

Senate Budget Committee

November 13, 2025

GOALS TODAY:

- A. Update and information about refining the academic budget model.
 - B. Where we hope for input.
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1. Work underway: Provost's office in collaboration with deans: revising the principles and rules by which we distribute the **Academic Allocation**.
 2. The Academic Allocation is the pot of money that funds schools and colleges. This doesn't include money funding the rest of the (non-auxiliary) side of the university. E.g., outside of the academic allocation. (Academic Allocation is that part of the E&G funds that goes to schools and colleges). Units such as:
 - a. Provost's Office and President's Office.
 - b. Library
 - c. Information Services
 - d. Enrollment Management
 - e. Campus Planning
 - f. Research Office
 - g. ...
 3. Academic Allocation as currently understood.
 - a. 58.3% of net UG tuition: \$231M in FY25 (net = \$396.5M)
 - b. All graduate tuition (about \$90M), differential tuition (about \$5.25M), less tax.
 - c. Summer at around \$203 per SCH currently (about \$9.8M)

Historic (2018) model.

4. How does this compare with total revenue? FY25 numbers:

Category	Academic Allocation	Net Tuition	General Fund	E&G Fund
Dollars	\$336M	\$486.5M	\$600M	\$692M
AA Percent	100%	69%	56%	48.6%

5. Work underway:
 - a. Rules for distributing the Academic Allocation (this is Provost decision territory).
 - b. Not "how much is the AA?" (President.)

- c. Not “how do schools and colleges use their budget?” (Dean.)
- 6. Where does the rest of the revenue (E&G fund) go?
 - a. [Operational budgets at BRP.](#)
 - b. [Expenditures at BAO.](#)
- 7. What principles guide this work?
- 8. What questions are we working on that we need input on?
 - a. How much do we tax graduate tuition? Considerations:
 - i. Graduate heavy S&C’s should be making an appropriate contribution to the ancillary costs running the university.
 - ii. Costs of graduate programs are more local than costs of undergraduate programs.
 - iii. When graduate programs connect to research, they serve the research mission of the university in an important way.
 - iv. There is some trade-off between rewarding graduate instruction and rewarding undergraduate instruction, given that the pot of money is fixed. But we also want to think about how budgets will evolve.
 - v. We probably do not want to tax graduate tuition for GEs which risks disincentivizing a costly but key part of the research mission.
 - vi. Schools and colleges have more control over graduate admissions and choices of graduate programs. Thus there are opportunities to be entrepreneurial with graduate admissions that don’t apply to schools and colleges.
 - vii. Risk management for schools and colleges, and the university.
 - b. What other activity-based funding do we want? Example: UG SCH, majors, UG degrees?
 - c. What other things might we want to incentivize with a budget model? Examples: timely graduation, research somehow.
 - d. Separate conversation on summer.