

**SUMMARY OF ECONOMIC RULES COMMITTEE
DISCUSSION ON BUDGET MODELS
May 18, 2004**

REVENUE ALLOCATION TO SCHOOLS

State Revenue

- 80 – 90% by ACHE formula
OR
80 – 90% by ACHE-adjusted formula using lower ratio for graduate:undergraduate credit hours
- 10 – 20% through “University-wide Goal Performance Pool” – Potential Performance Indicators:
 - Undergraduate Education –
Graduation Rate
Retention Rate
Credit Hour Production/Faculty member
Percent Credit Hours taught by full-time faculty
 - Graduate and Professional Education –
Graduation rate adjusted by discipline
Matching funds for external award of fellowship support
Increase in the number of doctoral degrees awarded
Support of a fellowship pool in which GRE and other admission scores would be used to make awards
(These metrics would be used to award improvements across units.)
National/State Board Examinations
 - Research/Scholarship
Percent effort funding by faculty
Publication quantity and quality – adjusted for number of faculty
Improvement in Grants & Contracts Expenditures

Tuition and Fee (T&F)

Tuition revenues allocated to all schools and the aggregate Joint Health Sciences (JHS) departments according to the school-course prefix for each course.

School- and/or unit-level fees assigned directly to schools and units.

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Indirect Expense Recovery (IER)

Estimated IER revenues are distributed to all schools and the aggregate JHS departments according to a market share driven by academic home of principal investigator and executed cost-sharing agreements.

COST ALLOCATION TO SCHOOLS *

- Central taxes against IER, T&F and State
- Space-Utility/Maintenance/Etc.
- Other Possible Costs Assigned According to Usage

* Any costs that would no longer be covered centrally will free up revenues that should be distributed according to allocation rules for respective revenue.