

UO Budget Model in a Nutshell.

The University's new budget model is a *responsibility centered management* system that governs the budgets of (a) the individual schools and colleges (but not departments therein), (b) the budget for non-GTF central tuition remissions and (c) the total budget of the central administration. There are three steps to the process:

Step I: Overall distribution of revenues.

Tuition Remission (Financial Aid) budget is set at:

9.2% of all tuition.

The COMBINED budgets of the 8 schools and colleges is set at:

All tuition - 9.2% of all tuition - 28% of total S/C expenditures from 2 years earlier.

The central administrative budget is then:

All other revenues + 28% of S/C expenditures from 2 years earlier.

Step II: Distribution to individual schools and colleges.

(A) Undergraduate Tuition: All remaining undergraduate tuition is pooled (regardless of resident vs non-resident). This is then distributed to the S/C as follows:

50% by student credit hours

30% by Major (prorated for double majors)

20% by degrees awarded

(B) Graduate Tuition: The actual tuition dollars paid by a graduate student follow that student directly into the school or college where the student is enrolled in a degree program.

Step III: There is a fixed annual redistribution of the budgets above. As budgets grow, this redistribution will become insignificant.

Under the new budget model the schools and colleges have *substantially increased* fiscal responsibility. Most of the schools and colleges have *substantially increased* budgets and all of the schools and colleges have *substantially increased* opportunities to make decisions that will improve their overall financial health.