

FY 2021-22 Operating Budget

June 17, 2021

FOUR CAMPUSES UNITED
ALL FOUR: **ONE**



University of Colorado

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Overview

- \$5.2 billion Total CU Budget in FY 2021-22
- Forecasted changes in enrollment in FY 2021-22 compared to prior year:
 - +2.4% CU Boulder
 - -2.8% UCCS
 - -2.6% CU Denver
 - +0.5% CU Anschutz
- 0% effective increase in tuition for undergraduate students
- Investments in:
 - Financial aid
 - Equal Pay Act Alignment
 - Hourly Wage Market Adjustments
 - Classified staff merit pool

State Funding Update FY 2021-22

- \$19.1 million increase in operating from FY 2019-20 levels, 7.9%
 - CU Boulder \$7.4 million, 8.1%
 - UCCS \$3.3 million, 10.6%
 - CU Denver \$4.6 million, 12.0%
 - CU Anschutz \$3.7 million, 4.7%
- One-time FY 2021-22 buydown of 3.0% undergraduate increases at CU
- \$5.2 million increase in state financial aid, 12.0%
- HB21-1330 Higher Education Student Success – COSI Scholarships, Wraparound Support and Completion Incentives

	<u>CU System Allocation*</u>	<u>\$9.3 million</u>
○	CU Boulder	\$3.3 million
○	UCCS	\$2.6 million
○	CU Denver Anschutz**	\$3.4 million

*Allocation subject to final allocation from COSI Board

**Consolidated allocation based on undergraduate Pell student counts

State Funding Capital Construction Update FY 2021-22

- \$14.1 million for CU Boulder Hellems Arts & Sciences Renovation, 2 years
- \$9.8 million for CU Level 1 and 2 Controlled Maintenance Projects:

Campus	Controlled Maintenance Project	Amount
CU Boulder	Upgrade Elevators, Duane and Ramaley Buildings	\$911,169
UCCS	Replace VAV and Upgrade Controls, Engineering Building	\$1,999,350
CU Boulder	Repair Exterior Structure, Macky Auditorium	\$1,086,807
UCCS	Refurbish Campus Elevators, Seven Buildings	\$288,225
CU Boulder	Replace Fire Alarm Control Panel, EC Civil and Classroom Buildings1	\$616,404
CU Boulder	Install Rooftop Fall Protection, Muenzinger, Porter, and Imig Buildings	\$1,032,016
CU Anschutz	Improve Heating System, Building 500	\$821,737
CU Anschutz	Replace Chiller, Fitzsimons Building	\$1,122,100
CU Denver	Upgrade Electrical System, CU Denver Building	\$1,321,872
UCCS	Replace AHU and Return Air System, Columbine Hall	\$646,048

- \$20.4 million for AHEC Campus-Wide HVAC Infrastructure Replacement
- \$3.7 million for AHEC Level 1 and 2 Controlled Maintenance Projects:

Campus	Controlled Maintenance Project	Amount
AHEC	Provide ADA Walkways, Curtis and Champa Streets and Classroom Court	\$1,117,216
AHEC	Replace Fire Sprinkler System, North Classroom Building	\$1,074,241
AHEC	Replace Main Electrical Switchgear, Campus	\$1,263,359
AHEC	Replace Transformers at North Chiller and PE Events Center	\$253,880

How has CU's **Total** Budget changed

Pre-pandemic FY 2019-20 vs. Post-pandemic FY 2021-22

- Consolidated: \$4.82 billion to \$5.21 billion, 8.0%
- CU Boulder: \$1.90 billion to \$2.01 billion, 5.9%
- UCCS: \$302.5 million to \$336.7 million, 11.3%
- CU Denver: \$353.6 million to \$361.8 million, 2.3%
- CU Anschutz: \$2.27 billion to \$2.50 billion, 10.2%
- System Office: \$202.6 million to \$212.4 million, 4.9%

Notes:

FY 2019-20 include one-time CARES Act CRF and HEERF I funds for allowable expenditures totaling \$164.6 million

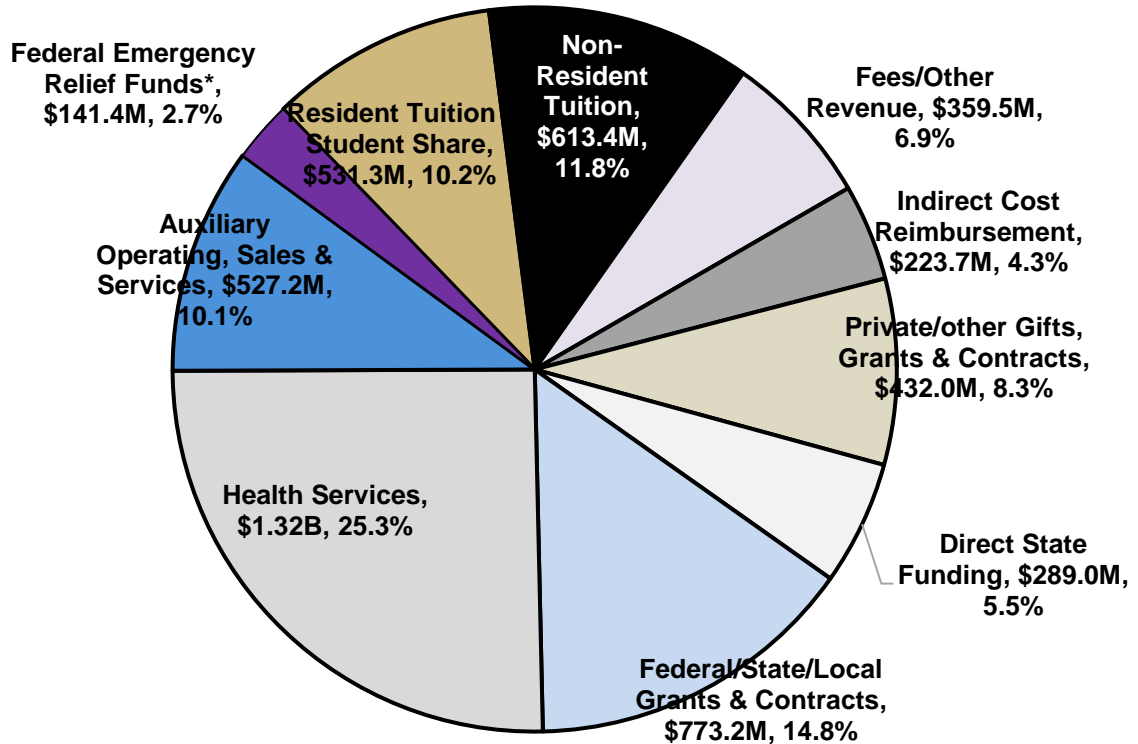
FY 2021-22 include one-time HEERF II & III funds for allowable expenditures totaling \$141.4 million

How has CU's Operating (E&G) Budget changed

Pre-pandemic FY 2019-20 vs. Post-pandemic FY 2021-22

- Consolidated: \$1.63 billion to \$1.68 billion, 2.9%
- CU Boulder: \$936.0 million to \$963.4 million, 2.9%
- UCCS: \$175.7 million to \$162.7 million, -7.4%
- CU Denver: \$220.1 million to \$222.1 million, 0.9%
- CU Anschutz: \$303.0 million to \$334.6 million, 10.4%
- System Office: \$62.7 million to \$63.7 million, 1.7%

FY 2021-22 Total Current Funds Budget Consolidated – Sources of Revenue



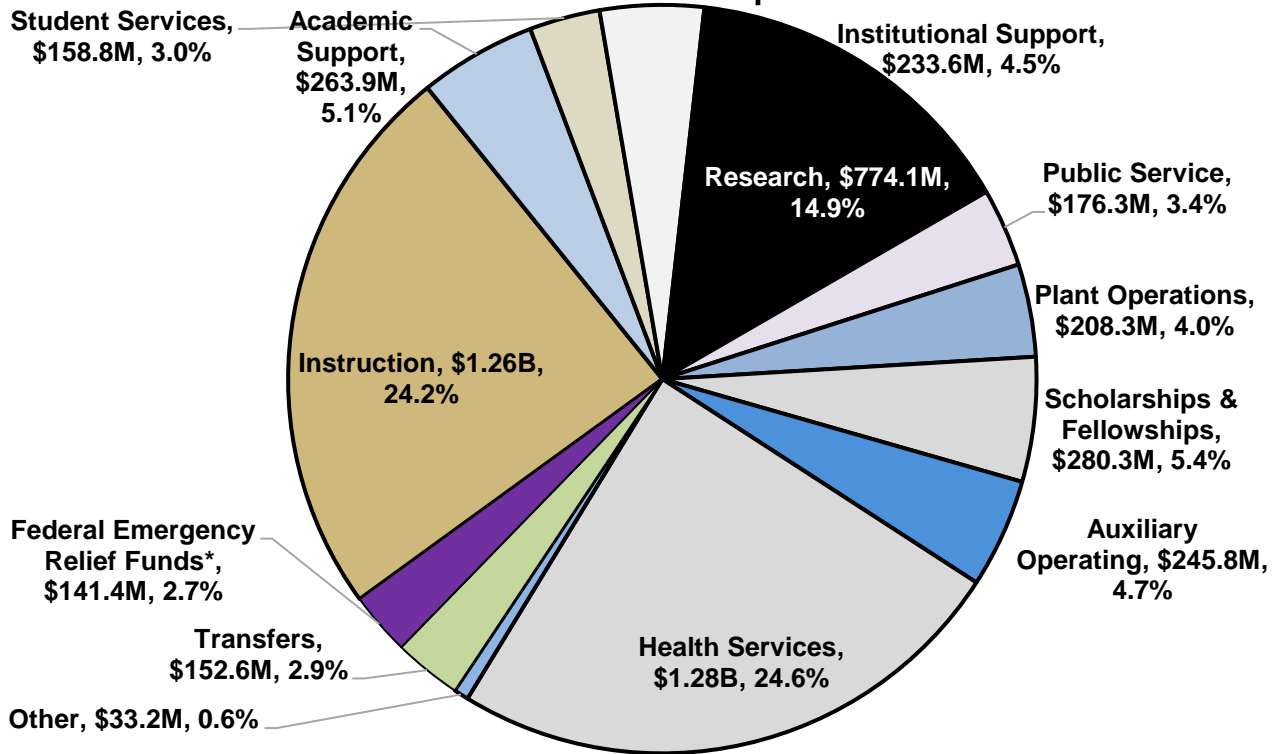
Total Current Funds Budget = \$5.21 Billion



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*Includes the amount estimated to be spent in FY 2021-22 of, \$141.4 million from Higher Education Emergency Relief Fund II and III

FY 2021-22 Total Current Funds Budget Consolidated – Expenditures



Total Current Funds Expenditures and Transfers = \$5.21 Billion

Statewide Tuition and Fee Increases FY 21 and FY 22

Institution	Current Year	Proposed		
	FY 2020-21 Tuition and Fees (30 credit hrs.)	FY 2021-22 Tuition and Fees (30 credit hrs.)	\$ Increase	% Increase
Adams State University	\$9,560	\$9,680	\$120	1.3%
Colorado Community College System (CCD)	\$5,795	\$5,575	-\$220	-0.9%
Colorado Community College System (MCC)	\$4,747	\$4,750	\$3	0.0%
Colorado Mesa University	\$9,306	\$9,644	\$338	3.6%
Colorado School of Mines	\$19,100	\$20,138	\$1,038	5.4%
Colorado State University	\$11,939	\$12,331	\$392	3.3%
Colorado State University Pueblo	\$10,664	\$10,640	-\$24	0.0%
Fort Lewis College	\$8,896	\$9,005	\$109	1.2%
Metropolitan State University of Denver***	\$9,180	\$10,021	\$841	0.1% / 9.2%
University of Colorado Boulder**	\$12,466	\$12,807	*\$341	*2.7%
University of Colorado Colorado Springs	\$10,480	\$10,760	*\$280	*2.7%
University of Colorado Denver	\$11,537	\$11,580	*\$43	*0.4%
University of Northern Colorado	\$10,062	\$10,668	\$606	6.0%
Western State Colorado University	\$10,646	\$10,646	\$0	0.0%

*Effective one-time FY 2021-22 tuition and mandatory fee rate increase after tuition buydown:

CU Boulder = \$29, or 0.2% UCCS = \$14, or 0.1% CU Denver = -\$257, or -2.2%

**CU Boulder: 4 Year Guarantee for incoming FY 2021-22 Freshman & Transfer Cohort, 0.0% increase for continuing cohorts.

***Metropolitan State University of Denver = held tuition flat but fully closed prior tuition window at 12 credit hours.

CU Boulder



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Overview CU Boulder FY 2021-22

The total number of students enrolled during next academic year is currently projected to be in-line with Fall 2019 census

- Incoming class expected to rebound from the lower levels last year; however, the number of continuing students will be lower due to the smaller Fall 2020 cohort
- Graduate student enrollments projected to be higher for both incoming and continuing students
- Summer “melt” effect, as well as late confirmations are a source of uncertainty



Overview CU Boulder FY 2021-22

Budget highlights

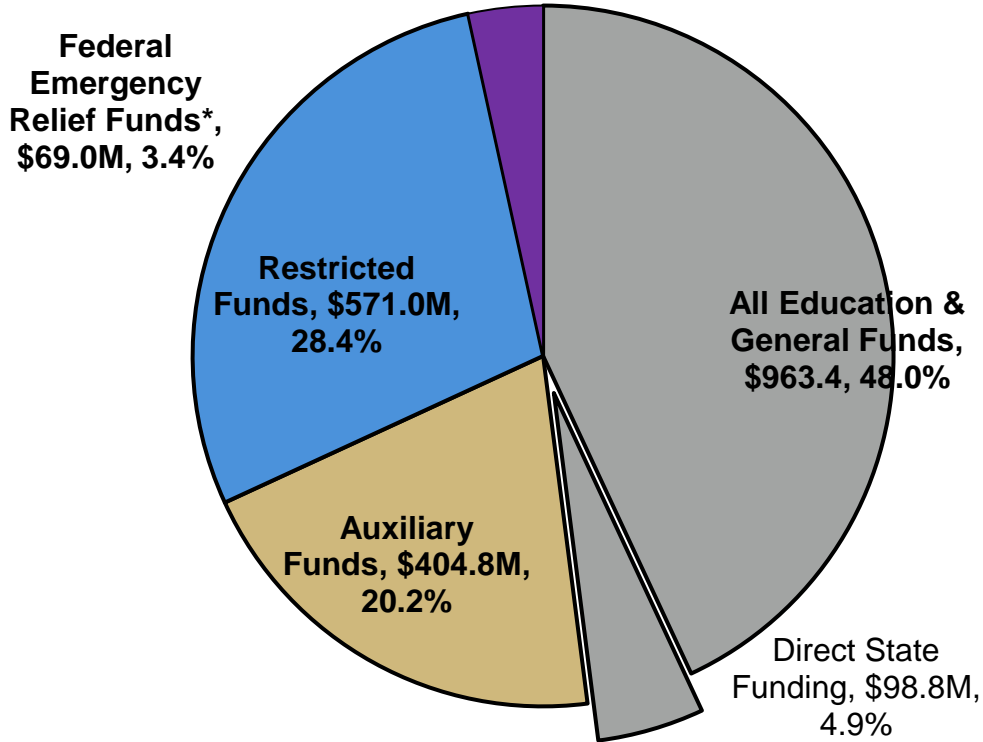
- Continue use of HEERF funding for student aid and allow the campus to cover costs associated with the tuition buy-down, 2% one-time across-the-board increase and mitigate COVID impacts
- Discontinue campus-wide furloughs
- Restoration and growth in State Funding
- Investments in Chancellor's Diversity Initiative, financial aid, minimum wage, classified merit and Equal Pay Act

Plans for Fall 2021

- Back to a fully open and safe campus
- Maintaining contingency plans for COVID scenarios



CU Boulder FY 2021-22 Total Current Funds Budget



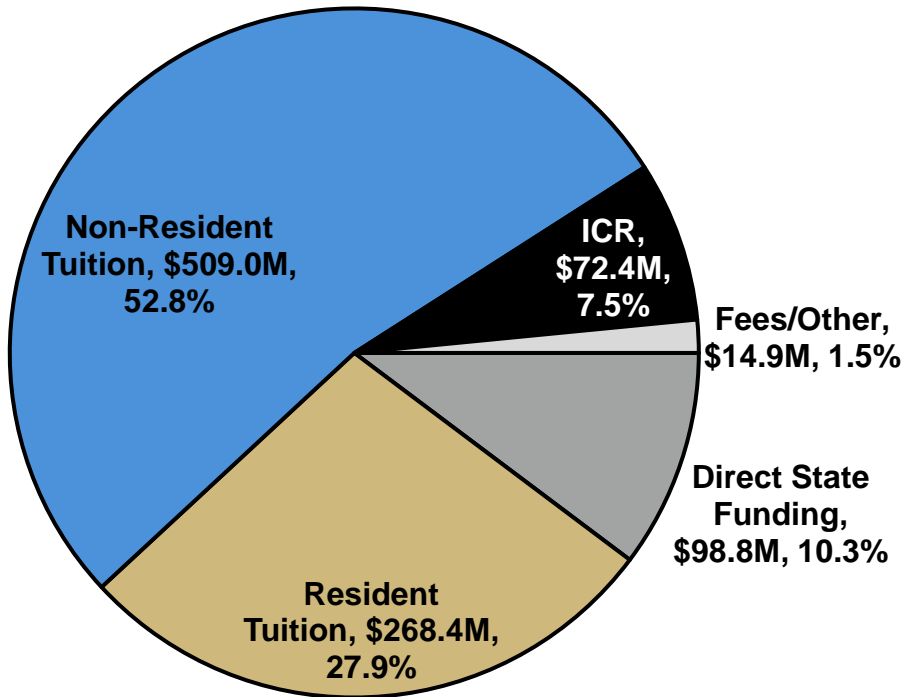
Total Current Funds Budget = \$2.01 Billion



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*Includes the amount estimated to be spent in FY 2021-22 of, \$69.0 million from Higher Education Emergency Relief Funds

CU Boulder FY 2021-22 Education & General Budget Sources of Revenue



Total Education & General Budget = \$963.4 Million



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CU Boulder – Enrollment Request Year Projection

Headcount Enrollment*	FY 2020-21 Adjusted Base	FY 2021-22 Projection	Count Change	Percent Change
Resident Undergraduate	17,105	17,325	220	1.3%
Non-Resident Undergraduate	11,873	12,161	288	2.4%
Domestic	10,719	10,981	262	2.4%
International	1,154	1,181	27	2.3%
Resident Graduate	3,783	4,046	263	7.0%
Non-Resident Graduate	2,214	2,287	73	3.3%
Domestic	1,203	1,243	40	3.3%
International	1,011	1,043	32	3.2%
Total Resident	20,888	21,371	483	2.3%
Total Non-Resident	14,087	14,448	361	2.6%
Total Enrollment	34,975	35,819	844	2.4%

Of the projected 35,819 total students in FY 2021-22, 10,450 are new students and 25,369 are retained students.

*Includes degree seeking students with state reportable hours only.

UCCS



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Overview UCCS FY 2021-22

Expected Full Return to Campus for Fall

- Task Force incorporating lessons learned from the remote environment into smooth transition and restoration of Campus services
- Monitoring public health guidelines for Fall
- Back to campus Aug. 2nd with 70% of classes being delivered with an in-person component
- Using FY 2022 parallel year in new budget model to reallocate expenses to reflect enrollment revenue

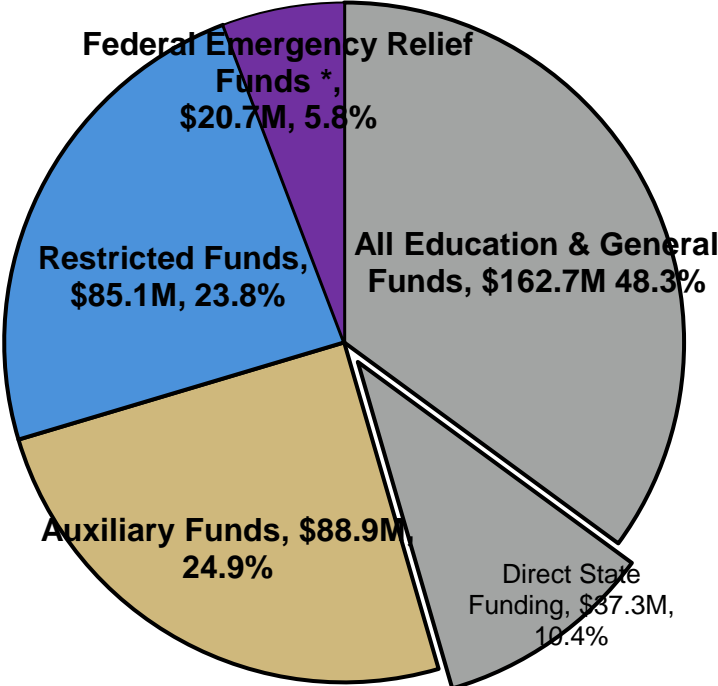


Overview UCCS FY 2021-22

- -2.75% decrease in total enrollments for Fall 2021 compared to prior year
- Planning for additional budget investments while adjusting current budget with projected enrollment declines
- Current year tuition surplus used to mitigate deeper budget cuts and furloughs with planned use to smooth FY 2021-22 budget reallocations during parallel year in new budget model
- Budget Balancing strategies:
 - Position controls (one-time)
 - ETSP (one-time)
 - Incentive based budgeting in future (ongoing)



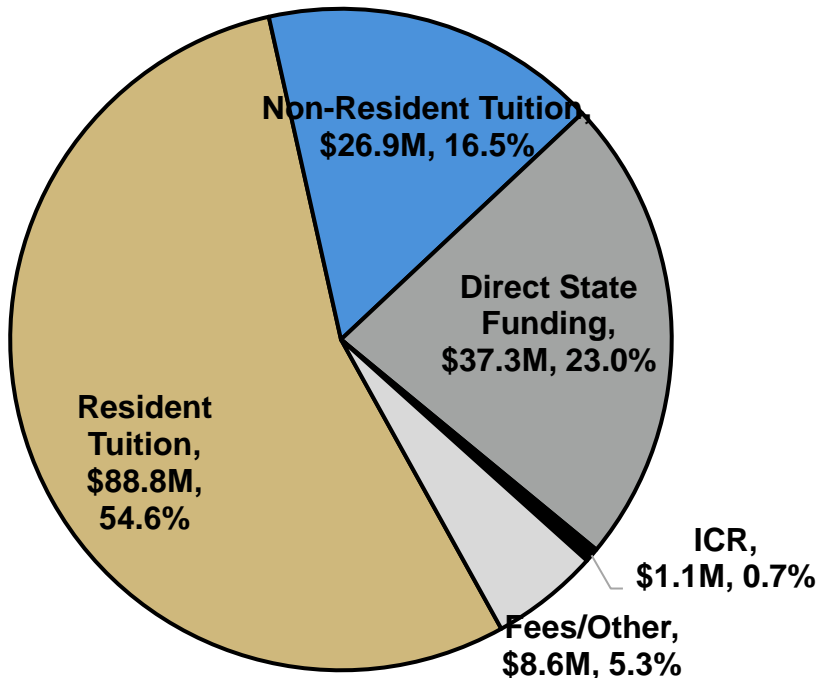
UCCS FY 2021-22 Total Current Funds Budget



Total Current Funds Budget = \$337.6 Million

*Includes the amount estimated to be spent in FY 2021-22 of, \$20.7 million from Higher Education Emergency Relief Funds.

UCCS FY 2021-22 Education & General Budget Sources of Revenue



Total Education & General Budget = \$162.7 Million



UCCS – Enrollment Request Year Projection

Headcount Enrollment*	FY 2020-21 Adjusted	FY 2021-22 Projection	Count Change	Percent Change
Resident Undergraduate	8,532	8,250	(282)	-3.30%
Non-Resident Undergraduate	1,235	1,193	(42)	-3.40%
Domestic	1,169	1,129	(40)	-3.40%
International	66	64	(2)	-3.35%
Resident Graduate	1,682	1,682	0	0.00%
Non-Resident Graduate	298	298	0	0.00%
Domestic	219	219	0	0.00%
International	79	79	0	0.00%
Total Undergrad	9,767	9,443	(324)	-3.31%
Total Graduate	1,980	1,980	0	0.00%
Total Resident	10,214	9,932	(282)	-2.76%
Total Non-Resident	1,533	1,491	(42)	-2.74%
Total Enrollment	11,747	11,423	(324)	-2.75%

Of the projected 11,423 total students in FY 2021-22, 4,149 are new students and 7,377 are retained students.

*Includes degree and non-degree seeking students with state reportable hours only

CU Denver



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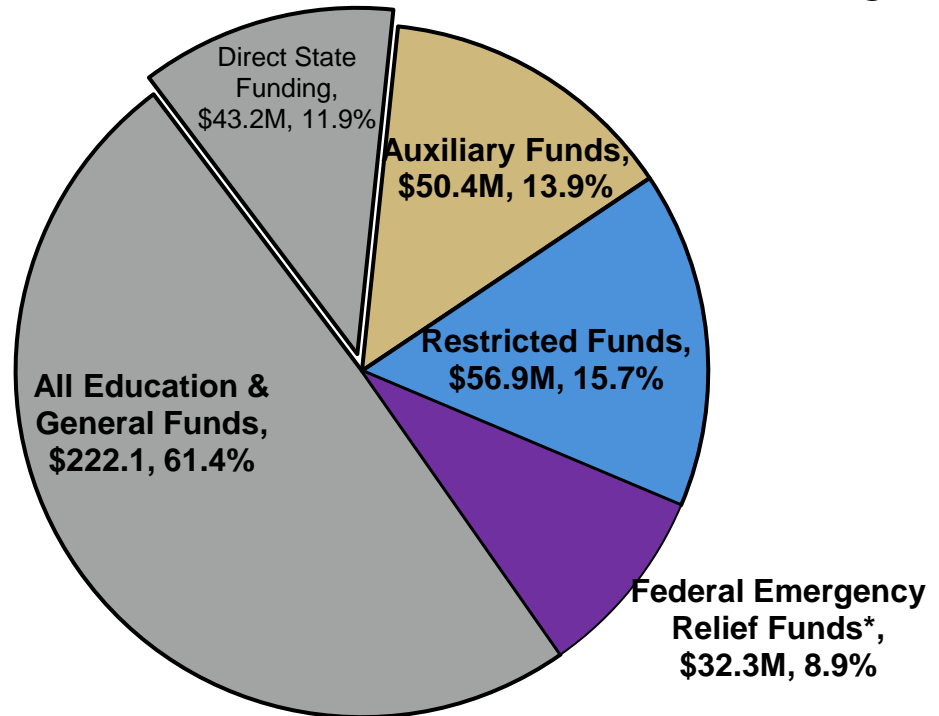
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Overview CU Denver FY 2021-22

- FY 2021-22 E&G budget is nearly restored to FY 2019-20 initial budget levels
- The FY 2021-22 budget includes:
 - Roll back employee furloughs
 - Restoration of temporary operating reductions
 - Replenishing the Emergency Tuition Stabilization Plan Reserves
 - Targeted investments to address the Equal Pay Act and Denver minimum wage increase



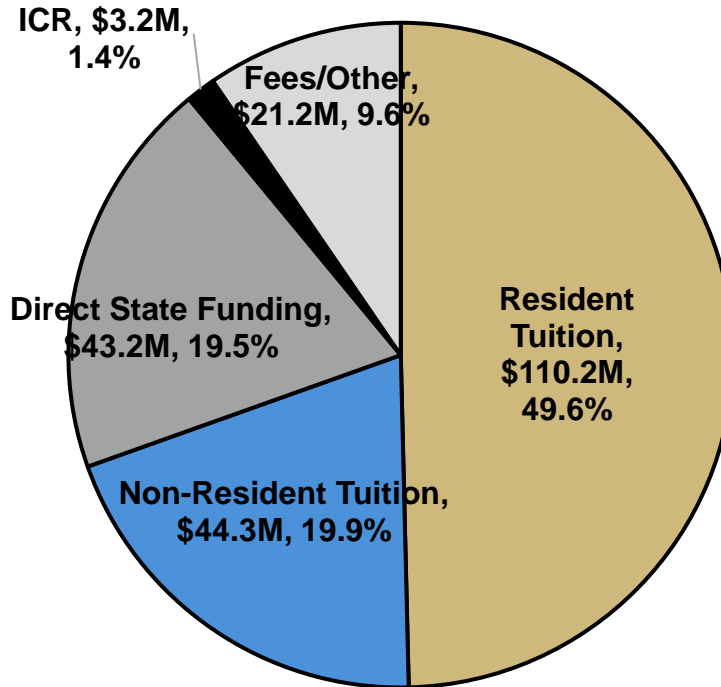
CU Denver FY 2021-22 Total Current Funds Budget



Total Current Funds Budget = \$361.8 Million



CU Denver FY 2021-22 Education & General Budget Sources of Revenue



Total Education & General Budget = \$222.1 Million



CU Denver – Enrollment Request Year Projection

Headcount Enrollment*	FY 2020-21 Adjusted Base	FY 2021-22 Projection	Count Change	Percent Change
Resident Undergraduate	9,226	8,810	-416	-4.5%
Non-Resident Undergraduate	1,386	1,336	-50	-3.6%
Domestic	900	847	-53	-5.9%
International	486	489	3	0.6%
Resident Graduate	3,813	3,915	102	2.7%
Non-Resident Graduate	737	714	-23	-3.1%
Domestic	424	430	6	1.4%
International	313	284	-29	-9.3%
Total Resident	13,039	12,725	-314	-2.4%
Total Non-Resident	2,123	2,050	-73	-3.4%
Total Enrollment	15,162	14,775	-387	-2.6%

Of the projected 14,775 total students in FY 2021-22, 3,808 are new students and 10,968 are retained students.

Note:

*Includes degree and non-degree seeking students with state reportable hours only.

CU Anschutz Medical Campus



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Overview CU Anschutz FY 2021-22

State Funding

- \$3.7 million, 4.7% increase in state funding from FY 2019-20
- \$1.9 million, 11% increase in Tobacco Master Settlement payments
- \$10.5 million, 190.4% increase in Marijuana Tax Cash Fund (earmarked) revenues for special bills:

SB 21-137 – Behavioral Health Act – (\$6.5 million)

- \$3.0 million for expansion of the Medication Treatment Program (MAT)
- \$750,000 for Public Awareness Campaign
- \$1.0 million for the Center for Research and Substance Use and Disorders
- \$1.0 million for Regional Health Connector Workforce Program
- \$630,000 for Training on Opioid Use Disorder Medication

HB 21-1317 – Regulation of Marijuana for Safe Consumption

- \$4.0 million for the School of Public Health



Overview CU Anschutz FY 2021-22

Enrollment

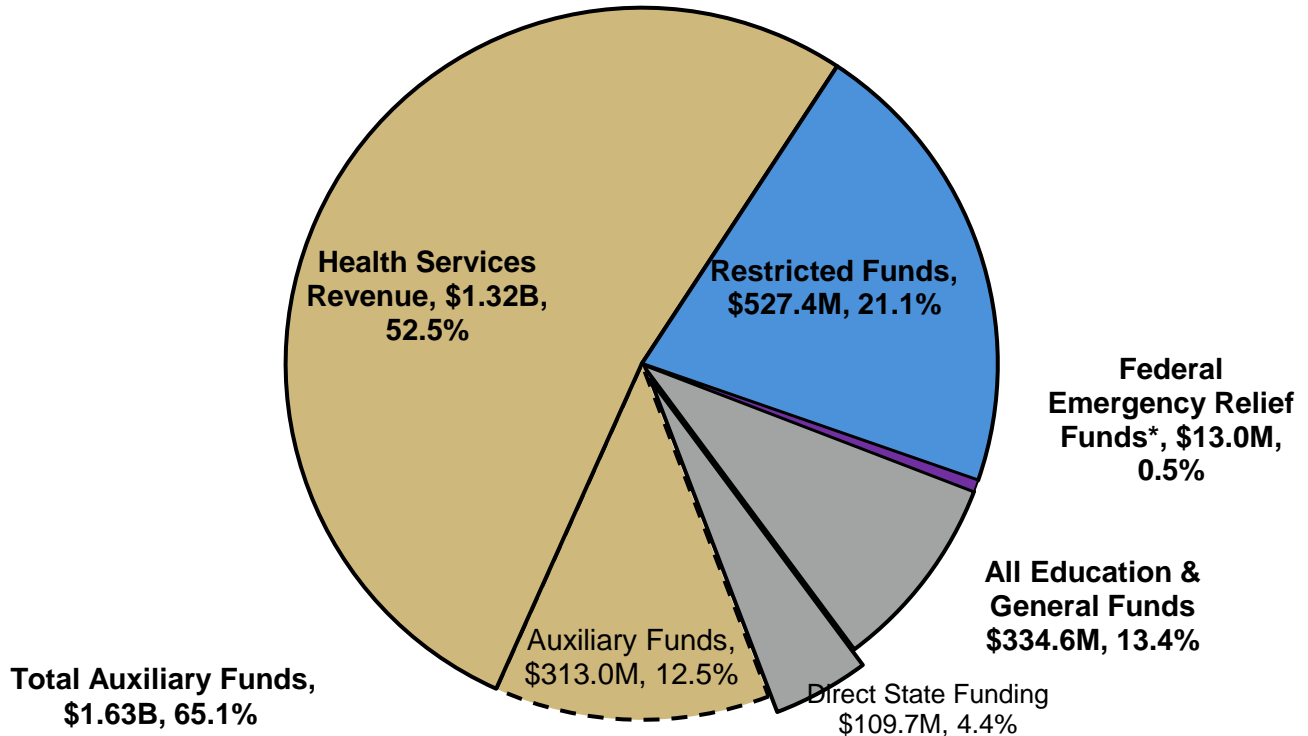
- 0.5% increase in total Fall 2021 enrollment over prior year
 - -16.7% School of Pharmacy, PharmD enrollment decline, consistent with Pharmacy schools across the nation
 - 15.1% Colorado School of Public Health, Master of Public Health enrollment growth
- FY 2021-22 total tuition and fee revenue is projected to decrease by -2.7% primarily due to a one-time shift in the MD tuition billing cycle

Auxiliary

- Health Services operations and clinical revenues are expected to return to pre-COVID levels
- Various auxiliary activities including but not limited to parking and campus dining are projected to decline from FY 2019-20 levels due to hybrid and remote work



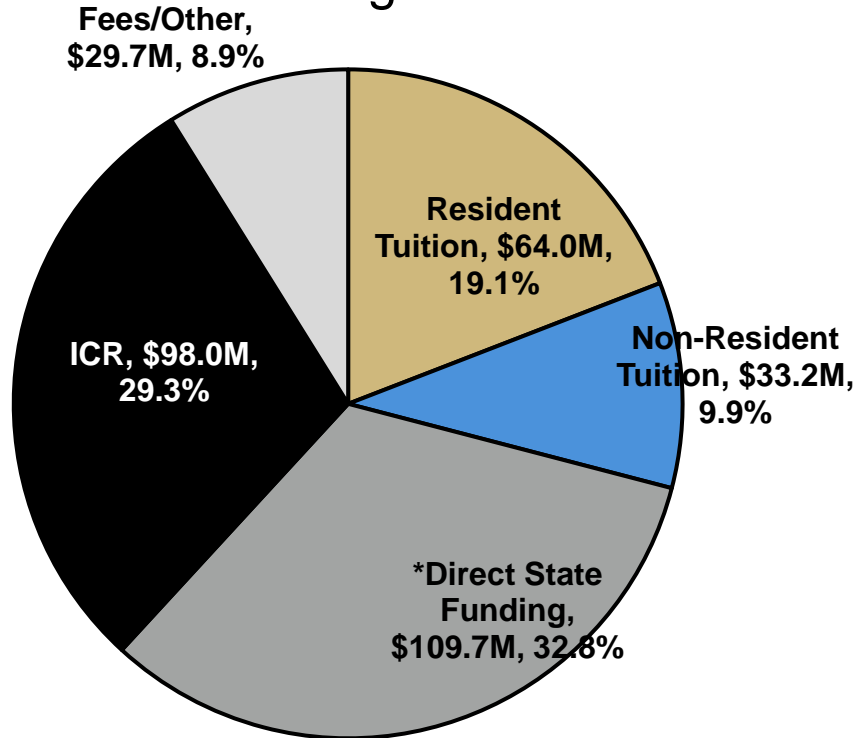
CU Anschutz Medical Campus FY 2021-22 Total Current Funds Budget



Total Current Funds Budget = \$2.51 Billion



CU Anschutz Medical Campus FY 2021-22 Education & General Budget Sources of Revenue



Total Education & General Budget = \$334.6 Million

*Direct State Funding includes \$25.7 M from the Tobacco MSA and Marijuana Tax cash funds for specific purposes



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Patients Served by University of Colorado Doctors and Providers

Fiscal Year	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21*	FY 2021-22*
Total Patients Served	561,124	593,949	591,990	690,477	590,037
Total Colorado Patients Served**	520,058	559,030	561,186	658,740	562,864

*Projected estimates

**Total Colorado Patients Served = Total Patients Serves less Out-of-State/Unknown

CU Anschutz – Enrollment, Request Year Projection

Headcount Enrollment*	FY 2020-21 Adjusted (Census)	FY 2021-22 Projection	Count Change	Percent Change
Resident Undergraduate	438	461	23	5.3%
Non-Resident Undergraduate	32	28	-4	-12.5%
Domestic	31	28	-3	-9.7%
International	1	0	-1	-100.0%
Resident Graduate	3,074	3,142	68	2.2%
Non-Resident Graduate	978	913	-65	-6.6%
Domestic	898	849	-49	-5.4%
International	80	64	-16	-20.0%
Total Undergraduate	470	489	19	4.0%
Total Graduate	4,052	4,055	3	0.1%
Total Resident	3,512	3,603	91	2.6%
Total Non-Resident	1,010	941	-69	-6.8%
Total Headcount	4,522	4,544	22	0.5%

Of the projected 4,544 total students in FY 2021-22, 1,261 are new students and 3,283 are retained students.

*Includes School of Public Health enrollment at UNC and CSU

In addition to headcount changes, there are changes in credit hour load that may affect tuition revenue

International student data is not forecasted, actuals are reported in census



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System Administration

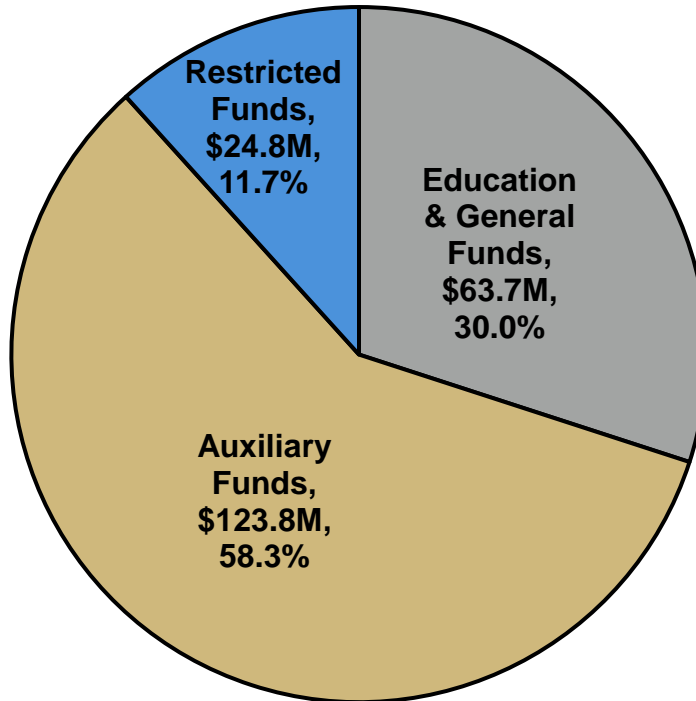


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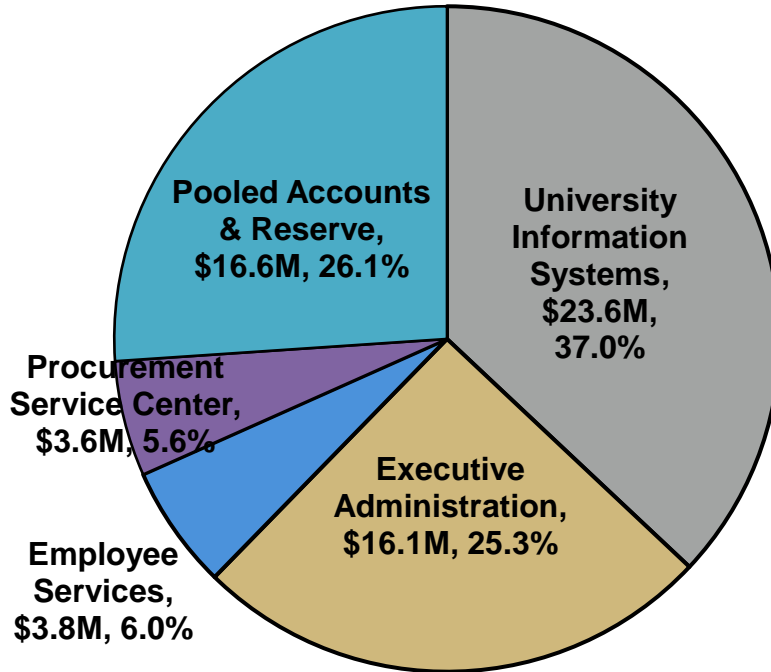
System Administration FY 2021-22 Total Current Funds Budget



Total Current Funds Budget = \$212.4 Million



System Administration FY 2021-22 Campus Support Budget by Department



Total Education & General Budget = \$63.7 Million



2022 - Looking Ahead

September Meeting

- Enrollment Update

October

- Inform Board of Revenue thresholds for new compensation cycle

November/December Meeting

- CU Finances including:
 - Unobligated and capital detail
 - Carry forward report by campus including auxiliaries
 - Revenue, expenditures and transfer summary report by campus
- How campuses will balance out year budgets



Appendix

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General Budget Terminology

- **Current Funds Budget** — The current funds budget includes those economic resources of the institution which are expendable for any purpose in performing the primary objectives of the institution. Current funds are categorized by three funds: Education & General, Auxiliary and Restricted.
- **Auxiliary** — Auxiliary enterprises are self-contained business units that charge a fee and exist to provide a service to students, faculty, or staff. Examples of Auxiliary & Self-funded Activities: Intercollegiate Athletics, Bookstores, Housing Operations, Parking etc. These funds are not appropriated by the State.
- **Unrestricted vs. Restricted Funds** — Unrestricted current funds include all funds that leadership may use for the primary mission of the institution (tuition, state support). Restricted funds consist of those funds restricted by donors or other outside agencies for a specific purpose (research grants, endowments).



General Budget Terminology

NACUBO functional categories — The National Association of College and University Business Officers (NACUBO) establishes definitions for the functional expenditure categories, which group and aggregate expenses by institutional purpose.

- **Instruction**— Includes all activities that are part of an institution’s instructional program. Included are credit and noncredit courses. Includes departmental research and sponsored instruction.
- **Research**— Includes all activities specifically organized and separately budgeted to produce research.
- **Public Service**— Includes identified activities that are established primarily to provide non instructional services beneficial to individuals and groups external to the institution (i.e. community service).
- **Academic Support**— Includes support services for the institution’s primary missions: instruction, research, and public service. Examples include: *Libraries,*

Ancillary Support.

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General Budget Terminology

- **Student Services**– Those activities whose primary purpose is to contribute to the student’s emotional and physical well-being outside the context of the formal instructional program. Examples: *Tutoring, Counseling and Career Guidance, Student Health Services.*
- **Institutional Support**– Includes central executive-level activities concerned with management and long-range planning of the entire institution, such as the governing board, planning and programming, and legal services; fiscal operations, administrative data processing, employee personnel and records.
- **Operation & Maintenance of Plant**– Includes the operation and maintenance of physical plants for all institutional activities, including auxiliary enterprises and independent operations.
- **Scholarships & Fellowships**– Includes grants-in-aid, trainee stipends, tuition and fee waivers, prizes to undergraduate students and trainee stipends for grads.

