

Incentive-Based Budget Model (IBBM) Taskforce

Friday November 22 2019

Meeting Agenda:

Project Phase: Design and Model

Review:

- FY2018 Financial Results by College
 - Preliminary revenue and cost allocation method (Undergraduate & Graduate)
 - Model 1: 80% College of Instruction & 20% College of Major (Page 1)
 - Model 2: 70% College of Instruction & 30% College go Major (Page 2)
 - Model 3: 60% College of Instruction & 40% College of Major (Page 3)
 - Model 4: 50% College of Instruction & 50% College of Major (Page 4)

Critical Decisions:

- Assignable Lab Space
 - General Lab Space
 - Program “Specific- Custom” Lab Space
- Strategic Enhancement Fund – Subvention
 - Working group recommendations

Other topics:

- F&A Recovery distribution
 - Office of Research Funding

Incentive-Based Budget Model - Revenue & Costs Allocation (FY2018 Data)

Date: 11-14-2019

Revenue Allocation: UG and GR 80% College of Instruction & 20% College of Major

	College of Business	College of Engineering & Sciences	College of Humanities, Education, and Social Sciences	College of Nursing	College of Technology	Central & Support Services	PNW Total
Revenues							
Direct or Dedicated Revenues	(\$2,577,127)	(\$4,515,872)	(\$3,823,472)	(\$4,273,916)	(\$3,243,787)	(\$47,611,902)	(\$66,046,076)
Allocated Revenues							
Core Tuition	(\$9,474,253)	(\$15,255,463)	(\$18,756,886)	(\$2,814,770)	(\$6,411,232)	\$0	(\$52,712,603)
Undergraduate	(\$8,414,438)	(\$13,916,456)	(\$17,209,418)	(\$2,444,850)	(\$5,722,414)	\$0	(\$47,707,577)
Graduate	(\$1,059,815)	(\$1,339,006)	(\$1,547,468)	(\$369,920)	(\$688,818)	\$0	(\$5,005,027)
State Appropriation (Operating)							
Undergraduate	(\$8,124,613)	(\$10,727,553)	(\$17,756,199)	(\$2,774,976)	(\$4,068,063)	\$0	(\$43,451,403)
Graduate	(\$7,292,365)	(\$10,266,727)	(\$16,351,744)	(\$2,050,383)	(\$3,799,864)	\$0	(\$39,761,083)
Graduation Rate	(\$580,286)	(\$238,336)	(\$1,179,201)	(\$319,947)	(\$69,008)	\$0	(\$2,386,778)
Retention Rate	(\$123,877)	(\$99,125)	(\$97,719)	(\$244,514)	(\$86,535)	\$0	(\$651,771)
	(\$128,085)	(\$123,364)	(\$127,535)	(\$160,133)	(\$112,655)	\$0	(\$651,771)
						\$0	\$0
Total Allocated Revenues	(\$17,598,866)	(\$25,983,015)	(\$36,513,085)	(\$5,589,746)	(\$10,479,295)	\$0	(\$96,164,006)
Total Revenues	(\$20,175,993)	(\$30,498,887)	(\$40,336,556)	(\$9,863,662)	(\$13,723,082)	(\$47,611,902)	(\$162,210,082)
Expenses							
Direct or Dedicated Expenses	\$11,333,662	\$15,448,112	\$20,878,580	\$7,193,661	\$9,552,571	\$47,611,902	\$112,018,488
Allocated Costs							
Academic and Student Affairs	\$2,551,067	\$4,219,789	\$6,207,356	\$753,745	\$1,438,095	\$0	\$15,170,051
Facilities Costs	\$1,205,088	\$3,680,994	\$3,495,692	\$858,656	\$2,874,355	\$0	\$12,114,785
Administrative Assessment	\$3,670,635	\$5,412,227	\$7,576,881	\$1,166,094	\$2,175,537	\$0	\$20,001,372
Total Costs/Expenses	\$18,760,452	\$28,761,121	\$38,158,509	\$9,972,156	\$16,040,557	\$47,611,902	\$159,304,696
FY2018 results under IBBM (surplus)	(\$1,415,541)	(\$1,737,766)	(\$2,178,048)	\$108,494	\$2,317,475	\$0	(\$2,905,386)

Notes:

PNW Operating & Grants Funds

Excludes Housing

Revenue transfers for State R&R and Debt service excluded

Data Sources:

10-31-2019 SOFA Trend

IR Data Digest for enrollment

JLL space audit

Incentive-Based Budget Model - Revenue & Costs Allocation (FY2018 Data)

Date: 11-14-2019

Revenue Allocation: UG and GR : 70% College of Instruction & 30% College of Major

	College of Business	College of Engineering & Sciences	College of Humanities, Education, and Social Sciences	College of Nursing	College of Technology	Central & Support Services	PNW Total
Revenues							
Direct or Dedicated Revenues	(\$2,577,127)	(\$4,515,872)	(\$3,823,472)	(\$4,273,916)	(\$3,243,787)	(\$47,611,902)	(\$66,046,076)
Allocated Revenues							\$0
Core Tuition	(\$9,825,733)	(\$15,101,906)	(\$18,146,423)	(\$2,921,145)	(\$6,717,397)	\$0	(\$52,712,603)
Undergraduate	(\$8,762,943)	(\$13,758,112)	(\$16,605,378)	(\$2,549,965)	(\$6,031,180)	\$0	(\$47,707,577)
Graduate	(\$1,062,790)	(\$1,343,794)	(\$1,541,045)	(\$371,180)	(\$686,217)	\$0	(\$5,005,027)
							\$0
State Appropriation (Operating)	(\$8,451,567)	(\$10,535,318)	(\$17,273,164)	(\$2,874,206)	(\$4,317,147)	\$0	(\$43,451,403)
Undergraduate	(\$7,616,162)	(\$10,074,496)	(\$15,872,839)	(\$2,148,787)	(\$4,048,798)	\$0	(\$39,761,083)
Graduate	(\$583,444)	(\$238,332)	(\$1,175,072)	(\$320,771)	(\$69,160)	\$0	(\$2,386,778)
Graduation Rate	(\$123,877)	(\$99,125)	(\$97,719)	(\$244,514)	(\$86,535)	\$0	(\$651,771)
Retention Rate	(\$128,085)	(\$123,364)	(\$127,535)	(\$160,133)	(\$112,655)	\$0	(\$651,771)
						\$0	\$0
Total Allocated Revenues	(\$18,277,301)	(\$25,637,224)	(\$35,419,587)	(\$5,795,351)	(\$11,034,544)	\$0	(\$96,164,006)
Total Revenues	(\$20,854,428)	(\$30,153,096)	(\$39,243,059)	(\$10,069,266)	(\$14,278,332)	(\$47,611,902)	(\$162,210,082)
Expenses							
Direct or Dedicated Expenses	\$11,333,662	\$15,448,112	\$20,878,580	\$7,193,661	\$9,552,571	\$47,611,902	\$112,018,488
Allocated Costs							
Academic and Student Affairs	\$2,551,067	\$4,219,789	\$6,207,356	\$753,745	\$1,438,095	\$0	\$15,170,051
Facilities Costs	\$1,205,088	\$3,680,994	\$3,495,692	\$858,656	\$2,874,355	\$0	\$12,114,785
Administrative Assessment	\$3,670,635	\$5,412,227	\$7,576,881	\$1,166,094	\$2,175,537	\$0	\$20,001,372
Total Costs/Expenses	\$18,760,452	\$28,761,121	\$38,158,509	\$9,972,156	\$16,040,557	\$47,611,902	\$159,304,696
FY2018 results under IBBM (surplus)	(\$2,093,976)	(\$1,391,975)	(\$1,084,550)	(\$97,111)	\$1,762,226	\$0	(\$2,905,386)

Notes:

PNW Operating & Grants Funds

Excludes Housing

Revenue transfers for State R&R and Debt service excluded

Data Sources:

10-31-2019 SOFA Trend

IR Data Digest for enrollment

JLL space audit

Incentive-Based Budget Model - Revenue & Costs Allocation (FY2018 Data)

Date: 11-14-2019

Revenue Allocation: UG: 60% College of Instruction & 40% College of Major

	College of Business	College of Engineering & Sciences	College of Humanities, Education, and Social Sciences	College of Nursing	College of Technology	Central & Support Services	PNW Total
Revenues							
Direct or Dedicated Revenues	(\$2,577,127)	(\$4,515,872)	(\$3,823,472)	(\$4,273,916)	(\$3,243,787)	(\$47,611,902)	(\$66,046,076)
Allocated Revenues							\$0
Core Tuition	(\$10,177,213)	(\$14,948,349)	(\$17,535,960)	(\$3,027,520)	(\$7,023,561)	\$0	(\$52,712,603)
Undergraduate	(\$9,111,447)	(\$13,599,767)	(\$16,001,338)	(\$2,655,079)	(\$6,339,945)	\$0	(\$47,707,577)
Graduate	(\$1,065,766)	(\$1,348,582)	(\$1,534,622)	(\$372,441)	(\$683,616)	\$0	(\$5,005,027)
							\$0
State Appropriation (Operating)	(\$8,778,522)	(\$10,343,083)	(\$16,790,130)	(\$2,973,435)	(\$4,566,232)	\$0	(\$43,451,403)
Undergraduate	(\$7,939,959)	(\$9,882,266)	(\$15,393,934)	(\$2,247,192)	(\$4,297,732)	\$0	(\$39,761,083)
Graduate	(\$586,602)	(\$238,328)	(\$1,170,942)	(\$321,596)	(\$69,311)	\$0	(\$2,386,778)
Graduation Rate	(\$123,877)	(\$99,125)	(\$97,719)	(\$244,514)	(\$86,535)	\$0	(\$651,771)
Retention Rate	(\$128,085)	(\$123,364)	(\$127,535)	(\$160,133)	(\$112,655)	\$0	(\$651,771)
						\$0	\$0
Total Allocated Revenues	(\$18,955,735)	(\$25,291,432)	(\$34,326,090)	(\$6,000,955)	(\$11,589,794)	\$0	(\$96,164,006)
Total Revenues	(\$21,532,862)	(\$29,807,304)	(\$38,149,561)	(\$10,274,871)	(\$14,833,581)	(\$47,611,902)	(\$162,210,082)
Expenses							
Direct or Dedicated Expenses	\$11,333,662	\$15,448,112	\$20,878,580	\$7,193,661	\$9,552,571	\$47,611,902	\$112,018,488
Allocated Costs							
Academic and Student Affairs	\$2,551,067	\$4,219,789	\$6,207,356	\$753,745	\$1,438,095	\$0	\$15,170,051
Facilities Costs	\$1,205,088	\$3,680,994	\$3,495,692	\$858,656	\$2,874,355	\$0	\$12,114,785
Administrative Assessment	\$3,670,635	\$5,412,227	\$7,576,881	\$1,166,094	\$2,175,537	\$0	\$20,001,372
Total Costs/Expenses	\$18,760,452	\$28,761,121	\$38,158,509	\$9,972,156	\$16,040,557	\$47,611,902	\$159,304,696
FY2018 results under IBBM (surplus)	(\$2,772,410)	(\$1,046,184)	\$8,947	(\$302,715)	\$1,206,976	\$0	(\$2,905,386)

Notes:

PNW Operating & Grants Funds

Excludes Housing

Revenue transfers for State R&R and Debt service excluded

Data Sources:

10-31-2019 SOFA Trend

IR Data Digest for enrollment

JLL space audit

Incentive-Based Budget Model - Revenue & Costs Allocation (FY2018 Data)

Date: 11-14-2019

Revenue Allocation: UG and GR : 50% College of Instruction & 50% College of Major

	College of Business	College of Engineering & Sciences	College of Humanities, Education, and Social Sciences	College of Nursing	College of Technology	Central & Support Services	PNW Total
Revenues							
Direct or Dedicated Revenues	(\$2,577,127)	(\$4,515,872)	(\$3,823,472)	(\$4,273,916)	(\$3,243,787)	(\$47,611,902)	(\$66,046,076)
Allocated Revenues							\$0
Core Tuition	(\$10,528,693)	(\$14,794,792)	(\$16,925,497)	(\$3,133,895)	(\$7,329,726)	\$0	(\$52,712,603)
Undergraduate	(\$9,459,951)	(\$13,441,423)	(\$15,397,298)	(\$2,760,194)	(\$6,648,711)	\$0	(\$47,707,577)
Graduate	(\$1,068,742)	(\$1,353,369)	(\$1,528,198)	(\$373,702)	(\$681,015)	\$0	(\$5,005,027)
							\$0
State Appropriation (Operating)	(\$9,105,477)	(\$10,150,849)	(\$16,307,096)	(\$3,072,664)	(\$4,815,317)	\$0	(\$43,451,403)
Undergraduate	(\$8,263,756)	(\$9,690,035)	(\$14,915,030)	(\$2,345,597)	(\$4,546,665)	\$0	(\$39,761,083)
Graduate	(\$589,760)	(\$238,324)	(\$1,166,812)	(\$322,420)	(\$69,462)	\$0	(\$2,386,778)
Graduation Rate	(\$123,877)	(\$99,125)	(\$97,719)	(\$244,514)	(\$86,535)	\$0	(\$651,771)
Retention Rate	(\$128,085)	(\$123,364)	(\$127,535)	(\$160,133)	(\$112,655)	\$0	(\$651,771)
						\$0	\$0
Total Allocated Revenues	(\$19,634,170)	(\$24,945,641)	(\$33,232,592)	(\$6,206,560)	(\$12,145,043)	\$0	(\$96,164,006)
Total Revenues	(\$22,211,297)	(\$29,461,513)	(\$37,056,064)	(\$10,480,475)	(\$15,388,831)	(\$47,611,902)	(\$162,210,082)
Expenses							
Direct or Dedicated Expenses	\$11,333,662	\$15,448,112	\$20,878,580	\$7,193,661	\$9,552,571	\$47,611,902	\$112,018,488
Allocated Costs							
Academic and Student Affairs	\$2,551,067	\$4,219,789	\$6,207,356	\$753,745	\$1,438,095	\$0	\$15,170,051
Facilities Costs	\$1,205,088	\$3,680,994	\$3,495,692	\$858,656	\$2,874,355	\$0	\$12,114,785
Administrative Assessment	\$3,670,635	\$5,412,227	\$7,576,881	\$1,166,094	\$2,175,537	\$0	\$20,001,372
Total Costs/Expenses	\$18,760,452	\$28,761,121	\$38,158,509	\$9,972,156	\$16,040,557	\$47,611,902	\$159,304,696
FY2018 results under IBBM (surplus)	(\$3,450,845)	(\$700,392)	\$1,102,445	(\$508,320)	\$651,726	\$0	(\$2,905,386)

Notes:

PNW Operating & Grants Funds
 Excludes Housing
 Revenue transfers for State R&R and Debt service excluded

Data Sources:

10-31-2019 SOFA Trend
 IR Data Digest for enrollment
 JLL space audit

Incentive-Based Budget Model - Expenses

	Central & Support Services	College of Business	College of Engineering & Sciences	College of Humanities, Education, and Social Sciences	College of Nursing	College of Technology	PNW Total
Direct or Dedicated Expenses							
S&W		\$7,829,955	\$10,797,784	\$15,342,266	\$4,705,757	\$6,370,419	\$45,046,181
Fringes		\$2,136,680	\$3,277,872	\$4,446,641	\$1,369,997	\$1,750,273	\$12,981,464
Overhead		\$5,667	\$95,174	\$40,917	\$27,669	\$218,826	\$388,254
Supplies & Services		\$1,282,465	\$1,027,793	\$914,526	\$921,370	\$923,465	\$5,069,621
Capital		\$16,577	\$112,727	\$22,380	\$90,970	\$120,017	\$362,672
Scholarships, Fellowships & Awards	\$15,070,092.58	\$93,038	\$181,225	\$111,958	\$192,197	\$102,808	\$15,751,319
Transfer		-\$30,721	-\$44,464	-\$110	-\$114,299	\$66,762	-\$122,832
Grants	\$3,458,876.46	\$0	\$0	\$0	\$0	\$0	\$3,458,876
F&A Recovery	\$519,201.19	\$0	\$0	\$0	\$0	\$0	\$519,201
Overhead recovery	\$484,879.15	\$0	\$0	\$0	\$0	\$0	\$484,879
Gifts	\$4,320,869.69	\$0	\$0	\$0	\$0	\$0	\$4,320,870
Sales and Services	\$7,153,663.33	\$0	\$0	\$0	\$0	\$0	\$7,153,663
CE Traditional Program	\$3,275,316.38	\$0	\$0	\$0	\$0	\$0	\$3,275,316
Special Course Fees	\$881,295.76	\$0	\$0	\$0	\$0	\$0	\$881,296
Miscellaneous Fees	\$267,583.90	\$0	\$0	\$0	\$0	\$0	\$267,584
Composite Fees (restricted)	\$4,509,396.01	\$0	\$0	\$0	\$0	\$0	\$4,509,396
Investment Income	\$2,828,294.56	\$0	\$0	\$0	\$0	\$0	\$2,828,295
Debt Service (Fee Replacement)	\$1,636,805.00	\$0	\$0	\$0	\$0	\$0	\$1,636,805
State Appropriation (Dual Credit)	\$1,527,900.00	\$0	\$0	\$0	\$0	\$0	\$1,527,900
State Appropriation (R&R)	\$1,677,728.00	\$0	\$0	\$0	\$0	\$0	\$1,677,728
Total Direct Revenues	\$47,611,902.01	\$11,333,662	\$15,448,112	\$20,878,580	\$7,193,661	\$9,552,571	\$112,018,488
Allocated Costs							
Academic and Student Affairs	\$0.00	\$2,551,067	\$4,219,789	\$6,207,356	\$753,745	\$1,438,095	\$15,170,051
Facilities Costs	\$0.00	\$1,205,088	\$3,680,994	\$3,495,692	\$858,656	\$2,874,355	\$12,114,785
Administrative Assessment	\$0.00	\$3,670,635	\$5,412,227	\$7,576,881	\$1,166,094	\$2,175,537	\$20,001,372
Total Allocated Costs	\$0.00	\$7,426,790	\$13,313,009	\$17,279,929	\$2,778,494	\$6,487,986	\$47,286,208
Total	\$47,611,902.01	\$18,760,452	\$28,761,121	\$38,158,509	\$9,972,156	\$16,040,557	\$159,304,696

Service Center Cost Pools

Academic and Student Affairs		Facilities		Administration Assessment	
Direct Expenses		Direct Expenses		Direct Expenses	
S&W	\$12,919,408	S&W	\$3,857,819	S&W	\$13,896,406
Fringes	\$4,106,597	Fringes	\$1,694,972	Fringes	\$6,402,441
Overhead	\$366,456	Overhead	\$0	Overhead	\$2,561,512
Supplies & Services	\$5,869,155	Supplies & Services	\$7,657,683	Supplies & Services	\$8,702,751
Capital	\$40,173	Capital	\$162,813	Capital	\$208,541
Scholarships, Fellowships & Aw	\$1,581,701	Scholarships, Fellowships & Awards	\$0	Financing Expenses	\$2,287,719
Transfers-Other	\$2,275,246	Transfers-Other	(\$1,258,503)	Scholarships, Fellowships & Awards	\$15,814,224
				Transfers-Other	\$5,565,008
Total Direct Expenses	\$27,158,737	Total Direct Expenses	\$12,114,785	Total Direct Expenses	\$55,438,601
Direct Revenue		Direct Revenue		Direct or Dedicated Revenues	
CE Traditional Program	(\$3,275,316)	CE Traditional Program	\$0	Scholarships, Fellowships & Awards	(\$15,070,093)
Special Course Fees	(\$881,296)	Special Course Fees	\$0	Composite fees (excluding SSF)	(\$2,453,008)
Gifts	(\$362,805)	State Appropriation (Dual Credit)	\$0	Miscellaneous Fees	(\$238,843)
State Appropriation (Dual Cred	(\$1,527,900)	Grants	\$0	Investment Income & Distributions	(\$2,401,340)
Grants	(\$3,458,876)	Sales & Services	\$0	Debt Service (Fee Replacement)	(\$1,636,805)
Sales & Services	(\$801,750)	Investment Income & Distributions	\$0	State Appropriation (R&R)	(\$1,677,728)
Investment Income & Distribut	(\$426,954)	Student Services Fees	\$0	Overhead recovery	(\$484,879)
Student Services Fees	(\$1,253,788)			Gifts	(\$4,320,870)
				Sales and Services	(\$7,153,663)
Total Direct Revenue	(\$11,988,685)	Total Direct Revenue	\$0	Total Direct Revenue	(\$35,437,228)
<i>*Excludes Housing and Central Scholarships</i>					
Cost Pool Allocation	\$15,170,051	Cost Pool Allocation	\$12,114,785	Administration Assessment	\$20,001,372
Bill Hours		Total Campus Assignable Square Footage	1,300,891.52	Total Allocated Revenues	
College of Business	34,556	Assignable Square Footage by College		College of Business	(\$17,647,936)
College of Engineering & Scienc	57,160	College of Business	25,645.84	College of Engineering & Sciences	(\$26,021,286)
		College of Engineering & Sciences	78,336.30		
College of Humanities, Education, and Social Sciences	84,083	College of Humanities, Education, and Social Sciences	74,392.84	College of Humanities, Education, and Social Sciences	(\$36,428,660)
College of Nursing	10,210	College of Nursing	18,273.31	College of Nursing	(\$5,606,427)
College of Technology	19,480	College of Technology	61,169.98	College of Technology	(\$10,459,698)
Total Bill Hours	205,489	Total College Assignable Space	257,818.27	Total Allocated Revenues	(\$96,164,006)
Allocations		Allocations		Allocations	
College of Business	\$2,551,067.44	College of Business	\$1,205,088.37	College of Business	\$3,670,634.62
College of Engineering & Scienc	\$4,219,788.60	College of Engineering & Sciences	\$3,680,993.50	College of Engineering & Sciences	\$5,412,226.87
				College of Humanities, Education, and Social Sciences	\$7,576,880.58
College of Humanities, Educatio	\$6,207,356.28	College of Humanities, Education, and Soc	\$3,495,692.02	College of Nursing	\$1,166,093.58
College of Nursing	\$753,744.61	College of Nursing	\$858,656.26	College of Technology	\$2,175,536.57
College of Technology	\$1,438,094.51	College of Technology	\$2,874,354.64		

FY2018 Tuition and Fees Revenues

Tuition & Fees	77,041,086.77
Core Tuition – Unrestricted	58,139,316.09
AOCT Tuition – Restricted	9,061,880.15
Global Engagement - Short Term Program Fees – Restricted	935,570.76
Student Service Fees – Restricted	1,253,787.64
DSAC Building Debt Fees – Restricted	301,274.10
Incidental Fees – Unrestricted	67,759.28
Lab Fees – Restricted	3,043,947.66
Technology Fees – Restricted	2,085,316.54
Differential Fees – Restricted	1,082,193.80
Grad School Application Fees – Restricted	51,180.00
Late Registration Fees – Unrestricted	37,318.90
Admission Application Fees – Unrestricted	107,374.21
Transcript Evaluation Fees – Unrestricted	52,155.79
Readmission Fees - Unrestricted	19,555.00
R&R Fee - Restricted	802,456.85
Tuition and Fees Allocated	
Core Tuition	58,139,316
Admissions Application Fees	107,374
Incidental Fees	67,759
Transcript Fees	52,156
Late Registration Fees	37,318
Readmission Fees	19,555
Total Unrestricted	58,423,478
Less Scholarships and Fee Remissions	-5,710,876
Total Tuition and Fee Allocation	52,712,603

Data Source: SOFA

FY2018 Appropriations

Revenue Type	2017-18 Total
Unrestricted State Appropriations	43,451,403.00
R&R State Appropriations - Restricted	1,677,728.00
Debt Service State Appropriations - Restricted	1,636,805.00
Dual Credit State Appropriations - Restricted	1,527,900.00
Lake County Nursing Appropriation - Restricted	215,136.93
Total Appropriations	48,508,972.93

Data Source: SOFA