**AGENDA--DRAFT**

Regular Meeting of the CU Denver Downtown Campus Faculty Assembly’s

Budget Priorities Committee (BPC)

November 5, 2024

10:00 – 11:30 AM

Zoom

BPC Attendees: Sarah Fields (Chair, CLAS), Kelly McCusker (Secretary, Auraria Library), David Tracer (Vice Chair, CLAS), Christine Martell (SPA), Julien Langou (CLAS), Ann Komara (CAP), Tony Cox (Business), Julia Mahfouz (SEHD), Miloje Radenkovic (CEDC), Travis Vermilye (CAM)

Guests: Leigh Ann Rutherford (Administrator Coordinator), Sasha Breger (Faculty Assembly Chair), Manuel Garza (Staff Council Rep), Turan Kayaoglu (Associate Vice Chancellor of Faculty Affairs), Ann Sherman (Executive Vice Chancellor for Finance and Administration)

**Welcome (10:00am - 10:15am)**

* Approved October meeting minutes
  + Updates from Julien and Kelly re budget realignment (BARC)
    - Provided an overview of recent BARC discussions
    - BPC had questions about which budget models we are looking at and how they work.
    - BPC Comment: Consider who has the authority to raise and spend flows.
    - Colleges and schools have more control over D2 / D3 funds. But schools and colleges don’t understand how efforts to recruit others affect them.
    - How much money is taken out for central services?

**Conversation with Ann Sherman, Executive Vice Chancellor for Finance and Administration (10:15am - 11:15am)**

* Budget Allocation Review Committee
  + How much money is taken out for central services?
    - About 35%
  + Are there any central costs that are used more by one college or school?
  + Clarity and aligning sources and uses is key.
  + Lots of confusion on the difference between incremental and incentive based budget model.
  + Questions / concerns about human intervention in the model. There will always be human intervention.
* Budget Outlook
  + Created four scenarios: best, worst, middle; which one would be realistic
    - Aiming for $8.5M deficit, we currently have $5.5M in salary savings due to retirements, need to find $3M to balance for FY 26.
    - Chancellor has eliminated a position in her office.
  + Expenses: salary, benefits, general operating expenses (debt, buildings, utilities, AHEC)
    - AHEC went up over 9% last year
    - Central system office went up over 6%
    - Cyber insurance went up over 70%
  + During the recent budget reductions, we were looking at micro level: individual areas reviewed their areas. Now we want to look at the macro level.
  + Potential December 4 and 5: visioning sessions, where do we see macro opportunities across our system? One idea is redundancies in our software system (example: Zoom vs. Microsoft Teams, DocuSign vs. Adobe Sign, light bulbs)
    - Zoom costs more than $100,000 and less than $1M
  + Looking closely at FY27-28 due to decrease in special funding at that time.
* Enrollment
  + Best case: flat, but expect a decline
  + For every 1% decrease in enrollment, it equals about $1.3M less revenue (or 1% of our compensation)
  + Retention is 72%
  + Informational email should be released this week.

**Final session (11:15am - 11:30am)**

* Returned to BARC discussion
* Many questions about future budget projections and how a new chancellor might effect the budget.