

University of Northern Colorado

FY10 Budget Strategy Recommendation Form

Instructions:

The Budget Strategy Recommendation Form must be completed for all fiscal year 2010 proposals for revenue generation, cost savings/deferrals, strategic investments, and funding of external mandates. Please complete a separate form for each proposed idea. The form is available on the OBIA website for downloading at <http://www.unco.edu/obia/forms.html> . All proposals are due in electronic format from the Deans, Directors, Associate Vice Presidents and Assistant Vice Presidents to their respective Vice Presidents by **9 a.m. March 9, 2009**.

1. **Fiscal Year** The fiscal year is July 1 through June 30. The first fiscal year should be the current budget year (FY 10) and then the two consecutive years thereafter, which are FY 11 and FY 12. (as labeled on the form)

2. **Summary and Qualitative Assessment** –attach a memo to address the following information:
 - A general description of the proposal (objectives, structure, etc.)
 - How the proposal relates to University strategic goals, the academic plan, and the strategic plan of the specific unit submitting the proposal.
 - Discuss the need for the proposal and the changing funding realities
 - Assumptions behind revenues and expenses
 - The summary and qualitative assessment, as well as the schedule, should include only **new** revenues and **new** expenses. If new revenue is proposed to cover an existing expense, the expense should be identified in the narrative, but not included in the activity impact statement. Cost savings should be input as a negative number in the appropriate expense classification.
 - Be explicit about the certainty of or risk inherent in the assumptions
 - Quality and climate indicators such as:
 - Impact on employee morale
 - Public image
 - Retention rates
 - Student satisfaction
 - Student success
 - Risks being addressed by the proposal
 - Alternatives – are there alternatives to this proposal and have they been identified?
 - University-wide impact on (the proposal should not be limited to unit direct cost):
 - Academic Support Services
 - Student Services
 - Facilities
 - Information technology

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- Other
 - Exit strategy in the event the proposal fails to meet established targets
3. **College, Admin Area**– Enter name of College or Administrative Department.
4. **Description** – Enter a brief description of the proposal (e.g., Biology 103 lab fee, MA in program X, holiday utility savings).
5. **Revenue Budget** – Enter the proposal’s estimated new revenue for three years. Include any assumptions about the new revenue in the narrative. For projection purposes, use the following inflation rates for revenue: Tuition 5%, Fees 0%, Other Revenue 3%. If the proposal includes new tuition revenue, differential tuition revenue, or fee revenue some additional guidelines are:
- **Tuition**– If the proposal includes a new program that will generate new student and new tuition revenue, use the estimated new credit hours times the current university tuition rate. The tuition rates on the proposals will be adjusted once the new tuition rates are determined for the budget year. Put the FTE’s in terms of headcount and credit hours assumptions in the FTE section of the form.
 - **Differential Tuition** - If the proposal includes a new differential tuition or an increase to an existing differential tuition, include only the new tuition revenue in the proposal. The new revenue will be the incremental increase in the rate times the number of projected credit hours for the program. Put the FTE’s in terms of headcount and credit hours assumptions in the FTE section of the form.
 - **Fees** - If the proposal includes new fees or an increase to an existing fee, include only the new fee revenue generated by the proposal. Put the FTE’s that the new fee revenue was based on in the FTE section of the form. Fee proposals should also include the following information in addition to the other information provided in the Summary and Qualitative Assessment:
 - Description and purpose of fee
 - Course title and reference number if it is a course fee
 - Current fee charged per student and the proposed fee
 - Method of charging fee (i.e. per course, per credit hour)
 - Are the expenditures to be covered existing or new? If new, they should be on the activity impact statement. If existing, they should be listed in the narrative.
 - Current source of funding if expenditures are existing
 - **FTE’s** FTE’s should be expressed in terms of headcount and credit hours

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6. **Expense Budget** – Enter the proposal’s estimated new permanent expenses. These are expenses required to sustain the proposal on a continuing basis. Include a brief description of the expenses in the proposal’s overview. Examples are salaries and benefits, rent, office supplies, travel, etc. If the expenses relate to a fee, please include more detailed documentation of the expenses that the fee is intended to cover.
 - **Rates for inflation** – Although actual salary, benefits and operating expenses will depend on both economic and policy variables (and remain to be determined), for purposes of the activity impact statement please use:
 - Employee benefits estimated at 25.3% of salaries for FY10 and the rate increased 1% per year for each successive year
 - Salaries should be estimated at 3% per year increase
 - All other expenses should be inflated at 2% per year
 - If different assumptions are made, include an explanation

7. **Expense Budget (“One-Time” Start-Up Cost)** – Enter the proposal’s estimated start-up costs. These are expenses that are required to begin the proposal and that are expected to be funded temporarily during the start-up phase. Include a brief description of the expenses in the proposal overview. Examples are equipment purchases, office renovations, etc.

8. **Impact on University (other areas)** – Using the best information available to you, estimate the fiscal impact of the proposal on other areas of the university. Place a total (revenue less expense) on the activity impact statement and include the detail in the narrative about the type of expenditures such as salary, benefits, non-salary, or equipment. (If the net number represents additional expense, enter it as a negative number on the form.) This may require collaboration with a representative of the specific area that is affected to assess the impact and associated cost.