

## Summer Sessions in the Budget Model BIA Implementation Plans

This guidance document provides additional detail regarding BIA implementation of the Incentive-Based Budget Model Summer Sessions Program, March 2014, posted at [http://budget.ucdavis.edu/budget-model/documents/Budget\\_Model\\_Working\\_Paper\\_Summer\\_Sessions\\_Final.pdf](http://budget.ucdavis.edu/budget-model/documents/Budget_Model_Working_Paper_Summer_Sessions_Final.pdf).

This guidance document is posted in the Implementation Category on the budget model website along with two guidance documents resulting from the summer sessions transition workgroups: (1) work processes for academic units and (2) instructional hiring policies and decisions.

### BIA RESPONSIBLE FOR ALLOCATIONS

BIA is the responsible office for summer sessions programs allocations, just as it is responsible for tuition allocations in the regular academic year.

### ELIMINATE OP 20292 AND INSTEAD USE OP 20290 EXCLUSIVELY

Effective for 2014-15 and going forward, BIA will allocate only OP 20290 for all summer sessions. By the end of 2013-14, BIA will eliminate base OP 20292 held in units by exchanging or collapsing base OP 20292 into OP 20290. BIA will not change the location of the base funds, just exchange. For the 2014-15 fiscal year, BIA will leave current 20292 balances, to be spent down during 2014-15. At the end of 2014-15, or any time earlier if requested by the unit, BIA will exchange remaining 20292 balances.

The one exception to pulling back base funding is that the L&S divisions requested BIA pull back the \$149,000 base funding in L&S Undergraduate Education and Advising (UEA). L&S, like the other colleges, will decide how to fund advising. Pulling back the funds will have no effect on the total summer sessions funding received by the L&S divisions. (It appears likely that OP 20292 carryforward in L&S UEA is adequate to cover UEA advising costs for summer sessions 2014.)

In late spring 2014, BIA will send the units a request for accounts to facilitate the OP fund changes.

### ACADEMIC UNIT FUNDING ALLOCATIONS 2014-15 AND GOING FORWARD

#### Basis for revenue to dean's level; pay accounts at department level

For 2014-15, each dean's office will receive \$87.50 per student credit hour (SCH), based entirely on pay (administering) basis, as recorded in the Instructional Activities Information System (IAIS), the system of record. The pay accounts must be at the department/program level so that resulting SCH and IAIS data will be at the department level, consistent with the regular year. Accuracy of IAIS data hinges on accuracy and timeliness of PPS entries and DESII editing. As noted on page 3 of the budget model paper, there is interest in an additional version of the SCH report by pay (administering) department that would include summer sessions instruction. This should be feasible when summer sessions instructors are on the payroll at the department/program level. BIA will begin modeling new reports when payroll data are available.

#### Existing base subsumed

As noted on page 7 of the budget model paper, the funding per SCH will **not** be in addition to the existing base funding; instead, the existing base funding will be subsumed by the SCH funding. Activities that had been supported by the existing base funding will now be supported by the per SCH funding.

#### Two-step allocation process for 2014-15

Step 1. Early in 2014-15, BIA will allocate base OP 20290 funds to the dean's level so that the dean will have ~75% of estimated SCH revenue based on 2013-14 offerings as recorded in the summer sessions office database. Since the existing base will be subsumed, BIA will provide enough additional funding so that the existing plus additional base is ~75% of estimated revenue. (For example, if SCH offered in 2013-14 would have resulted in \$1,000,000 and the unit already has \$150,000 base, BIA will allocate \$600,000 base so that the dean has \$750,000 ( $75\% * \$1,000,000 = \$750,000 = \$150,000$  plus \$600,000). If 2014-15 course offerings are significantly different from 2013-14 at the dean's level, BIA will discuss with the dean's office whether a different percentage would be appropriate.

Step 2. In late fall, BIA will settle up based on actual SCH data in IAIS. This will most likely be a positive allocation but could be a negative allocation. (Continuing the example above, if the amount generated based on actual SCH is \$1,100,000 and \$750,000 is already in the unit account BIA will allocate an additional \$350,000 base ( $\$1,100,000 - \$750,000 = \$350,000$ ). If the amount generated based on actual SCH is \$650,000, BIA will pull back \$100,000 base ( $\$650,000$  minus  $\$750,000 =$  negative \$100,000.)

#### One-step allocation process for 2015-16 and subsequent years

Since base budgets will be established via the 2014-15 allocations, in late fall of subsequent years, BIA will settle up based on actual SCH data in IAIS. The settle up could be negative or positive.

#### Revenue and cost distribution for cross-listed courses

As noted on page 8 of the budget model paper, BIA will allocate the dollars per SCH based on only one factor – the SCH of the pay (administering) unit. Applied to cross-listed courses, this means BIA will allocate \$87.50 per SCH to the dean who pays the instructor, regardless of who offers the courses. If deans with cross-listed courses prefer a different distribution, deans will be responsible for (1) MOUs between themselves regarding whether and how the revenues and costs for the cross-listed courses will be shared and (2) transacting any resulting redistribution of revenue and costs. As with many aspects of the budget model, deans may delegate this process to departments.

#### LIBRARY, IET, ARM, OR AND STUDENT AFFAIRS FUNDING 2014-15 AND GOING FORWARD

As noted on page 7 of the budget model paper, the base summer sessions funding held by the Library, IET, OR and ARM will remain in those budgets. As noted earlier in this document, OP 20292 will be eliminated and allocations will be OP 20290 only.

As noted on page 6 of the budget model paper, funding for Student Affairs will be similar to regular academic year student services fee (SSF), with funding changing consistent with changes in summer sessions revenue. BIA and Student Affairs are working together to determine implementation details.

#### FUTURE CONSIDERATIONS

As with all aspects of the budget model, we will continue to assess the impact of this change and will consider adjustments as needed.