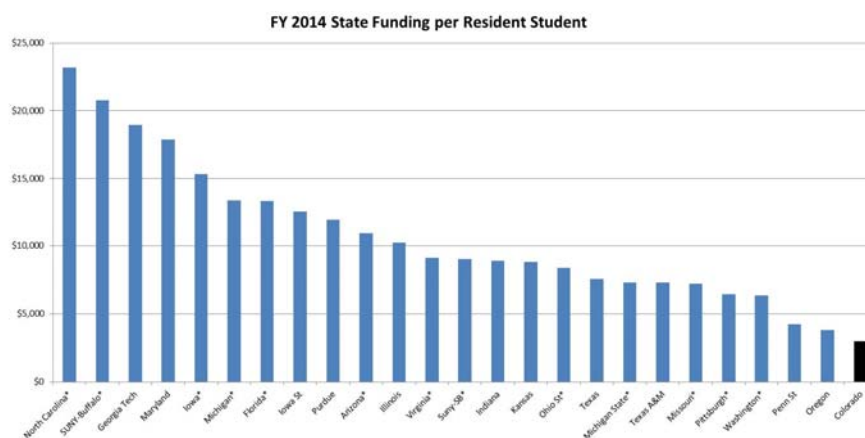
FY 2014 Education & General Revenues: \$614 M budget



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How Does our State Funding Compare to Similar Institutions?

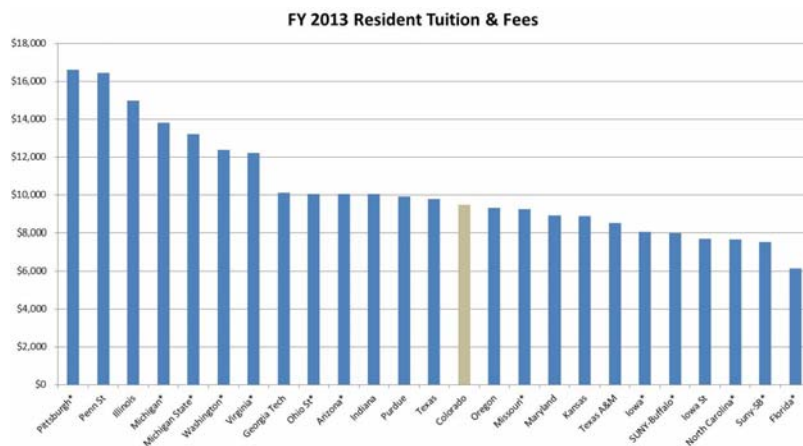


Comparing a full-time, resident Arts & Sciences student

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How Does our Resident Tuition Compare to Similar Institutions?

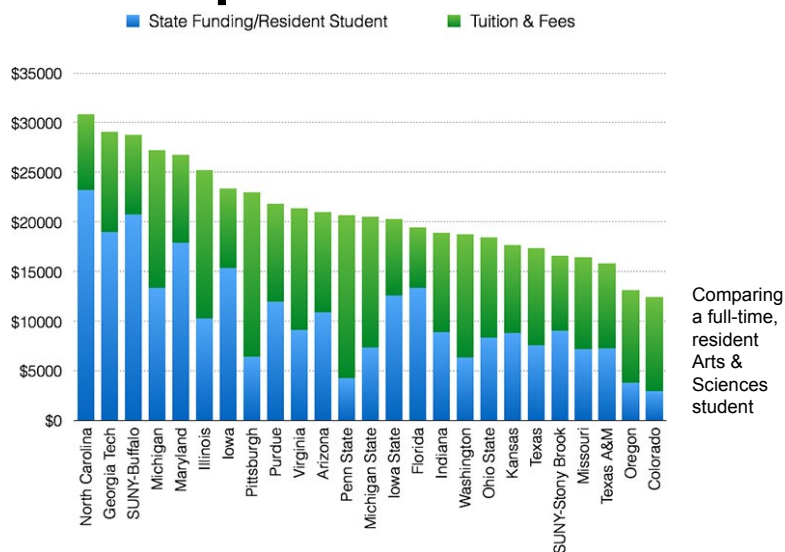


Comparing a full-time, resident Arts & Sciences student

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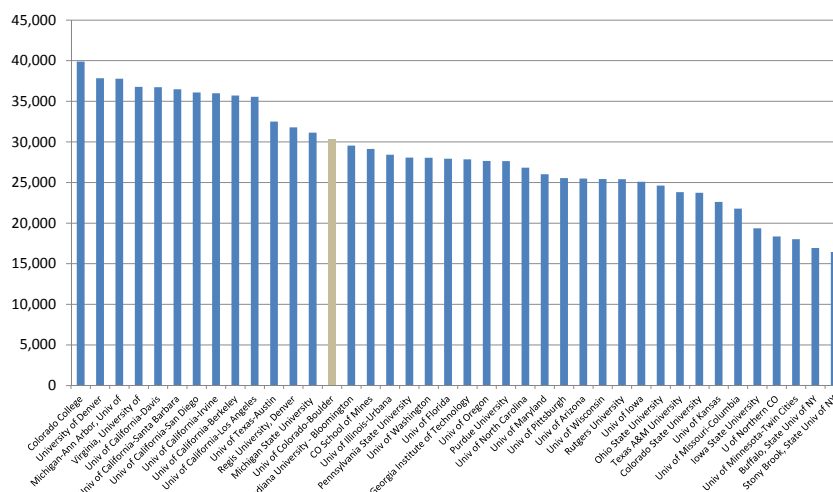
How Does CU-Boulder Compare in Total?



Comparing a full-time, resident Arts & Sciences student

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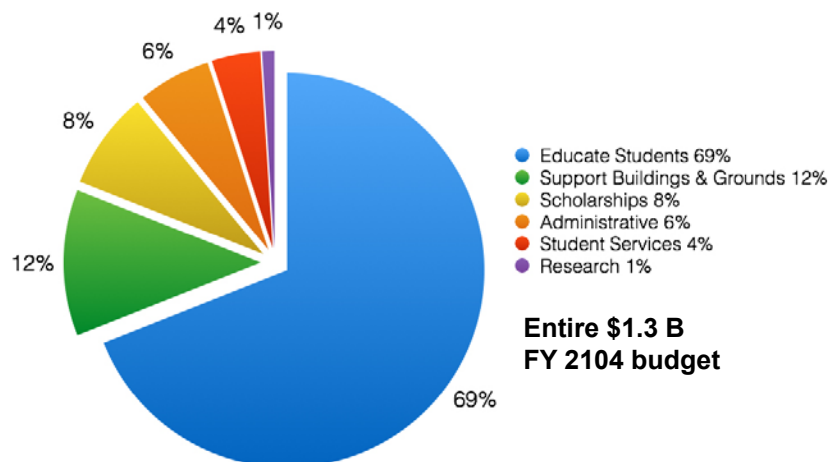
How Does our Non-Resident Tuition Compare to Similar Institutions?



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Where Does the Money Go?



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What Are the Auxiliary Sources of Revenue?

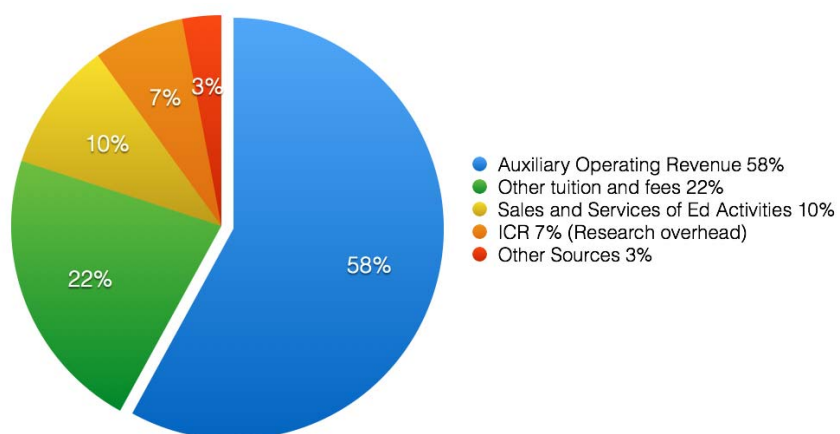
- Housing & Dining Services
- Parking Services
- CU Book Store
- Continuing Education tuition revenue
- Athletics



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FY 2014 Auxiliary Revenue: \$309 M budget



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What Are the Restricted Sources of Revenue?

- **FY 2014 \$367 M**
- Research grants
- Restricted gifts – 98% of fundraising dollars generated are restricted for a specific purpose.



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Strategic Budget Meetings

- Established Financial Health Goals for the Campus:
 - Composite Fiscal Index 3.0
 - Establish enrollment contingency Funding – 1% general and education revenues
 - Establish deferred maintenance annual investment goal
 - Seek to diversify revenue streams



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Planning Assumptions for FY 2015

- **State Funding Increase:**
11% or \$6 million
- **Proposed Tuition Increases:**
 - Resident tuition: 3.6% or \$312
 - Nonresident tuition: 3.0% or \$882
 - International student cost recovery charge: \$1,500
- **Fall 2014 Freshman Class:**
Similar size as fall 2013



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Projected Available New Revenue

	FY 2015
Tuition & Fee Revenue	\$20.3M
State General Fund	\$6.0M
ICR	\$0
Total	\$26.3M

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What Does this Fund?

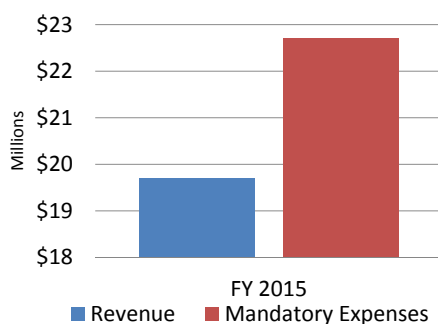
- **Mandatory Increases and Compensation:**
\$23.9 million
- **Investments in:**
 - 2nd year of Esteemed Scholars Program
 - Compliance functions
 - Enhancements to the dependent tuition benefit
 - Deferred maintenance
 - University Libraries



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If We Did NOT Receive a State Increase this Year...



- Mandatory expenses are increasing faster than tuition, fees and ICR revenue.
- Need innovative solutions to maintain historic growth

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Chancellor Goal/ Challenge to the Campus

FY 2016:
GENERATE \$10 MILLION MORE IN
NEW NON-TUITION REVENUE

FY 2013-14

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CU-Boulder Budget Goals for FY 2015

- **Revenue Initiatives:**
 - Investment in retention/persistence effort
 - Address tuition structure Issues
 - Review enrollment mix
 - Maximize ICR revenues
- **Expense Initiatives:**
 - Paperless project
 - Space consultant to help us to maximize use of our largest asset
 - Strategic sourcing – procurement initiative
- **Maximizing Current Revenues**
 - Better use of current Foundation resources
 - Internal loan for deferred maintenance investment
 - Implement policy changes for FY 2015 consistent with board requests regarding unrestricted net assets



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