

Academic Unit Name: Foster School of Business

Please complete this Word document and the accompanying [Excel workbook](#), and submit them to the Office of Planning & Budgeting on or before **Friday, November 20**. Please email your materials to [Becka Johnson Poppe](#).

In addition to the questions in this document, academic units will be asked to provide information about anticipated growth or contraction over the next five years. These materials, however, will not be distributed to academic units until October 30 and will not be due until Wednesday, December 23. In order to ensure some consistency and common information across responses, academic units will be given templates with projections of student growth. Units will be asked to review these growth trajectories and provide detailed notes about any planned deviation(s).

1. Since the Washington state legislature reduced resident undergraduate tuition rates for the 2015-16 and 2016-17 academic years, we are giving academic units an opportunity to revisit and, if needed, revise tuition rate recommendations for 2016-17 (FY17).

Please review the FY17 tuition rate(s) previously recommended by your unit – copies are available at the [FY16 Unit Budget Submissions webpage](#) – and please **either confirm your previous recommendation or provide a new recommendation with accompanying justification** for the change.

If you have a new recommendation, please use the “Tuition Rec Worksheet” tab of the “FY17 Academic Budget Worksheets & References” [Excel workbook](#) to identify your new proposal.

As always, **if your recommendation involves creating a new tuition category**, please be sure to identify the original tuition category, the proposed category and a suggested tuition rate for FY17. If you plan to move only a subset of your programs into a new category, please identify those programs by major name, pathway, level and type.

The Foster School does not want to revise the FY17 rate recommendations for the full time MBA program. As a reminder, our proposed rates are as follows:

MBA resident operating fee – 1st year incoming: \$30,392 (4% increase over FY16 incoming)
MBA resident operating fee – 2nd year continuing: \$29,223 (no change from FY16)

MBA nonresident operating fee – 1st year incoming: \$44,538 (4% increase over FY16 incoming)
MBA nonresident operating fee – 2nd year continuing: \$42,825 (no change from FY16)

2. Though the Provost will soon be announcing requirements for FY17 merit increases, **please tell us how your unit plans to deploy funds for merit increases and unit adjustments in FY17**. A salary and tuition revenue model WILL BE available on the [FY17 budget development website](#) by October 26; this model is designed to give you a sense of the magnitude of the support that will be required at various salary percentage increases.
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We have estimated that a 4% merit increase for Foster faculty and professional staff paid on GOF would equal \$910k. Our assumption is that we will be asked to cover at least half of that cost, in addition to funding the full cost of merit for faculty and staff paid on self-sustaining sources as we have in years past. We have revenue sources that would allow us to do so. In GOF budgets specifically, we will deploy some of the incremental tuition dollars received through our FY16 ABB allocation for this purpose.

3. As you may recall, last summer, the UW was the sole subject of a state-required audit of net operating fee (tuition) and local fund accounts. This audit reinforced the importance of monitoring expenditures against budgets on a biennial basis, ensuring that academic 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 ask that academic units **provide itemized obligations against fund balance** (as estimated by OPB for the close of FY15, going into FY16) using the **“Carryover Worksheet” tab** of the “FY17 Academic Budget Worksheets & References” [Excel workbook](#). Please be as specific as possible.

- In the space below, **please indicate what your unit will do to contribute to an overall decline in the UW’s fund balance**. If your unit has no fund balance, or a negative balance, you need not answer this question.
 - If you would like to describe any items from the worksheet in greater detail, please use the space below.
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Our actual carryover balance going into FY16 was \$3.8 million. Over the course of the 2015-16 academic year, we will use \$486k of these funds for scholarship support to the top admits in our full time MBA program. We intend to award scholarships in a similar manner to the 2016-17 incoming MBA class.

*We also anticipate using \$150k toward VEBA payouts for retiring faculty. We would like to leave the remaining balance (\$3.2 million, or 9.8% of our FY16 ABB budget) as reserves, particularly in light of the recent Planning & Budgeting projection of **(\$640k)** true-up for FY16 and uncertainty that the FY17 undergraduate tuition reduction will be backfilled in our ABB budget.*

4. The Provost will be making the decision to deploy *permanent* Provost Reinvestment Funds **primarily, if not exclusively, to cover for compensation increases. The only possible exceptions for permanent funds will be for critical compliance issues.** However, requests for temporary funds will only be entertained in areas of high institutional priority and in consultation with faculty, staff and students.

If your unit has a Provost Reinvestment Fund request that fits within these strict parameters, please describe it using the framework below.

Title	Funding	FY	P/T	Years Needed (If Temp)
<i>Undergrad minor in business</i>	\$622K	17	P	

In the most recent round of admissions in the Undergraduate program, our acceptance rate was 40% of UW junior applicants. In an effort to address the excess demand for the undergraduate major, we are interested in offering a competitive Undergraduate minor in Business. We estimate that more than 600 students would be interested in obtaining this minor. This high demand coupled with the increased employability of graduates with this minor makes us feel strongly that this should be an institutional priority.

We have developed a curriculum of 31 credits (which includes five new courses) and explored the costs associated with admitting 90 and 180 students. We are proposing to start with 90 and have estimated that will cost \$622k beyond our ABB allocation from this increase in SCH.

5. **Please confirm that faculty councils – and, to whatever extent may be possible, student leaders – within your unit/campus have been consulted** as part of this budget planning exercise and given the opportunity to provide input. To confirm this, please do **one** of the following:
- Briefly describe who was consulted and when, and provide a point of contact for your faculty council.
 - OR**
 - Include a signed letter from your faculty council chair (a scanned PDF is fine) when you submit the rest of your materials.

This document was reviewed and commented on by our Faculty Council on Tuesday, November 3, 2015. The Faculty Council chair is Professor Ted Klasterin (tedk@uw.edu; 3-1833).

This document was reviewed and commented on by leaders in our Undergraduate student organizations as well as the Undergraduate finance sub-committee on Wednesday, November 4, 2015. Dean Jiambalvo was unable to schedule a meeting with representatives from the MBA program prior to the November 20th deadline; that meeting will take place before the end of autumn quarter, 2015.

Academic Unit Carryover Usage Plan

Unit name: Foster School of Business

Carryover going into FY16: **3,804,798**

Please feel free to add rows, as needed.

PLEASE NOTE: You are **not** expected or required to have carryover line items for each Expense Category.

Expense Category	Description	Amount
General Reserves/Uncertainty		
	<i>Reserve balance equal to 9.8% of FY16 ABB budget</i>	\$ 3,168,632
		\$ -
Education Initiatives		
		\$ -
		\$ -
Equipment		
		\$ -
		\$ -
Facility/Space Investments		
		\$ -
Faculty Start-Up Expenses		
(Please indicate # of FTE)		\$ -
		\$ -
Professional Development		
		\$ -
		\$ -
Recruitment		
(Please note discipline and # FTE)		\$ -
		\$ -
Research Initiatives		
		\$ -
		\$ -
Temporary Salaries		
(Including student employees)	<i>Anticipated VEBA payouts for retiring faculty</i>	\$ 150,000
		\$ -
Other		
(Please be specific)	<i>Supplemental scholarship support for top admits in full-time MBA program</i>	\$ 486,166
		\$ -
TOTAL		\$ 3,804,798