

**MINUTES**  
**UNIVERSITY ADVISORY COUNCIL ON**  
**STRATEGIC BUDGETING AND PLANNING**  
**October 14, 2021**

**Present:** Scott Case, Carol Cash, Nikolaos Dervisis, Jeff Earley, Joell Eifert, Nancy Gruber, Don Hatfield, Tim Hodge, Mintai Kim, Ed Lener, Erin McCann, Ken Miller, Liza Morris and Sean O'Keefe.

**Absent with Notice:** Cyril Clarke, Joe Merola and Michael Sorice.

**Absent:** Angel Carter, Daniel Harrington, Bob Hicok, and

**Guests:** Jean Claude Mbarushiman (substitute for Anusha Prasad) and Willa Chaves (substitute for Michael Sorice).

**1. Announcement of approval and posting of minutes of September 16, 2021**

The September 16, 2021 minutes have been approved and forwarded to the University Council for posting on the web.

**2. Old Business**

No old business.

**3. New Business**

No new business.

**4. Presentation & Discussion**

Jeff Earley, Vice Provost for Academic Resource Management, provided an overview of the Partnership for an Incentive Based Budget (PIBB) model for the Council and facilitated a discussion about the model. Mr. Earley shared what the PIBB is and how it was developed. He shared that the PIBB was built to be Strategic (goal-based performance), Inclusive (performance goals established in collaboration), Predictable (promotes transparent institutional decision making), and Responsive (enables leaders to manager resources). He also shared that the PIBB looks at three components to determine a college's budget, Unit Allocations, Scorecard Allocations and Earmarked Allocations. Mr. Earley then walked the Council through an example of how a college budget is determined and reviewed the current performance metrics. He also shared that through the University Data Commons an online dashboard was created so colleges can track their

performance in each PIBB metric. The PIBB model is undergoing a comprehensive review this fiscal year and the Office of the Executive Vice President and Provost is currently soliciting input on the budget model from various campus stakeholders. The Council engaged in a discussion about PIBB model seeking clarification on various aspects and provided feedback on the model.

Mr. Earley was asked to provide the council with current PIBB goals by college, and a trend of college budgets prior to and after the implementation of PIBB. A PDF of the presentation is attached to these minutes.

**5. Other Items**

No other items.

**6. Adjournment**

There being no further business, the meeting adjourned at 5:03 p.m.

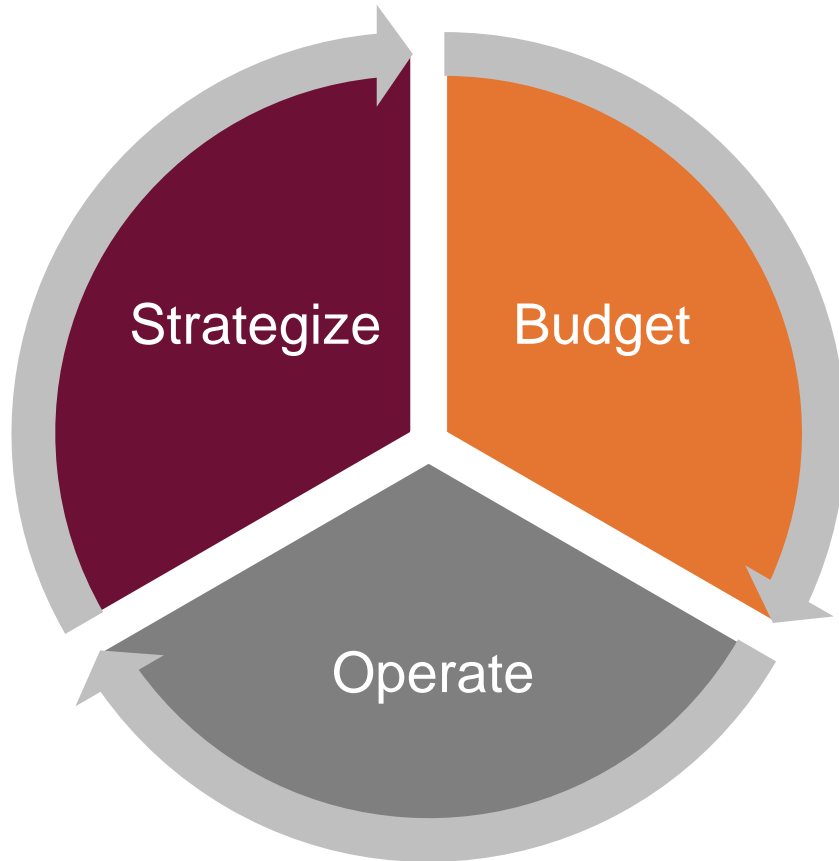
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# PIBB MODEL OVERVIEW

# *Partnership for an Incentive-Based Budget (PIBB)*

## *Stated Purpose of the Budget Model*

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### *Align Our Strategic Aspirations with Financial Planning*

- Create a financial planning structure that connects individual unit budgets to higher level goals.
- Provide an appropriate baseline of funding to colleges and allow colleges to evolve through strategic long-term planning.
- Create productive strategic partnerships between colleges and academic administration.
- Grow administrative budgets in an efficient manner by sharing administrative costs, actions and outcomes.
- Incentivize the growth of external resources so that our budget can grow to a level similar to aspirational peers.



# *Partnership for an Incentive-Based Budget (PIBB)*

## *Budget Model Development Principles*

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### **INCLUSIVE**

Performance goals established in collaboration with units being assessed. Performance metrics reward both shared and distinct outcomes.

### **PREDICTABLE**

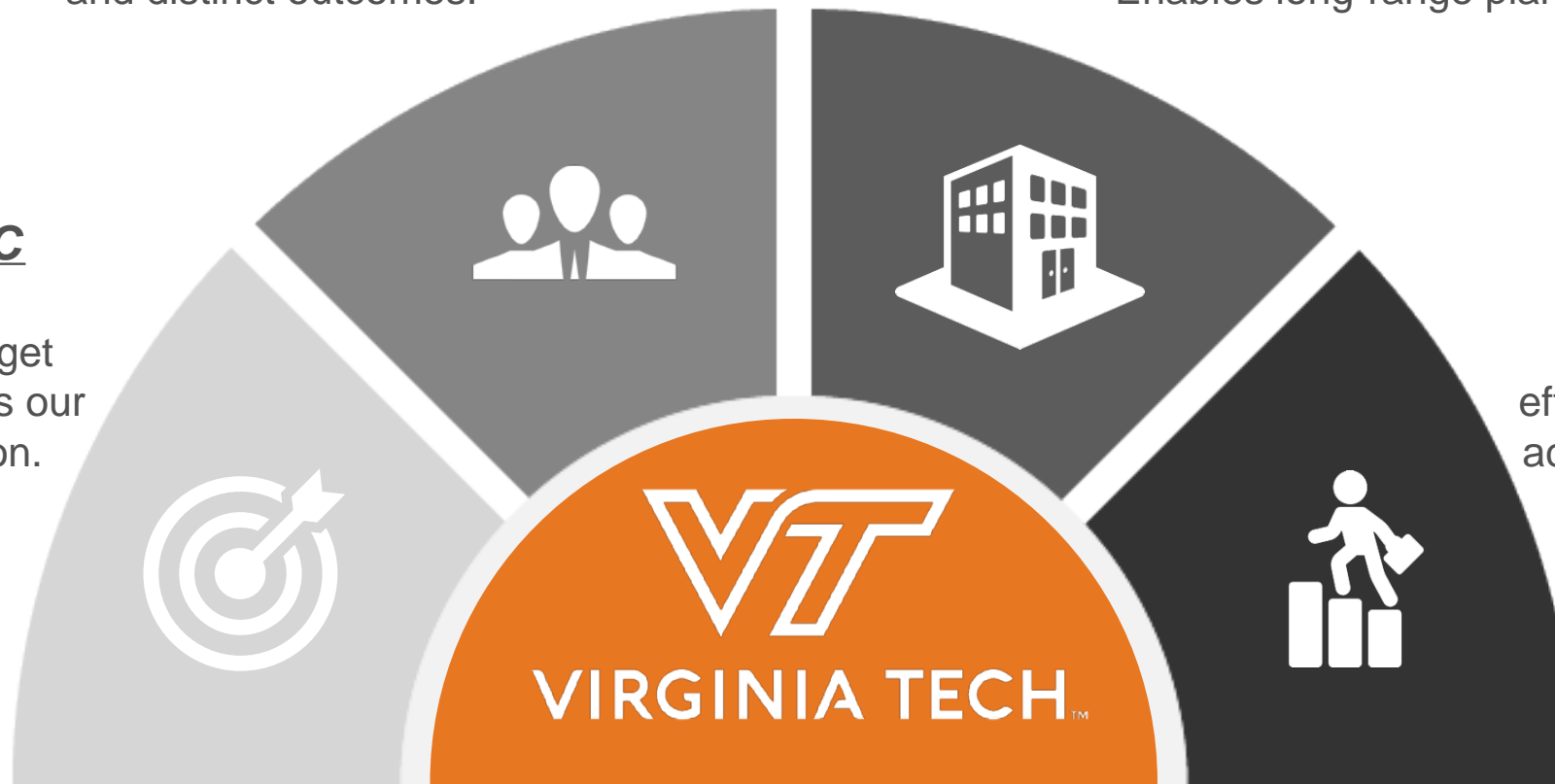
Promotes transparent institutional decision-making based on valid data accessible to units being assessed. Enables long-range planning.

### **STRATEGIC**

A goal-based performance budget model that supports our mission and vision.

### **RESPONSIVE**

Enables leaders to manage resources effectively in a dynamic academic and financial environment.

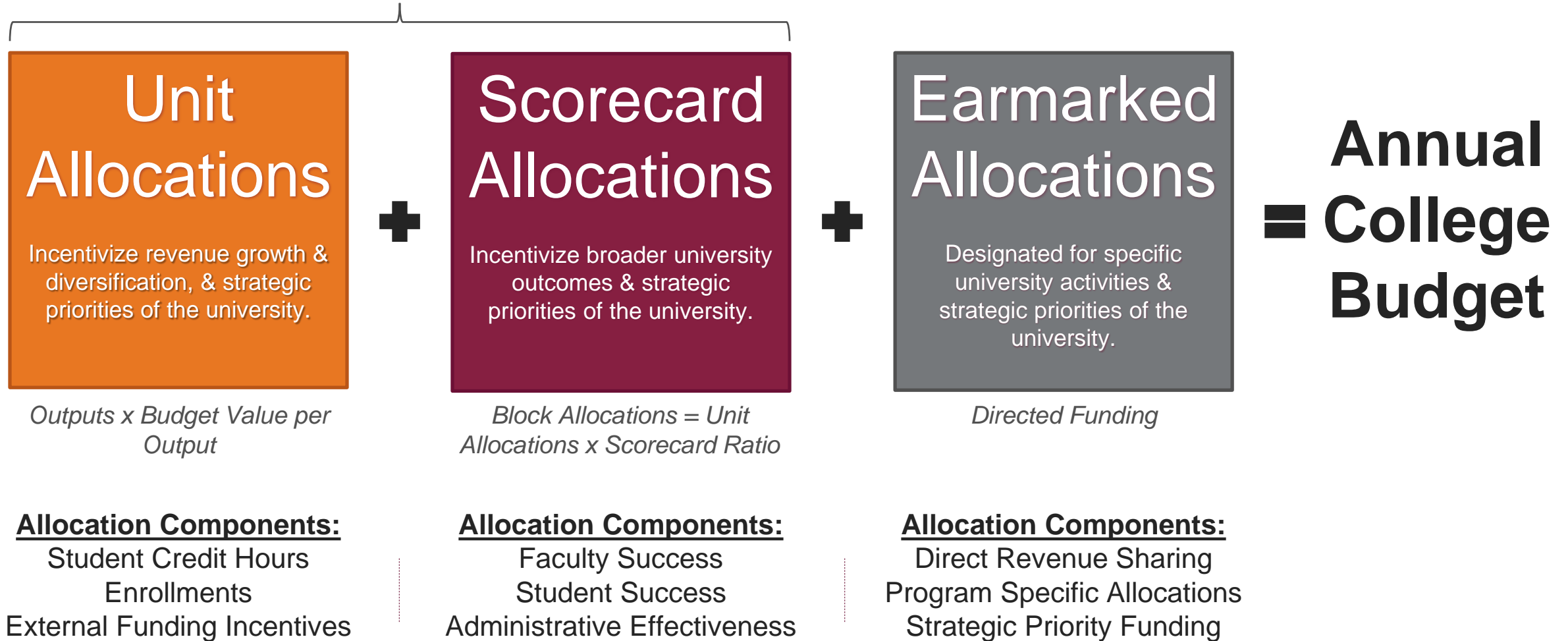


# Partnership for an Incentive-Based Budget (PIBB)

## Budget Allocation Components

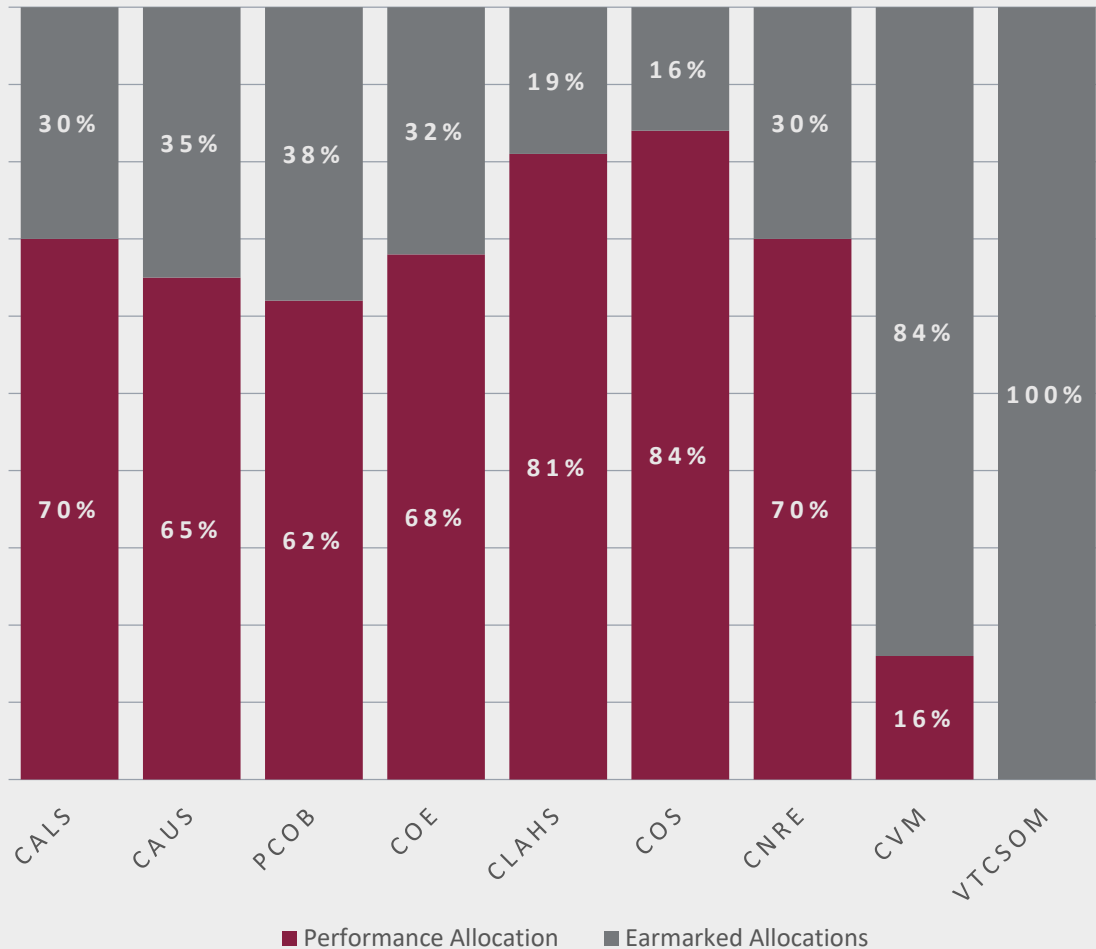
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*Performance Allocation Component*



# Partnership for an Incentive-Based Budget (PIBB)

## Fiscal Year 2021-22 College Funding Streams

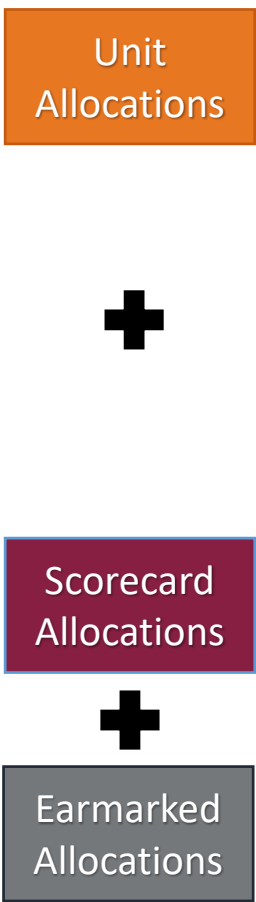


Sources	Amount	%
Performance Allocations*	\$271,546,040	63.94%
<u>Earmarked Allocations</u>		
Program Fees	31,862,152	7.50%
Graduate Tuition Remissions	22,564,418	5.31%
MD/VA DVM Capitation Adj.	20,677,291	4.87%
Sales and Services Revenue	17,998,077	4.24%
School of Medicine	13,843,176	3.26%
Special Sessions (Summer budget)**	13,118,051	3.09%
Distance Learning/Enterprise Programs	9,618,491	2.26%
Subvention Allocations	6,107,042	1.44%
Destination Area Funding	4,569,342	1.08%
Equipment Trust Fund	4,294,395	1.01%
Self-Supporting Degrees	2,967,963	0.70%
Course Fees	1,743,787	0.41%
Non-PIBB Tech Talent Pipeline Funding	1,661,177	0.39%
Other	2,092,493	0.49%
Total Earmarked Allocations	153,117,855	36.06%
Total College Budgets	\$424,663,895	100.00%

\*Total allotment for PIBB performance allocations determined in the annual budget development process.

\*\*Winter Session budget calculated and distributed after the Winter term.

# Example college budget



Metric	Unit Value	College Goal	Budget
<b>Student Credit Hours</b>			
All Student Credit Hours	\$ 103.50	196,000	\$ 20,286,000
+ Graduate Section	51.75	15,000	776,250
+ Cross Disciplinary	10.50	150,000	1,575,000
+ Target Section Size	10.50	80,000	840,000
+ Tech Talent Pipeline, UG	6.25	10,000	62,500
+ Core Curriculum (Pathways)	5.00	150,000	750,000
+ Destination Area Course	5.00	10,000	50,000
+ Honors Course	3.25	1,000	3,250
<b>Enrollment</b>			
All Enrollment (by Primary Major)	\$ 800.00	4,000	\$ 3,200,000
+ Out of State, UG	800.00	1,200	960,000
+ Graduate Major	480.00	500	240,000
+ Tech Talent Pipeline, UG	60.00	-	-
+ Additional Major(s)	40.00	600	24,000
<b>External Funding</b>			
All New Gifts and Commitments	\$ 0.08	\$ 5,000,000	\$ 400,000
+ To Professorship Endowments	0.03	100,000	3,000
+ To Scholarship Endowments	0.03	100,000	3,000
Sponsored Expenditures	0.11	40,000,000	4,400,000
Ancillary Income	0.10	-	-
Unit Allocation Associated Value			\$ 33,573,000
<b>Scorecard Value Associated with Other Outcomes</b>			<b>32% of performance budget</b>
			<b>15,799,059</b>
Total Value of Measured Activity			\$ 49,372,059
<b>Earmarked Allocations</b>			
Special Sessions		\$	2,000,000
Differential Tuition			10,100,000
Distance Learning Revenues			1,800,000
<b>Total Budget</b>			<b>\$ 63,272,059</b>

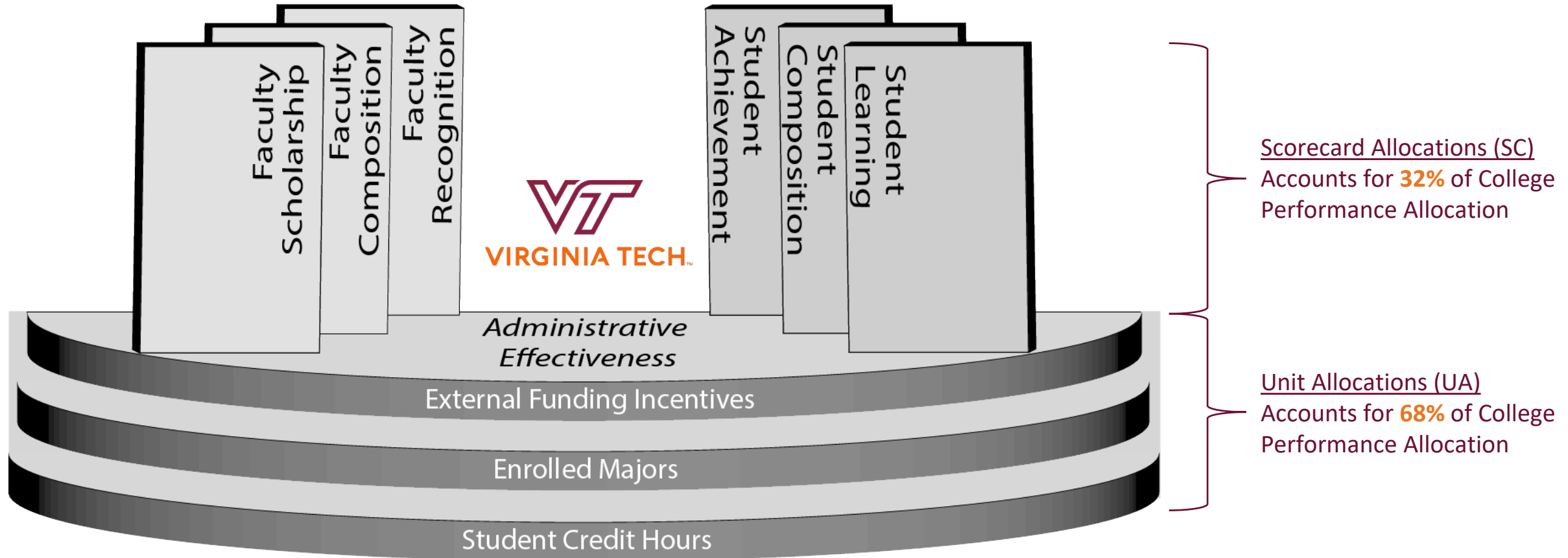


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## PERFORMANCE ALLOCATION COMPONENT

# Partnership for an Incentive-Based Budget (PIBB)

## Performance Allocation Component (UA & SC)



# PIBB Performance Metrics

## Faculty Success Measures (SC):

- Percent of Full-time Female Instructional and Research Faculty, Both Tenured/Tenure-Track & Non-Tenured
- Percent of Full-time URM Instructional and Research Faculty, Both Tenured/Tenure-Track & Non-Tenured
- TBD

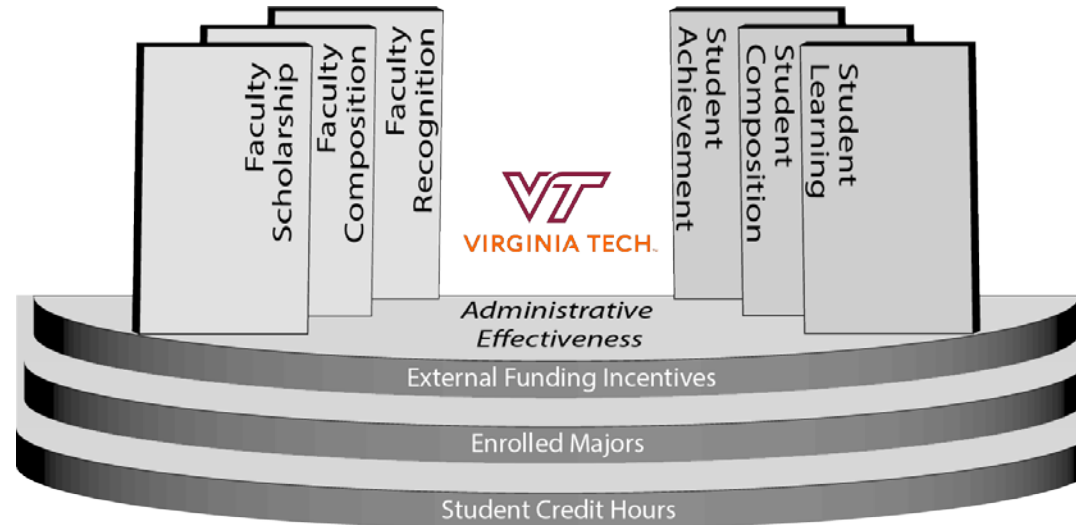
## Administrative Effectiveness Measures (SC):

- TBD

## Student Success Measures (SC):

- In-College Four-Year Graduation Rate for Entering Freshmen
- In-College Three-Year Graduation Rate for Transfers
- Graduation Rate Disparity for URM and/or Underserved Students (USS), Entering Freshmen and Transfers
- TBD

**Color Coding:**  
Established Metrics  
Potential Metrics



## Student Credit Hour Metrics (UA):

- Student Credit Hour (SCH) Baseline, All
- SCH Premiums:
  - SCHs in Graduate Courses
  - SCHs to Other College Majors
  - SCHs in Target Section Sizes
  - SCHs to Tech Talent Pipeline Majors
  - SCHs in Pathway Courses
  - SCHs in Destination Area Courses
  - SCHs in Honors Courses

## Enrolled Major Metrics (UA):

- Majors Baseline, All
- Enrollment Premiums:
  - Out-of-State Majors
  - Graduate Majors
  - Tech Talent Pipeline Majors
  - Students in More Than One Major

## External Funding Incentive Metrics (UA):

- New Gifts and Commitments, All
- New Gifts and Commitment Premiums:
  - Scholarship Endowments
  - Professorship Endowments
- Sponsored Expenditures, All
- Sponsored Expenditures Premium:
  - Industry-Funded Research
- Ancillary Income

# Partnership for an Incentive-Based Budget (PIBB)

## Unit Allocations

### Student Credit Hour Metrics & Metric Values (based on FY21 Per SCH Rates):

Baseline Student Credit Hours	\$103.50	Tech Talent Pipeline Premium (Additive)	\$6.25
Graduate Course Premium (Additive)	\$51.75	DA Course Premium (Additive)	\$5.00
Non-College Major Premium (Additive)	\$10.50	Pathway Course Premium (Additive)	\$5.00
Targeted Section Size Premium (Additive)	\$10.50	Honors Course Premium (Additive)	\$3.25

### Student Credit Hour Calculation Example

Section#	Offering Department	Enrollment	Credits/ Enrollment	Total Credits	Department A		
					Offering Department 20%	Instructor Payroll Home 80%	Total 100%
1	A	20	3	60	12	48	60

### Cross-Listed Course Example

Section#	Offering Department	Enrollment	Credits/ Enrollment	Total Credits	Offering Department 20%		Instructor Payroll Home 80%	Total 100%
					Department A	Department B	Department B	
1	A	10	3	30	6	-	-	6
2	B	10	3	30	-	6	48	54
		20	3	60	6	6	48	60

# *Partnership for an Incentive-Based Budget (PIBB)*

## *Unit Allocations*

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### **Enrollment Metrics & Metric Values** (based on FTE in Fall and Spring; FY21 Rates):

Baseline Enrollments	\$800.00	Per Primary Major
Out-of-State, Undergraduate Premium (Additive)	\$800.00	Per Primary Major
Graduate Premium (Additive)	\$480.00	Per Primary Major
Tech Talent Pipeline Premium (Additive)	\$60.00	Per Primary Major
Non-Primary Major Premium (Additive)	\$40.00	Per Non-Primary Major

### **External Funding Incentive Metrics & Metric Values** (based on FY21 Rates):

Baseline New Gifts & Commitments	\$0.075	Per Dollar Raised
Endowed Scholarship/Professorship New Gifts & Commitments Premium (Additive)	\$0.032	Per Dollar Raised
Extramural Sponsored Expenditures (based on credit assigned to faculty)	\$0.108	Per Dollar Expensed
Ancillary E&G Income	\$0.094	Per Dollar Collected

# Partnership for an Incentive-Based Budget (PIBB)

## University Data Commons - Resource Management App

The University Data Commons provides historical trends and up-to-date detail information for PIBB metrics. Including:

- Course section level detail for student credit hour metrics
- Student level detail for enrollment metrics
- Fund level detail for sponsored metrics
- Transaction level detail for philanthropy metrics

Confidential and sensitive information is de-identified

### SCH Detail

Funding Model: PIBB Academic Year: 2018-19 Term: Fall + Spring College: Pamplin College of Business Department: Accounting & Information Systems

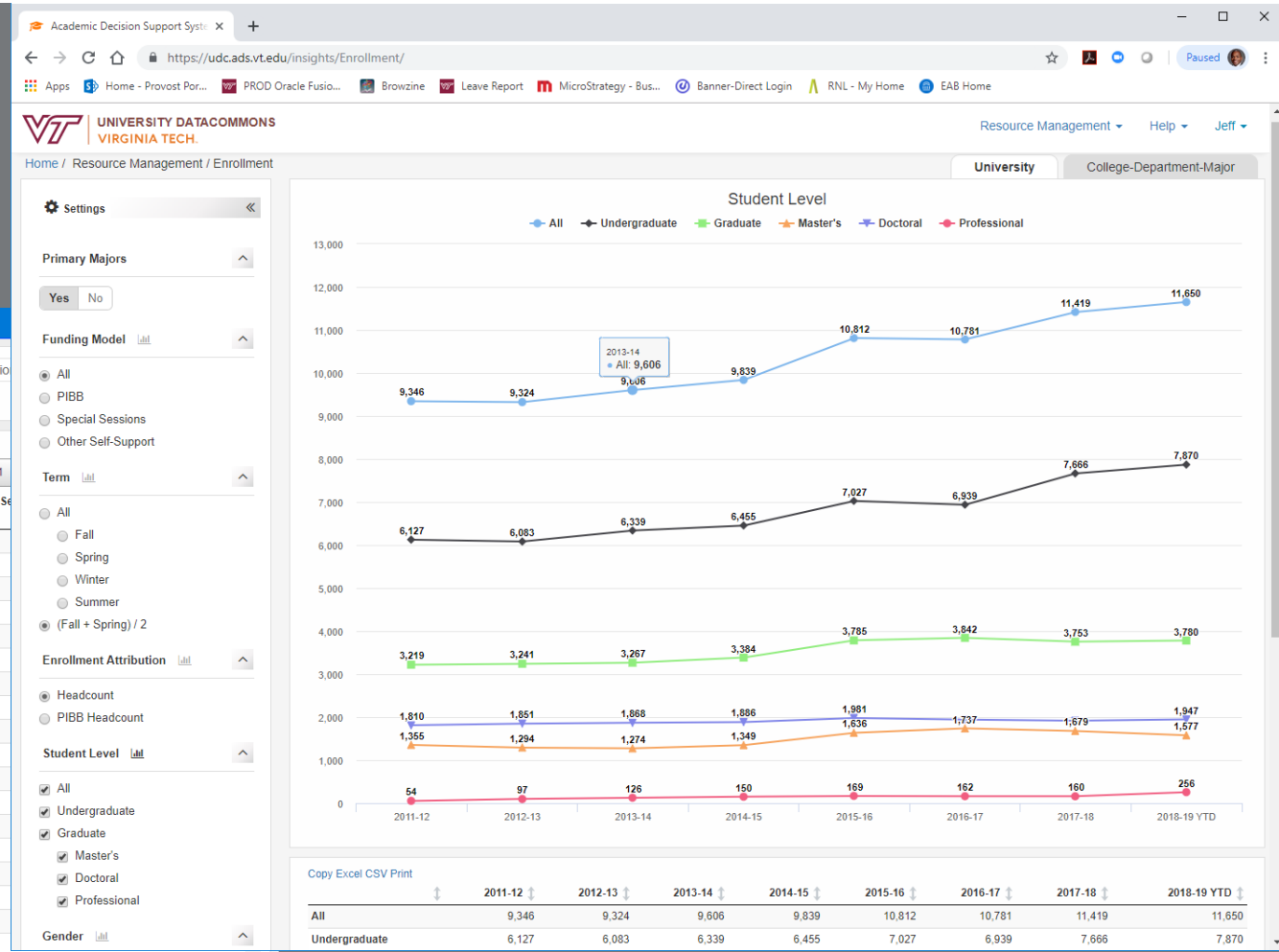
SCH Attribution Method: PIBB Baseline

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Show 100 entries

Funding Model	Term	Subject	Course No.	CRN	Course Title	Course Level	Cross-Listed	Section Size	Targeted Se
PIBB	Fall	ACIS	4114	80141	Advanced Financial Accounting	Undergraduate	N	28	N
PIBB	Fall	ACIS	4114	80141	Advanced Financial Accounting	Undergraduate	N	28	N
PIBB	Fall	ACIS	5124	80167	Govt & Nfp Acctg	Master's	N	29	N
PIBB	Fall	ACIS	4114	80141	Advanced Financial Accounting	Undergraduate	N	28	N
PIBB	Fall	ACIS	4124	80143	Governmental Acctg	Undergraduate	N	3	N
PIBB	Fall	ACIS	5124	80167	Govt & Nfp Acctg	Master's	N	29	N
PIBB	Fall	ACIS	4124	80143	Governmental Acctg	Undergraduate	N	3	N
PIBB	Fall	ACIS	5124	80167	Govt & Nfp Acctg	Master's	N	29	N
PIBB	Fall	ACIS	4114	80141	Advanced Financial Accounting	Undergraduate	N	28	N
PIBB	Fall	ACIS	4114	80142	Advanced Financial Accounting	Undergraduate	N	30	Y
PIBB	Fall	ACIS	4114	80142	Advanced Financial Accounting	Undergraduate	N	30	Y
PIBB	Fall	ACIS	4114	80141	Advanced Financial Accounting	Undergraduate	N	28	N
PIBB	Fall	ACIS	4124	80143	Governmental Acctg	Undergraduate	N	3	N
PIBB	Fall	ACIS	4114	80142	Advanced Financial Accounting	Undergraduate	N	30	Y
PIBB	Fall	ACIS	4114	80141	Advanced Financial Accounting	Undergraduate	N	28	N
PIBB	Fall	ACIS	4114	80142	Advanced Financial Accounting	Undergraduate	N	30	Y
PIBB	Fall	ACIS	4114	80141	Advanced Financial Accounting	Undergraduate	N	28	N
PIBB	Fall	ACIS	5124	80167	Govt & Nfp Acctg	Master's	N	29	N
PIBB	Fall	ACIS	4114	80141	Advanced Financial Accounting	Undergraduate	N	28	N
PIBB	Spring	ACIS	4114	10161	Advanced Financial Accounting	Undergraduate	N	38	Y
PIBB	Spring	ACIS	4114	20307	Advanced Financial Accounting	Undergraduate	N	38	Y
PIBB	Spring	ACIS	4114	10160	Advanced Financial Accounting	Undergraduate	N	40	Y
PIBB	Spring	ACIS	4114	20307	Advanced Financial Accounting	Undergraduate	N	38	Y

SCH Total: 25,068



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# DISCUSSION