



THE UNIVERSITY OF ARIZONA

Strategic Planning & Budget Advisory Committee

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THE UNIVERSITY OF ARIZONA
STRATEGIC PLANNING & BUDGET ADVISORY COMMITTEE
ANNUAL REPORT 2023-2024
Committee Members

Table with 3 columns and 14 rows listing committee members and their titles. Column 1: Lucinda (Cindy) Rankin, Greg Heileman, Michael Abecassis, John Arnold, Lehman Benson, Jeremy Bernick, Brad Bohlander, Carine Bourget, Elliott Cheu, Sonia Colina, David Elmer, Price Fishback, Barry Goldman. Column 2: Ravi Goyal, Samantha Harris, Matthew Hayes, Melanie Hingle, Leila Hudson, Jane Hunter, Jennifer Lawrence, Jenny Lee, Kirsten Limesand, Ron Marx, Andrea Miller, Danielle Oxnam. Column 3: Garth Perry, Nancy Pollack-Ellwand, Lori Poloni-Staudinger, Johann Rafelski, J.P. Roczniak, Helena Rodrigues, Alyssa Sanchez, Caleb Simmons, José Soto, Kasey Urquidez, Katie Van Renterghem, Kendal Washington White.



Key Committee Issues and Action

The committee operated during the 2023-24 academic year through a period of significant leadership transitions and financial uncertainty. The initial focus of the committee's attention was on the university budget/AIB model and revenue sources; compensation, recruitment, and retention of faculty, staff, and administrators; and improving transparency/communication around financial decision-making. However, a number of internal and external challenges forced the committee to pivot focus in order to provide advice/guidance to the president (per the committee's charge) related to the emerging challenges. The following list provides an overview of the main areas of work undertaken by the committee this year.

1. Baseline Financial Information

In order to prepare the committee for their work during the forthcoming year, a number of the committee meetings involved foundational budget-related presentations and current budget-related data. For instance, CFO Lisa Rulney provided a presentation entitled "Financing the Mission – Budget Essentials," followed by a presentation on the new "College Fee Model" that was under development at the time. Feedback was provided to the CFO and the proposed College Fee Model was subsequently presented to ABOR for approval. In addition, the committee discussed the roll-out of AIB model. In addition, at a subsequent meeting, Kasey Urquidez, Vice President for Enrollment Management and Ravneet Chadha, Chief Data Officer and Associate Vice President, University Analytics & Institutional Research, provided a presentation entitled "Census 2024: Enrolling the Class, Tuition & Aid, and NTR."

2. University of Arizona Global Campus (UAGC) Integration

In August of 2023, the U.S. Department of Education announced the forgiveness of \$72 million in student loan debt for more than 2,300 former Ashford University students. The University of Arizona's liability for this debt, however, was not clarified. This action, along with other U.S. Department of Education guidance related to the university's relationship with UAGC (formerly Ashford University), prompted consideration of a more rapid UAGC integration timeline. Given the rich discussions that were occurring in this area, and the limited time available for SPBAC committee meetings, President Robbins suggested we hold a day-long retreat in order to consider and address pressing issues related to UAGC.

- A significant amount of data related to the operations of UAGC and AZOnline was requested by various SPBAC committee members. In order to address these voluminous requests, a number of planning sessions were held involving numerous staff and high-level administrators at both UAGC and the University of Arizona. These meetings lead to the collection and/or creation of a large corpus of data and reports that are now stored in a BOX folder accessible by SPBAC members.
- A day-long retreat was held on October 4, 2024 including SPBAC committee members, as well as various upper-level administrators from UAGC and the University of Arizona. Sessions led by representatives of both UAGC and AZOnline addressed topics including mission, student and faculty profiles, student support systems, finances and marketing, enabling a deeper appreciation for the similarities and differences between the two programs.
- An outcome of this retreat provided insight for the creation of an Online Initiative Office, headed by Gary Packard, and charged with overseeing the future of online initiatives at the University of Arizona, cognizant of the financial issues discussed at the SPBAC retreat, and in

collaboration with shared governance bodies. An update of UAGC/UA online integration work was provided by Gary Packard, Interim SVP of Online Initiative, Lisa Kemp, UAGC VP for Finance, and Caleb Simmons, Director of Arizona Online, on February 7, 2024.

3. New Growth Initiatives

A number of meetings involved the consideration of various strategic options for generating revenue. This included a presentation by Malcom Green, Director, Growth Initiatives, Arizona Experiment Station, on possible alternative uses of Arizona Experiment Station property in Maricopa County. Subsequent meetings involving CFO Rulney and team involved conversations of the pros and cons of various strategic options associated with the budget crisis, including debt restructure, land sale, pause FY25 salary increase program, revise merit aid matrix, ending the tuition guarantee, and unit-specific issues (to include accountability via monthly budget/actual review and reforecasting).

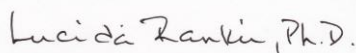
4. Financial Issues

Following the announcement of the financial shortfall at the November ABOR meeting, SPBAC pivoted again to directly address this challenge by inviting a presentation by Gary Rhoades, Chair of Gen Faculty Financial Recalibration and his team, reporting the recommendations of that committee. Interim CFO John Arnold presented several updates on the Financial Action Plan under development in conjunction with the All Funds budgeting process.

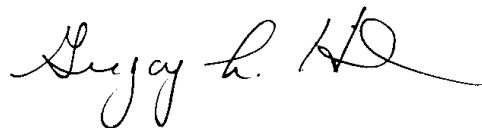
5. SPBAC Subcommittees

At the suggestion of interim CFO John Arnold, five subcommittees were formed in an effort to help inform issues surrounding the financial challenges confronting the university. Each of the committees focused on a specific issue: 1) establishing a new Merit Aid model 2) Academic and Financial reporting and accountability, 3) Academic program efficiency and duplication 4) New Budget Model: Incentives and Guiding Principles 5) Revenue sources and Capitalization. Reports from the subcommittee will be collated once discussed by the full membership and provided to present and incoming administrators.

Due to the campus-wide representation (faculty, staff, students and administration) SPBAC is able to consider budgetary and strategic issues from many perspectives that are relevant to the institution's operation. Therefore, it is our hope and expectation that decision-making processes in SPBAC priority areas, and other areas of university-wide budgetary and strategic relevance, will continue to involve consultation with SPBAC in early stages of the decision-making process to enable a pro-active and consultative function for SPBAC. We wish to provide efficient decision-support for senior leadership, while also working effectively in the shared-governance process.



Lucinda Rankin
SPBAC Co-Chair



Gregory L. Heileman
SPBAC Co-Chair