Guest Column: What to Know About the Budget, Salaries and Investment Priorities

Andrew Comrie, Senior Vice President for Academic Affairs and Provost, and Gregg Goldman, Senior Vice President for Business Affairs and Chief Financial Officer
January 2016

Gov. Doug Ducey's recently announced fiscal year 2017 state budget recommendation included some good news for Arizona universities, with a modest $8 million increase for the university system over time—$2.2 million for the UA—and a promise to move, as requested by the Arizona Board of Regents, toward funding half the cost of in-state student education.

This is a welcome commitment, and a shift in a positive direction. However, the budget challenges and opportunities facing the University of Arizona remain very real and demand our continued attention and cooperation as a campus.

As we dive into a new semester, we are engaging in conversations across the campus about the current state of our budget and where and how we can best invest in our future as a University.

One major area that demands attention—as we've heard from a number of groups on campus—is employee salaries, which remain about 10 to 15 percent below the national median. This is not a gap we can close overnight; rather, there must be a multi-year commitment made to improve salaries. President Ann Weaver Hart has recognized the importance of this issue, and has initiated discussions about how we take on this challenge and make it a priority.

In addition to investing in the people we already have, we also must invest in new employees, which we have been doing with recent cluster hires in areas including but not limited to imaging excellence, ecosystem genomics, computational media and technology-enhanced language learning. At the same time, we must also continue to support critical campus development initiatives and to make operational investments in areas like information technology and our facilities.

So how do we do all of this in a balanced way, with limited resources?

Prior to the winter closure, a presentation to the Strategic Budget and Planning Advisory Committee outlined our budget realities, as well as possible areas for investment. SPBAC has been, and continues to be, an invaluable resource to inform the financial decisions we make as a university. And we have asked these campus representatives for guidance on priorities, tradeoffs and how we can prepare for possible future scenarios.

Equally valuable to this conversation is every employee on campus, and we encourage and welcome your input as we decide what we want to achieve and how we can allocate the resources needed to do it. You can share your thoughts by sending an email to budgetideas@email.arizona.edu [1].
As we all think about all of this, it is important for us to remember where we've been and where we are today with regard to our budget. It's no secret that the University has been cut deeply by the state over the last decade, and that our state funding may never return to the level it once was. Even so, our gross budget of approximately $2 billion continues to grow, thanks to other sources, including donor support, tuition revenue and increased enrollment, especially of non-resident students.

With regard to tuition, we have been and will continue to be transparent with our student leaders about the state funding environment and how their tuition dollars support the world-class education they receive at the UA. And recognizing that tuition increases can be difficult, we will continue to offer the Guaranteed Tuition Program, which promises our students predictable costs during their four years on campus.

Another major area of focus for us going forward must be donor support. Gifts make a huge difference in our revenue and can be truly transformative. Therefore, increased fundraising is critical. We have compelling donor opportunities to support students, faculty and programs. Recent research has shown that the UA has a remarkably high potential to increase philanthropic gifts.

Recommending where we go from here, and how we get there, will take thoughtful consideration and collaboration. We look forward to your participation and support in establishing investment priorities that move the University forward.

Source URL: https://uaatwork.arizona.edu/lqp/guest-column-what-know-about-budget-salaries-and-investment-priorities-0

Links:
[1] mailto:budgetideas@email.arizona.edu