



## Minutes

### University Budget Model Subcommittee Meeting

November 4, 2019

Agenda: Presentation of Revenue Allocation Methods

Present: Dawn Ressel, Stacey Eve, Tim Edwards, Daniel Parsons, Terri Herron, Jeff Bookwalter, Adrea Lawrence, Stacey Eve, Liz Stotts, Kinsey Anderson, Paul Lasiter

Not Present: Jon Harbor, Hillary Stowell

The objective of this meeting was to introduce three different methods for allocating revenue.

Method 1: After a 2% contingency holdback, allocates net academic year tuition revenue and appropriation revenue 50% to Academic units based upon student credit hours and 50% to Administration. Program tuition and summer net tuition is directly allocated to Academic units, and miscellaneous revenue sources are allocated to Administration. Total allocations are compared to actual expenses and transfers for fiscal year 2019.

Method 2: After a 2% contingency holdback, allocates all net academic year tuition, appropriation and miscellaneous revenue to Academic units based upon student credit hours. Program tuition and summer net tuition is directly allocated to Academic units. Expense shares are then allocated to units based upon a percentage of expenses to revenue ratio derived from each unit's historical cost per unit. Total allocations are compared to actual expenses and transfers for fiscal year 2019.

Method 3: After a 2% contingency holdback, allocates net tuition revenue to Academic units based upon student credit hours and allocates state allocations and miscellaneous revenue to Administration. Program tuition and summer net tuition is directly allocated to Academic units. Total allocations are compared to actual expenses and transfers for fiscal year 2019.

Discussion ensued regarding the University's planning and budgeting processes and historical spending by Schools/Colleges.

Due to a holiday on Monday, November 11<sup>th</sup> the subcommittee will review examples of the revenue allocation methods from multiple years based upon actual results when they meet on November 18.