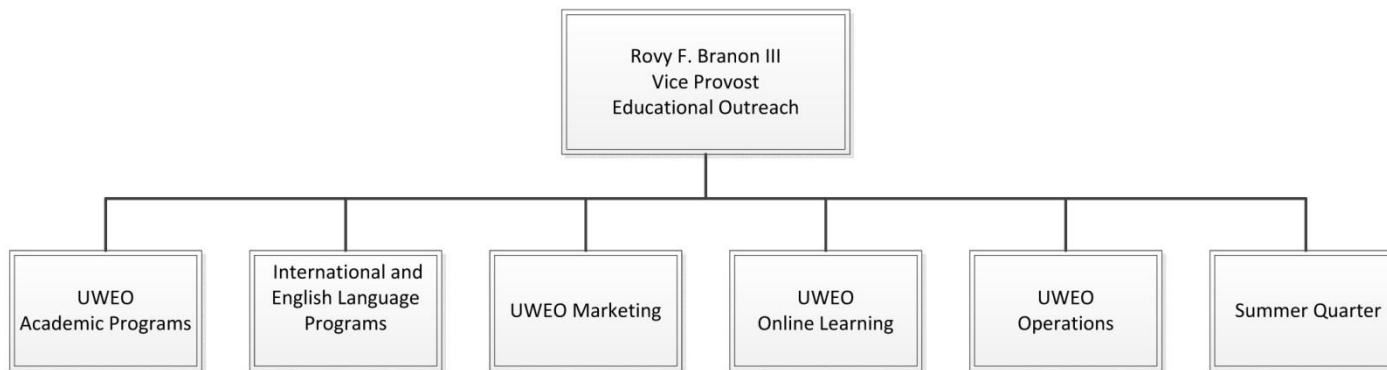


***Administrative Unit Name: Educational Outreach***

1. One goal of the budget development process for administrative units this year is to provide greater understanding of the connection between resource use and the primary, or core function by each part of the administrative structure. To begin, please paste a copy of your organization chart here. Please provide a chart that reflects the diversity of the organization and will serve as a sensible platform to complete the next question.

Because administrative units have a month and a half to complete this work, unit leadership should use their discretion in providing a level of detail that prompts a rich conversation, but is not overly burdensome.

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2. In order to provide a snapshot of current activities, the distribution of resources across various functions and how much these activities contribute to the University's mission, please provide information about the functional areas, or departments, of your organization.

At a level of granularity that reflects your organization's chart or if no chart exists, the functional areas of your organization, **please provide the following information for each functional area via the "FY15 Expenditures Worksheet" tab of the "Worksheets and Reference Materials – Administrative" Excel workbook**, available here: [https://opb.washington.edu/sites/default/files/opb/Budget/Worksheets\\_and\\_Reference\\_Materials\\_Administrative.xlsx](https://opb.washington.edu/sites/default/files/opb/Budget/Worksheets_and_Reference_Materials_Administrative.xlsx).

- a) A description *not to exceed 200 words* of how each functional area contributes to the University's research, service and teaching missions and what risks the University would face if this work were no longer funded<sup>1</sup>; and,
  - b) Planned expenditures, by functional area, showing how your unit intends to spend *permanent ABB funds*, as well as (if applicable to your unit) funds derived from self-sustaining efforts, grants and contracts, and philanthropy, and other funds during FY15.
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*Please see the MS Excel file included with this submission.*

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<sup>1</sup> Please refer to the FY16 Budget Development web page at <http://opb.washington.edu/content/fy16-budget-development> for more information about the University's Sustainable Academic Business Plan goals and top institutional risks.

3. In less than 200 words, please describe how you envision adapting your unit and its organization to meet changing institutional needs in the coming fiscal year. Please integrate self-sustaining, grant & contract, and philanthropic sources of funding (if applicable to your unit) and describe how these sources are marshalled to subsidize your activities.
- 

UW Educational Outreach will continue its current mission to providing broad access to the high-quality educational programs of the University of Washington. We will continue to serve the needs of diverse, global communities of learners through innovative, self-sustaining programs and our portfolio continues to grow.

UWEO's high-quality professional degree and certificate programs have always attracted adult learners and the program line remains healthy. In autumn of 2014, UWEO offered 153 professional certificate programs and our fee-based degree portfolio grew to 82 programs.

As we move into the future, UWEO will need to make substantial and sustained investments in improving the overall student experience at scale. Systems and business processes that worked well when UWEO served a smaller population are increasingly burdensome to students and our campus partners. Future growth will be limited without comprehensive systems modernization and business process redesign. This effort will begin in 2015 through a visioning and strategic planning process and continue for three years. Based on the outcomes of the 2015 visioning process, UWEO will allocate significant dollars from its strategic reserves in bold but smart initiatives designed to provide the highest quality sustainable education to a boundless global audience.

4. In one paragraph or less, please assess the functional and financial health of your unit since FY09 (e.g. deficits, workforce capacity, declining grants or gifts).
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UWEO product line revenues and net returns have grown every year since 2009. In 2009, UWEO gross revenue was \$81.7M and we returned \$26.2M to the greater university in central overheads and net program contributions. In 2014, our gross revenues had grown to \$155.3M and our net contributions totaled \$65.4M. Functional health is improving when one considers our financial contribution to UW in 2009 was 32% of revenue and in 2014, our financial contribution to UW had grown to 42% of revenue. This is a solid indicator that UWEO functional productivity is improving and it should be mentioned employee satisfaction and retention remain high.

5. In the event that neither state funds nor additional Provost Reinvestment is available for compensation increases, how might your unit cover salary increases for positions budgeted in GOF and DOF budgets? Please refer to the FY16 Budget Development web page at <http://opb.washington.edu/content/fy16-budget-development>.
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UWEO operations are entirely self-sustaining. Employee salary increases are set according to university guidelines and are fully funded through operating revenues.

6. This summer, the UW has been the sole subject of a state-required audit of net operating fee (tuition) and local fund accounts. This audit has revealed the importance of monitoring expenditures against budgets on a biennial basis, ensuring that colleges, schools and administrative units have plans to spend fund balance in a reasonable and mission-driven manner and that these plans are acted upon. As such, we are piloting a new administrative carryover policy for the FY16 budget process, though we will employ draft carryover data in executing this pilot.

In completing this work, please do the following, using the **“Carryover Worksheet – Detail”** tab of the **“Worksheets and Reference Materials – Administrative” Excel workbook**, which is provided at the following web page:

[https://opb.washington.edu/sites/default/files/opb/Budget/Worksheets\\_and\\_Reference\\_Materials\\_Administrative.xlsx](https://opb.washington.edu/sites/default/files/opb/Budget/Worksheets_and_Reference_Materials_Administrative.xlsx).

1. **Units may reserve up to 10 percent of their permanent ABB base (GOF and DOF ONLY).** Units may hold up to 10 percent of their permanent base as an emergency reserve. This reserve will be calculated annually and derived from the previous June/July’s ABB base budget information to units. These figures are provided on the last two tabs of the **“Worksheets and Reference Materials – Administrative” Excel workbook**.
  2. **Set-aside “central” commitments from the reserve.** For this purpose, central commitments are defined as those allocated or approved by President, Provost, and/or OPB on behalf of the Provost which have not been fully expended. A list of these commitments is available from OPB in the event your unit should need assistance. The list would come from OPB’s commitments database. If additional commitments are not reflected in OPB’s database please send the information to Amy Floit in OPB.
  3. **Explain any remaining temporary carryover balance by providing a list of intended use(s)/purpose(s) (i.e. a spending plan).** These would be differentiated according to intended use along the following lines:
    - a. Permanent expenditures funded with temporary funds;
    - b. Possible multi-year commitments; and,
    - c. Immediate, current year use.
- 

UWEO’s carryover balance is negligible and not material.

7. Though we believe that few, if any, state funds will be available and that any new Provost Funds may be dispatched for mitigating cuts or providing salary increases, please indicate what **Provost Reinvestment Funds are being requested**. Requests for funds should be identified by a unique title, accompanied by the amount requested, the year funding is requested, whether the request is for permanent or temporary funds, the number of years funding is needed in the case of a temporary request and a brief description, not to exceed 500 words. **Successful requests will make meaningful contributions to institutional strategic plans, drive student support and student service missions, and correlate directly to the long-term financial health of the University or its efforts to mitigate institutional risk.**<sup>2</sup>

**Importantly, requests for new funding will be considered alongside carryover spending plans.** Administrative units with growing temporary fund balances will be asked to explain why new funding is needed to support mission-critical program enhancements.

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### Carryover Investments in the UW Summer Quarter Program

In spring of 2014, UWEO submitted a proposal to UW OPB regarding the investment of UW Summer Quarter reserves to expand the reach and impact of the program. With the UW Summer Quarter reserves now returned to the Provost, further dialogue is necessary to decide how investments into the program would be leveraged. As a baseline, inserted here is the original proposed investment plan.

### UWEO Planned Summer Quarter Initiatives and Projects – Spring 2014

#### 1. Online Course Development

To serve the increasing number of nonresident UW students, to address the high school market and to expand the market for unique UW offerings beyond the Seattle area, the UW must increase its online course offerings – especially in Summer Quarter. The UW currently represents one of the most successful providers of online education (17 degrees and 41 certificate programs) and will acknowledge our leadership in the field with a new UW Online brand campaign, headed by President Michael Young and Provost Ana Mari Cauce. Summer quarter serves as the ideal time to develop and launch online classes for UW students and people throughout the country who cannot access our classes on campus. It also provides a low-risk way to offer innovative online classes as experiments and provides faculty a way to earn additional compensation and teach their classes remotely in the summer months. Given the success of the online pilot classes for matriculated students during the academic year, online classes in summer quarter should and must be developed and offered. The online classes developed in the summer can also be used during the academic year. Summer quarter reserve funds should be used to provide online course development contracts for faculty members, offering one to two months of salary for creating a fully online course in addition to the salary for teaching it. UWEO has the infrastructure and instructional design staff to support faculty in development and delivery of fully online courses in a high-quality manner. The cost per course for UWEO instructional design is \$14,000 for a new course development, \$5,000 for minor revisions and \$1,000 for each course opening in subsequent years.

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<sup>2</sup> Please refer to the FY16 Budget Development web page at <http://opb.washington.edu/content/fy16-budget-development> for more information about the University's Sustainable Academic Business Plan goals and top institutional risks.

Including payment of faculty for online course development, the cost to develop and launch an online course requires an investment of \$30,000 per course on average. We currently have 10 online courses to be offered during summer quarter 2014 and are working to add an additional 40 courses over three years to reach 50 online courses by summer 2017. This strategy would put us on the same pace as peers who have quickly ramped up their online offerings in the summer as well as enable departments to also offer these courses year around as appropriate.

Total estimated investment of SQ Reserve = \$1,200,000 = 40 x \$30,000 over three years.

Total incremental net revenue return to Provost – TBD based on course enrollments and revenue Growth.

## 2. Certificate Program Development Cost:

UWEO currently offers 5 summer quarter certificates: Localization, Business Essentials, Database Management, Nonprofit Essentials, and Computational Finance. Five additional online certificates should be added over the course of the next four years. Of these ten certificates, five programs could be converted into online courses, using the same financial model as other online courses. Estimated cost per certificate development (online course development and course opening) at \$30,000/course or \$90,000 per certificate.

Total estimated investment for summer quarter reserve: \$450,000 total = 5 programs x \$90,000

Total incremental net revenue: \$150,000 per yr. (5 programs x \$30,000 net revenue after faculty salary)

## 3. Internship and Research Program Expansion:

Summer quarter provides the ideal time to complete student internships and research projects. UWEO proposes to fund two headcount working either in the career center or within appropriate departments in the College of Arts and Sciences to cultivate relationships with local companies, non-profits and research organizations. They would work to bolster resources, independent study options and manage summer quarter internship programs for undergraduate students majoring in the liberal arts and sciences. The program will be funded from reserves for three years and then be integrated into the operating budget based on meeting goals and metrics such as incremental revenue generated from students enrolling in independent study courses. Offering such a program would expand the placement rate of UW graduates longer term, the program may help the UW to garner greater alumni contributions based on the connections made with organizations and the placement of students into jobs.

Total salary and benefit cost to SQ Reserve - \$200,000 per year x 3 years = \$600,000 total

Total incremental net revenue return to Provost – \$225,189\* per year x 3 years = \$675,567 total

\* If 150 students per year took a 4 credit Independent Study (\$1,501.26) = \$225,189 per year.



4. College-ready Program for International Students:

Currently, 18% of admitted UW students are international students, mostly from Asia.

UWEO English Language Programs seeks to collaborate with the UW Admissions office and Office of Global Affairs to create a three-year summer quarter college-ready program pilot targeting international students who have been admitted to the UW as undergraduates for the upcoming academic year. The program would require students to enroll in a summer quarter class and provide services to better introduce the students to the UW and integrate them with other resident and nonresident students. Summer quarter would use reserve funding to provide staff, likely in the Office of Global Studies, to provide these services. Such programs have been successfully launched at UC Irvine and Davis. This program would greatly enhance retention of international students that has been lower than the domestic average. Two full time staff would be hired to plan and manage such a program.

Total estimated investment from SQ Reserve:                      \$600,000 (\$100,000 x 2 people x 3 years)

5. TeamBudget System Enhancements:

UWEO works with departments to manage summer quarter budgeting using the TeamBudget system. TeamBudget is a web based system that aggregates proposed course offerings and instructional expenses from more than 70 departments, does budget reports and presents approvals at a school and college/school level to support decision making and reporting. The system has been running for three years, and UWEO has collected input from users on ways to streamline the data entry for advisors and administrators and improve reports and analytics for chairs and deans. A feature to calculate approximate revenue by department should be added as well. These improvements will help us to more productively work with departments on planning and decision making for summer quarter offerings.

Estimated development cost investment from SQ reserve - \$400,000 spread over two years

Total incremental net revenue return to Provost                      – Difficult to measure\*

*\* Would ensure SQ offerings are even more optimized to meet student demand.*

6. Marketing:

UWEO currently allocates \$50k for summer quarter marketing expenses (including staff expenses). On a three-year pilot basis, UWEO would like to increase marketing budget by using reserve funding to target high school students and other college students returning to Seattle for the summer using social media and internet marketing techniques. The funding would support advertising, agency costs and partially fund new headcount to drive more awareness and click thru to the [Summer Quarter web site](#).

Total estimated investment from SQ Reserve:                      \$240,000 = \$80,000 per year x 3 years

Total incremental net revenue return to Provost: \$450,378 = \$150,126 per year x 3 years

*\* If 100 more HS and non-UW students per year took a 4 credits SQ course (\$1,501.26 x 100) = \$150,126/yr.*

7. Fundraising and Advancement for SQ Programs:

UWEO is meeting with UW Advancement to discuss funding 0.5 FTE of a headcount for the next four years of the capital campaign to raise money for Summer Quarter. The fund raising efforts could take many forms including funding for K12 teacher enrichment, summer research-oriented courses or field based courses, funding for scholarships to help high school students take UW summer courses, etc.

Total estimated investment for SQ Reserve:     \$300,000 = 4 years x \$75,000

Total incremental funds raised by Advancement: Estimate TBD - can be assessed based on funding raised

## FY15 Administrative Expenditures by Functional Area - UWEO

At a level of granularity that reflects your organization's chart or, if no chart exists, the functional areas of your organization, please provide the following information for each functional area using the template(s) below:

- a) A description not to exceed 200 words of how each functional area contributes to the University's research, service and teaching missions and what risks the University would face if this work were no longer funded[1].
- b) Planned expenditures, by functional area, of how your unit intends to spend permanent ABB funds, as well as (if applicable to your unit) funds derived from self-sustaining efforts, grants and contracts, and philanthropy, and other funds during FY15.

Please describe any assumptions you are making in your response, such as those related to the availability of state or federal funding or projections based on the first complete month of expenditures in FY15, etc. Please see the example "Admin Template - Planning & Budgeting Draft," which is provided at:

<http://opb.washington.edu/content/fy16-budget-development>

[1] Please refer to the webpage above for more information about the Sustainable Academic Business Plan goals and top institutional risks

**Assumption:** Salary data assumes merit pay increases consistent with UW HR compensation guidelines. All salary expense data includes fully loaded benefits.

**Assumption:** "Other" expenditures include forecasted technology expenses, lease and occupancy expense, advertising, printing, travel, supplies, membership dues, contract labor and other miscellaneous expenditures.

**Assumption:** UW Summer Quarter "salaries/benefits" expense reflects UWEO program support staff. UW Summer Quarter "other" expenses reflects instructional and other direct program expense.

<b>Name of area: UWEO Academic Programs</b>
<p><i>Academic Programs (AP) develops and manages all PCE fee-based degrees, certificate programs, standalone courses, contract offerings and youth programs like UW in the High School. AP works collaboratively with campus departments to expand UW offerings through fee-based degrees to professional &amp; nontraditional students by providing part-time, evening, off-campus and online options. AP plays a key role administering fee-based degrees through discussions and planning with campus departments, by providing program guidance and leadership to mitigate the risk of program development and management, and by coordinating a range of services that include fiscal administration, market research, pricing, program promotion, online learning, and registration. Experienced program managers leverage PCE's ability to scale program development &amp; management across 79 degree programs to provide substantial efficiencies to degree programs. All net revenue is returned to the academic units providing a significant revenue stream for departments to add faculty lines, TA's and to support their service and research responsibilities. Similarly, 120 certificate programs, developed in partnership with advisory boards and campus departments, allow professionals to expand their career opportunities and enrich their lives. Collectively AP offerings extends the UW educational mission by serving over 25,000 credit and non-credit students per year with high quality self-sustaining programs.</i></p>

Fund Source	FY15 FTE	FY15 Planned Annual Expenditures (in \$)	
		Salaries/Benefits	Other
ABB Funds (GOF, DOF-ICR, DOF-LFA)			
Self-Sustaining Funds (BT 10, 11)	67.00	\$ 5,245,175	\$ 989,325
Grants & Contracts (BT 05)			
Philanthropy, or Gifts & Discretionary (BT 06)			
<b>Total</b>	<b>67.00</b>	<b>\$ 5,245,175</b>	<b>\$ 989,325</b>

BT = Budget Type

**Name of area: UWEO International and English Language Programs:**

*International & English Language Programs provides teacher training and second language research opportunities through support of and collaboration with the English Department of the College of Arts and Sciences and the MATESOL program. IELP provides funding for 12 teaching assistants in the MATESOL program and 2 graduate assistantships. These Teaching Assistants gain classroom practicum training in our intensive English programs with guidance and mentoring from our senior instructors. In addition IELP funds 25% of 1 FTE tenure track appointment in the Department of English to support research on curricular development and program evaluation. If our work with the English Department was no longer funded, the MATESOL program enrollments would decline considerably and the MATESOL program would be at risk, since our funding of the TAs allows the English Department to recruit and retain quality graduate students. The MATESOL program fulfills a need for qualified teachers of English to speakers of other languages within the state of Washington at all levels of the educational spectrum. In addition, the financial contribution that IELP provides to EO infrastructure and to the unit indirectly supports all programming offered by EO in support of the University's mission.*

Fund Source	FY15 FTE	FY15 Planned Annual Expenditures (in \$)	
		Salaries/Benefits	Other
ABB Funds (GOF, DOF-ICR, DOF-LFA)			
Self-Sustaining Funds (BT 10, 11)	96.00	\$ 6,132,244	\$ 698,001
Grants & Contracts (BT 05)			
Philanthropy, or Gifts & Discretionary (BT 06)			
<b>Total</b>	<b>96.00</b>	<b>\$ 6,132,244</b>	<b>\$ 698,001</b>

BT = Budget Type

**Name of area: UWEO Marketing**

*UWEO marketing contributes to the University of Washington's teaching and service missions by increasing awareness and driving enrollment for educational programs for non-traditional students.*

*The UWEO marketing team has developed strong brand awareness for UW Professional & Continuing Education programs, the gateway to UW programs for busy adults. This team is skilled at reaching the adult audience in the Puget Sound region and beyond. The website, [www.pce.uw.edu](http://www.pce.uw.edu), offers a central place for prospective students to shop for work-compatible education programs at the University of Washington. This site receives approximately 800,000 unique visitors annually and accounts for 20% or more of the traffic to degree programs administered by UWEO.*

*The marketing team offers a wide range of services including web site design and development, content development and management, graphic design, online and traditional advertising, social media, email marketing and more.*

*In addition to supporting UW Professional & Continuing Education programs, the marketing team is responsible for increasing awareness and driving enrollment for numerous other programs with distinct audiences including UW Summer Quarter, UW International & English Language Programs, Early Fall Start, Summer Youth and UW in the High School.*

Fund Source	FY15 FTE	FY15 Planned Annual Expenditures (in \$)	
		Salaries/Benefits	Other
ABB Funds (GOF, DOF-ICR, DOF-LFA)			
Self-Sustaining Funds (BT 10, 11)	22.00	\$ 1,598,352	\$ 958,132
Grants & Contracts (BT 05)			
Philanthropy, or Gifts & Discretionary (BT 06)			
<b>Total</b>	<b>22.00</b>	<b>\$ 1,598,352</b>	<b>\$ 958,132</b>

BT = Budget Type

**Name of area: UWEO Online Learning**

*UWEO online learning contributes to the UW's teaching and service missions by providing broad access to its high-quality educational programs. We develop, deliver and support innovative, self-sustaining programs that directly benefit communities through serving the needs of diverse audiences. To this end, we use learning technologies, cutting-edge instructional design, digital media, and instructional methods specific to online environments, to offer degree and certificate programs for students who can't attend campus-based classes.*

*Online learning staff work collaboratively with faculty to create student-centered course content designed for the needs of online learners. Our staff uses best practices, based in learning science and current technological advances, to create high quality online courses offering engaging learning experiences. We support faculty in the development of courses through conducting workshops and training on developing and teaching courses in an online environment.*

*We offer 40 online certificate programs, 16 online master's degrees, 2 online bachelor completion degrees and over 40 individual online courses for matriculated students. Additionally, we make available free courses to global communities through our participation in Coursera, EdX and Canvas.net. If our staff and services were eliminated the University would no longer be positioned to offer high quality online programs for diverse audiences.*

Fund Source	FY15 FTE	FY15 Planned Annual Expenditures (in \$)	
		Salaries/Benefits	Other
ABB Funds (GOF, DOF-ICR, DOF-LFA)			
Self-Sustaining Funds (BT 10, 11)	22.00	\$ 1,684,399	\$ 276,371
Grants & Contracts (BT 05)			\$ 274,376
Philanthropy, or Gifts & Discretionary (BT 06)			
<b>Total</b>	<b>22.00</b>	<b>\$ 1,684,399</b>	<b>\$ 550,747</b>

BT = Budget Type

**Name of area: UWEO Operations**

*UWEO Operations offers its campus partners a broad portfolio of expert administrative resources to help ensure our partners' programmatic offerings meet their educational, student service, fiscal and other strategic objectives. The mission of the*

operations department is as follows:

*“UWEO Operations provides a diverse portfolio of assets and services to support UWEO’s overall mission. We build and continuously optimize the operational backbone of UWEO. We support our students, instructors, academic partners and each other. We take pride knowing our quality services and our expert knowledge serve the needs of a global community of lifelong learners.”*

*The UWEO operational units bringing their expertise to the support of professional and continuing education programs are as follows:*

- Facilities management
- Finance and accounting
- Human resources
- Information technology
- Institutional research
- Intellectual property and contracts management
- Market research
- Project management office
- Software development services
- Student registration services

*UWEO Operations is funded through self-sustaining revenues.*

Fund Source	FY15 FTE	FY15 Planned Annual Expenditures (in \$)	
		Salaries/Benefits	Other
ABB Funds (GOF, DOF-ICR, DOF-LFA)			
Self-Sustaining Funds (BT 10, 11)	56.00	\$ 4,635,047	\$ 2,695,950
Grants & Contracts (BT 05)			
Philanthropy, or Gifts & Discretionary (BT 06)			
<b>Total</b>	<b>56.00</b>	<b>\$ 4,635,047</b>	<b>\$ 2,695,950</b>

BT = Budget Type

## Administrative Unit Carryover Usage Plan SUMMARY

*This table will self-populate via the "Carryover Worksheet - Detail" tab*

<b>Administrative Unit Name:</b>	<b>Educational Outreach</b>
<b>Estimate of Carryover Balance at "Close" of FY14:</b>	<b>0</b>

<b>Usage Category</b>	<b>Amount</b>	<b>%</b>
Unit's Reserve	221,094	100.00%
Central Commitments	0	0.00%
Permanent Costs & Other Projects	0	0.00%
<b>Total</b>	<b>221,094</b>	<b>100.00%</b>