

# Annual Report to the University Senate

## Academic Year 2023-2024

### Senate University Budget Committee

**Committee Charge:** This committee shall review the planning, and allocation of the University operating, capital, and other budgets, the process of making budgetary and financial decisions and the determination of priorities among academic and other programs having financial implications.

#### 2023/2024 University Budget Committee Members:

- **\*Lisa Park Boush, Co-Chair, CLAS, Earth Sciences**
- **\*Michael Morrell, Co-Chair, CLAS, Political Science**
- \*Eleni Coundouriotis, CLAS, English
- \*Elena Dormidontova, CLAS, Physics
- \*Sandy Grande, CLAS, Political Science
- \*Jeffrey McCutcheon, Engineering, Chemical & Biomolecular Engineering
- \*Mohammed Ruwaid, Undergraduate Student
- \*\*Dave Weber, School of Business, Accounting
- \*Michael White, Dining Services
- Erin Carney, Undergraduate Student
- Jessica Chrabaszcz, Executive Associate Athletic Director For Competitive Excellence, UConn Athletics
- Jeffrey Geoghegan, EVP for Finance & CFO UConn and UConn Health (Ex-Officio Member)
- Mannat Kadian, Undergraduate Student
- Anne Langley, UConn Library
- Steve Marchillo, SSW, Director of Finance
- Michael Vertefeuille, SFA, Digital Media and Design
- Reka Wrynn, AVP for Budget, Planning and Institutional Research
- Gopi Yalavarthi, Graduate Student

*\*indicates 2023/2024 Senate member*

*\*\*indicates Spring 2024 Senate member*

#### Summary:

The central focus of the Senate University Budget Committee during the 2023/24 Academic Year has been understanding the University's overall budget situation. We have aimed to communicate our understanding of this situation to the Senate, the Senate Executive Committee, Senate Committee Chairs and Co-Chairs, and University constituents who have approached us directly.

We have also strived to communicate to administrators the questions and concerns we have had and that we have heard from our constituents. Before they were announced, we recommended that the administration hold town halls on the budget. In addition to the administrative members of the committee—Associate Vice President for Budget, Planning and Institutional Research Reka Wrynn and [Executive Vice President for Finance and Chief Financial Officer Jeffrey Geoghegan](#)—we have met with or communicated concerns to Provost and Executive Vice President for Academic Affairs Anne D’Alleva and interim Dean of the College of Liberal Arts and Sciences Ofer Harel. Committee members have also asked questions of administrators at University Senate meetings, the Budget Town Halls, and the Board of Trustees meetings. We also met with representatives from the Office of the Vice President for Research and the Athletics departments to discuss budget issues and concerns in those areas.

### Specific Topics Addressed:

Throughout the 2023/2024 Academic Year, we addressed numerous topics in our meetings.

- I) We updated the Budget FAQ, including changes to fringe benefits and other updates based upon the FY24 budget. We disseminated it again to the Senate and made a presentation at the October Senate Meeting on the updated FAQ and budget information for FY24.
- II) We examined the finalized numbers for the FY23 budget, continued to monitor progress of the FY24 budget, and had discussions on FY25 planning.
- III) We met with Julie Schwager, Associate Vice President, Office of the Vice President for Research to discuss various issues related to the research enterprise, including overall research spending, the calculation and distribution of IDCs (indirect costs), and the impact of the state’s change for fringe benefits costs on research. Julie presented the 10-year history of research funding and suggested that the committee can provide information on best practices from peers and aspirants on what other institutions are doing that we are not and how to support big research groups. The Committee asked if there could be a faculty council for giving OVPR more feedback of where to spend the IDC money; Julie responded positively to this request.
- IV) We investigated 10-year changes in unit-level unrestricted spending across the University. There has been much variation across units regarding increases in spending over the last ten years. Reorganizations (e.g., dividing Student Affairs between the Student Life and Enrollment and Provost Offices) have affected some of these changes over time, while the University has sometimes shifted funding around, changing where we account for the spending of some money. On average over the last ten years the University has increased unrestricted spending 5.87% per year, with Administrative areas increasing 5.77% per year and Academic areas increasing 5.97% per year on average. Even during years in which there were rescissions, spending still grew; rescissions were a method by which the University reallocated resources.
- V) We received and discussed updates on plans for student fees, including housing and dining fees, and capital projects.
- VI) We met with Jessica Chrabaszcz, Executive Associate Athletic Director for Competitive Excellence, and Maureen O’Connor, Associate Athletic Director of Business Operations. They presented information on the FY23 and FY24 Athletics budgets and the economic impact of Athletics on the Connecticut economy.

- VII) We attempted to meet with the Foundation several times but could not coordinate timing successfully given the Committee's and the Foundation's schedules. We did receive an update from Reka Wrynn on the relationship the university has with the Foundation, where they get their funding, and a description of their goal requirements and obligations to the Board of Trustees. We discussed how other Universities manage philanthropy in a wide variety of ways, and why UConn is behind. We discussed the challenges around restrictions on spending for many funds, where it is possible to spend foundation funds and the limitations for use.
- VIII) In response to the proposed Five-Year Fiscal Plan, Co-Chairs Lisa Park Boush and Michael Morrell met together and separately with the Senate Executive Committee and Chairs, the Provost, and several faculty, both individually and in groups. We learned about the planning thus far, and the landscape around which the university must make decisions based on incomplete or fast changing information. The Co-Chairs also tried to communicate information to the administration regarding the reaction to the plan. The Committee discussed a variety of ideas on saving resources for the university, where people make distinct types of budget decisions, how we can gather data about the budget, and the role of Huron Consulting, especially in relation to the peer and aspirant list the University has asked them to investigate.
- IX) We met with [Executive Vice President for Finance and Chief Financial Officer](#) Jeffrey Geoghegan to discuss updates to the budget situation. We discussed and asked questions about a variety of related issues: energy rates and costs overall, Collective Bargaining Increases for FY25 and who pays for them, the source of the \$70m shortfall, and the effect of state funds on the 15% 2-Ledger reductions. We learned that the shortfall in the fiscal plan does not include any Collective Bargaining Increases (CBIs), which we cannot include in projections due to bargaining processes; the University will ask the state to cover any CBIs which arise for FY25. [Note that the Board of Trustees approved the new CBIs for FY25 after our meeting and the University has asked the state to provide funding for all of these.] We discussed the possibility of Responsibility Centered Management (RCM) budgeting and the role of Huron consulting in the budget process; the CFO reported that there is no move to adopt RCM explicitly and that Huron had no role in the budgeting process.
- X) We collected, examined, and discussed 5- and 10-year changes in unrestricted spending within the College of Liberal Arts and Sciences.

## Suggestions for Next Year's Committee:

We recommend that next year's Committee:

- I) continues to probe the expansion of discretionary spending and seek clarity on university finances;
- II) seeks an understanding of the Connecticut Office of Policy Management's (OPM) position on block grant funding;
- III) requests a meeting with representatives from the unions that negotiate directly with the University; this meeting should provide information about how the unions perceive university finances and how that impacts their expectations during negotiations;

- IV) continue to pursue the issue of distributions of research Indirect Costs (IDCs) and the possibility of establishing a formal mechanism for faculty input on Sponsored Program spending.