

# Annual Operating Budget Report

## 2022/2023

This University at Buffalo (UB) Annual Operating Budget Report is a comprehensive presentation of the university's 2022/2023 budget and investment priorities.

---

 University at Buffalo  
Division of Finance  
and Administration



# Annual Operating Budget Report

University at Buffalo | Fiscal year 2022/2023

## Table of Contents

- STRATEGIC OVERVIEW..... 3**
  - 1. EXECUTIVE SUMMARY ..... 3
  - 2. UB VISION AND STRATEGIC GOALS..... 4
  - 3. OPERATING BUDGET HIGHLIGHTS..... 5
- BUDGET CONTEXT..... 7**
  - 1. STATE IMPACT ..... 7
- ISSUES AND ACTIONS..... 10**
  - 1. ISSUES AND CHALLENGES AFFECTING UB BUDGETS..... 10
  - 2. ACTIONS TO ADDRESS FISCAL CHALLENGES ..... 14
- BUDGET PLANNING.....17**
  - 1. ANNUAL RESOURCE PLANNING PROCESS (ARPP) .....17
  - 2. FINANCIAL CAPACITY ..... 19
- INVESTMENT DECISIONS..... 22**
  - 1. INVESTMENT REQUESTS & FUNDING ..... 22
- HIGHER EDUCATION EMERGENCY RELIEF FUND (HEERF) . 26**
- BUDGET MODEL ..... 27**
  - 1. BASE BUDGET..... 27
  - 2. ENROLLMENT AND TUITION REVENUE.....28
  - 3. TUITION REVENUE SHORTFALL ADJUSTMENT (TRSA) ..... 29
  - 4. FEES ..... 32
  - 5. CAMPUS DINING AND CAMPUS LIVING RATES ..... 34
  - 6. FACULTY & STAFF ..... 34
  - 7. INDIRECT COST RECOVERY (ICR) – 12% ..... 35
  - 8. ROYALTY AND PATENT INCOME ..... 35
- UNIT BUDGET – ALL SOURCES ..... 36**
  - 1. DECANAL UNITS ..... 36
  - 2. ACADEMIC SUPPORT ..... 36
  - 3. FUNDING SOURCES ..... 38
- FINANCIAL SECTION ..... 42**

# Strategic Overview

---

## 1. Executive Summary

The objective of the UB Annual Operating Budget Report is to provide the University at Buffalo (UB) community with a comprehensive summary of the financial plans for the university for 2022/2023.

During our Annual Resource Planning Process (ARPP), we make collaborative and thoughtful decisions about the degree to which a program helps us achieve our strategic goals. How does it serve our students' changing needs? How does it support our neighboring communities? How does it support our faculty's groundbreaking research? And how far can it get us toward our next goal: being recognized among the top 25 public research universities in the U.S.

Each funding request herein has been critically reviewed and, combined with our ongoing programs to find efficiencies and other cost-savings, will allow UB to continue to make valuable contributions locally, nationally and globally.

As we continue to manage and move beyond the impacts of the COVID-19 pandemic, UB continues to hold a strong financial position. In addition, we have strong cash reserves due to the following:

- University-wide spending restrictions and savings during the heart of the pandemic, coupled with significant unplanned federal support to offset revenue lost;
- Forward-looking financial stewardship and planning;
- UB's enrollment has remained strong.

Summarily, UB faces the same reality as most U.S. higher education institutions. International enrollment has stabilized but remains a concern for the upcoming year and beyond. State support was already declining or flat before COVID-19 heaped unprecedented financial challenges on the state. UB's financial growth increasingly is dependent upon tuition rate increases and revenues we can generate on campus.

## 2. UB Vision and Strategic Goals

Building on the existing strong foundation of academic excellence, knowledge and understanding, UB's vision is to rank in the nation's top 25 public research universities, thereby expanding the scope of our reach and strengthening our world-wide impact. We will achieve this by accomplishing the following strategic goals:

- **Achieve** greater societal impact locally and globally by enhancing faculty productivity, research funding and recognition; encouraging innovation and interdisciplinary collaboration; and enhancing research environments and faculty support structures.
- **Provide** our students with transformative, innovative, and research-grounded educational experiences while elevating students' academic profile, improving retention and graduation rates, enhancing academic and career support structures, enhancing educational environments, and expanding UB's leadership in international education.
- **Promote** a university-wide culture of equity and inclusion by integrating inclusive excellence into all aspects of our university, further enhancing faculty and student diversity, and implementing best practices in recruitment and retention.
- **Deepen** our engagement in the regional community by continuing to build partnerships in the local community, improving regional health care outcomes, and making Buffalo a destination for health sciences research, education and care.

### Top 25: More Than a Number

On October 16, 2020, President Tripathi outlined the university's commitment to becoming one of the top 25 public research universities in the U.S. in the next decade.

Building on UB's strong foundation of academic excellence, knowledge and understanding, the University at Buffalo will advance into the nation's top 25 public research universities, thereby expanding the scope of our reach and strengthening UB's world-wide impact.

Through the Annual Resource Planning Process (ARPP), we set out to align the following characteristics of a top 25 public research university with our strategic goals:

- ✓ Academic programs recognized among the best in the nation.
- ✓ Faculty who compete at the highest levels for research funds and fellowships and who are recognized for their excellence.
- ✓ A faculty, staff and student body that is increasingly diverse.
- ✓ Strong academic and student support at the undergraduate and graduate levels.
- ✓ A campus environment that is welcoming, inclusive and meets the needs of a modern campus.
- ✓ The cultivation and promotion of faculty impact, institutional success and alumni/friend engagement.
- ✓ Resources marshalled through philanthropy, research funding, enrollment and state aid.

*Learn about [UB's top 25 goals](#)*

### 3. Operating Budget Highlights

#### **Projected University Operating Budget 2022/2023 (All Funds): \$914 million**

##### **1. Tuition revenue**

Projected at \$365 million or 40% of the overall budget, tuition revenue represents the largest portion of the university's operating budget.

##### **2. Direct state tax support**

Projected at more than \$151 million or 16% of the overall budget, direct state tax support represents the second largest portion of the university's operating budget.

- This includes the \$1.7 million in one-time funds allocated to UB in the latest state budget.
- Excluded is the \$12.1 million allocated to UB for hiring faculty in the last state budget. At time of publication, the criteria to receive funding was still

unknown. Based on the timing of faculty hiring cycles, funding may not be delivered until the next fiscal year.

**3. Fee revenue**

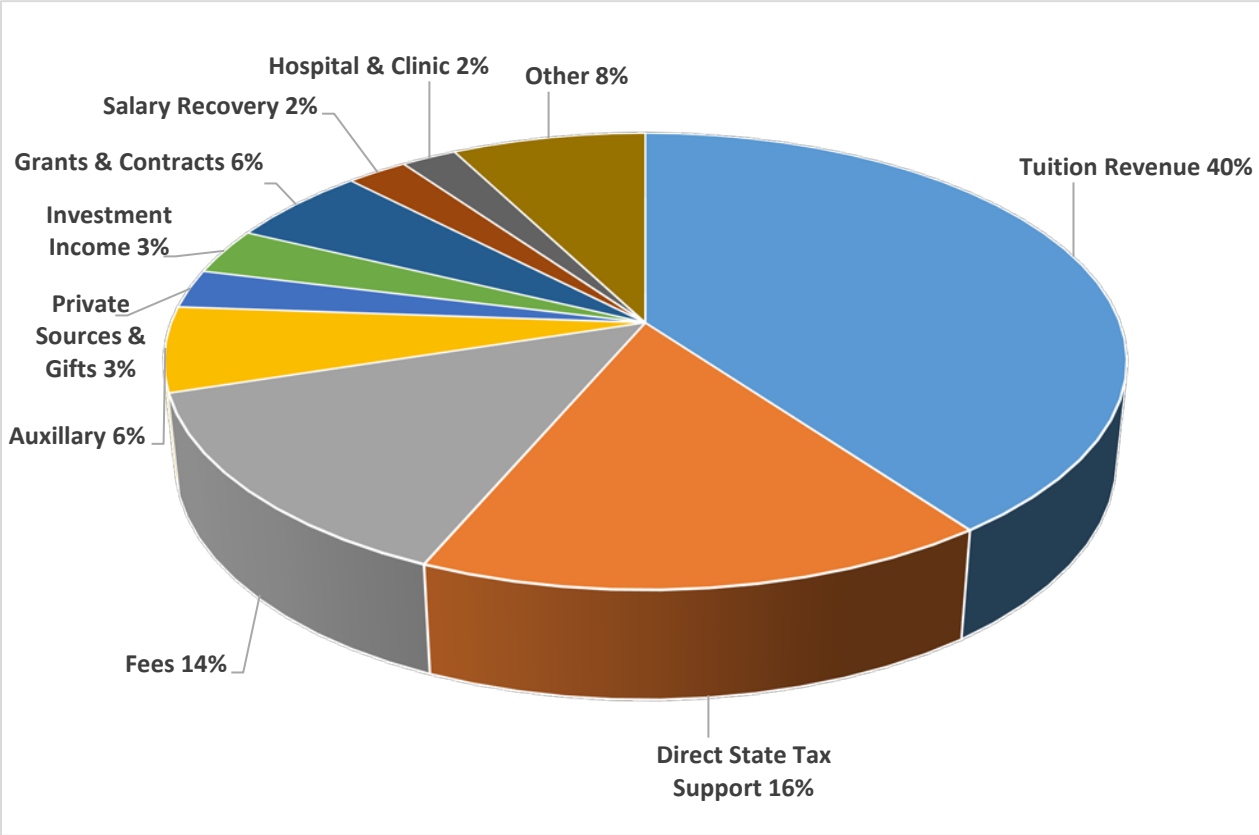
Fee revenue represents \$125 million or 14% of the overall budget.

- Fee revenue includes the Comprehensive Fee, Academic Excellence Fee, Course Fees and other service fees.

**4. Auxiliary revenues**

Auxiliary revenues are projected to be \$55 million or 6% of the overall budget.

- Auxiliary revenues come primarily from student housing. It also includes athletics, parking and other rent revenues.
- The projection is a 6% increase from the prior year; however, auxiliary revenues still lagged behind pre-pandemic levels by about 15%.
- This money is collected and spent almost entirely within these units and cannot be used for other purposes.



# Budget Context

---

## 1. State Impact

As New York State projects its first budget surplus in several years, there were some key components that signal a potential reinvestment in SUNY and UB, both short-term and into the future. Potentially the most impactful is the flagship status the governor formally announced for UB. The flagship designation recognizes UB as a leader in public higher education in the state of New York and a preeminent center for research and graduate education.

Highlights of New York State's 2022/2023 budget include:

- **TAP Gap is fully eliminated in 2022/2023.**

This accelerates the three-year elimination of the TAP Gap approved in the prior year budget and saves UB almost \$10 million annually.

- **Acceleration of the Excelsior Scholarship tuition rate “reset”**

This legislation resets the Excelsior tuition rate for 2022/2023 and calls for the rate to be reset annually. This saves UB over \$1 million annually.

- **\$60 million of one-time funds made available to SUNY**

From these funds, UB will receive \$1.7 million for the 2022/23 fiscal year.

- **\$53 million in support for new full-time faculty across SUNY**

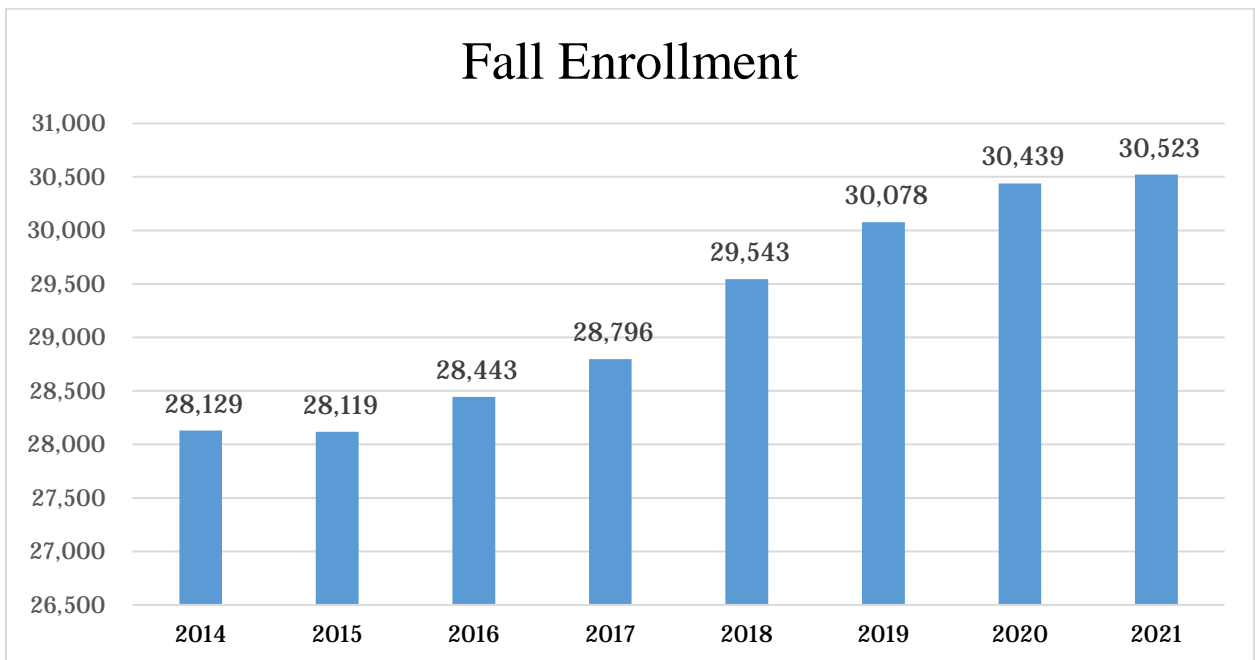
UB is scheduled to receive \$12.1 million of this funding. The criteria to receive this funding are still unknown at time of publication.

These investments by NYS into higher education are welcome; prior to COVID and since 2008, state support was decreasing or had remained flat year- to- year. This led UB to become more reliant on tuition and fee revenue. While UB's enrollment continues to increase, and UB is steadfastly committed to keeping our academic excellence accessible to students; as enrollments increase so does the cost of supporting those additional students. Even with this welcomed investment UB bears a rapidly increasing responsibility to cover the costs to support a growing student body.

We recognize the importance of continuing to be diligent financial stewards. The university is in strong financial health and can manage current challenges for the short term. At the same time, it is important that the university continues to focus on its mission and long-term goals as we make decisions in the face of budget challenges.

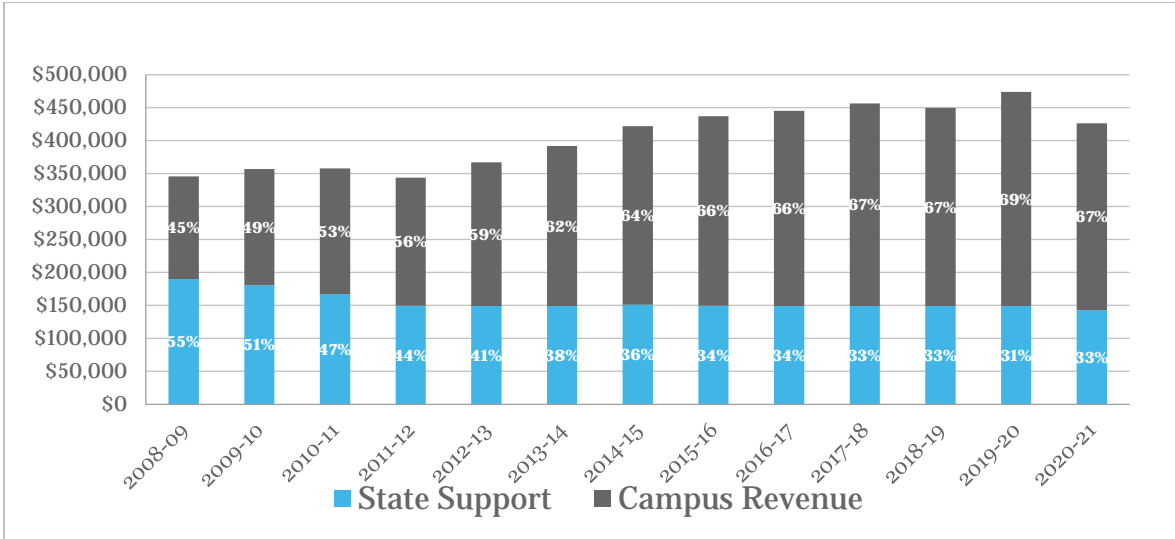
While UB has taken a number of critical steps to help defray the impact of rising costs and shrinking net resources, the university alone cannot fully mitigate the negative impact of this trend. The university continues to advocate for state support and for tuition and fee rates that allow UB to maintain resources on par with peer institutions.

The below chart shows UB's strong enrollment growth. Enrollment has increased 9% since 2014.

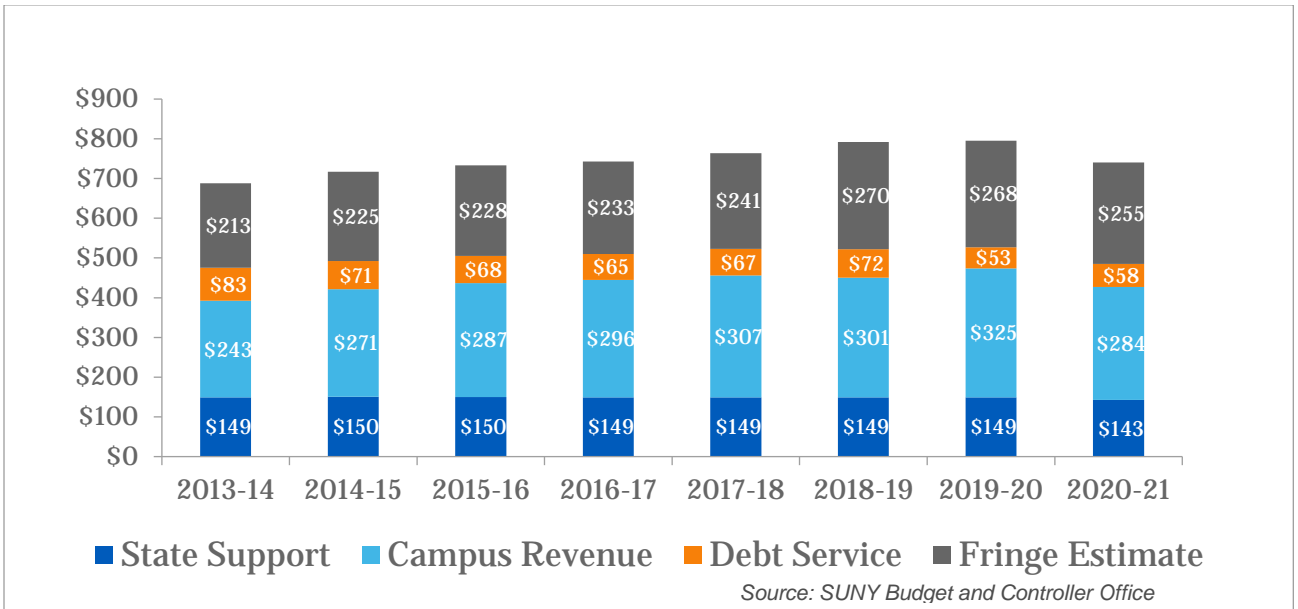


UB continues to be more reliant on tuition revenue as the primary source of funding. The below chart (\$ in thousands) highlights this fact. The decrease in revenues in 2020/21 is pandemic related: specifically the 5% reduction in state tax support and less tuition revenue from decreased international enrollment. While actuals are not yet final for 2021/22, these figures reverted to pre-pandemic trends.





In addition to providing direct state tax support, New York State also covers debt service and fringe benefit cost for UB. The state’s support has remained virtually flat for 10 years. The chart below shows annual state support trends and sources to UB.



# Issues and Actions

---

## 1. Issues and Challenges Affecting UB Budgets

While UB remains strong financially, the university continues face several challenges. Among them are unfunded mandates and limited availability of resources, as well as adapting to the evolving role public universities are asked to play in the community and in the lives of its students and faculty who make our work possible.

### **Contractual Obligations**

#### ***Personnel (\$80 million+ impact)***

Unfunded negotiated salary increases continue to be the university's most pressing long-term financial concern. A long-term strategy will need to be reached to address this issue.

- The most recent UUP contract expired June 30, 2022 and we continue to wait for the outcomes of the new contract.
- The funding of one-time retroactive costs associated with the last contract helped offset some of the immediate impact in 2018/19; however, we estimate that the last contract will cost UB approximately \$50 million per year when fully executed. This is in addition to the \$30.6 million already incurred under the prior contract, bringing the university's total cost to an estimated \$81 million recurring, with no associated increase in recurring funding sources.
- The university continues to address this recurring obligation and we find efficiencies to offset these costs, however, the current model is unsustainable long term if the university is expected to meet its mission.
- Revenue growth expected from increases in tuition rates and the Academic Excellence & Success (ACES) fee is being realized much slower than the recurring cost associated with contractual raises. For fall 2022, in an effort to keep the cost of higher education affordable, there are no planned increases to tuition or our Broad-Based Fees.

## CAMPUS SERVICES

The new campus bus contract that was negotiated in 2012 and ends in 2022 still has an impact on UB's finances. The cost of the contract has risen and is expected to continue to rise for the foreseeable future.

## **Tuition Revenue and Enrollment**

### ***Tuition Revenue***

UB's tuition and fee rates remain very low compared with peer public research institutions. This means a great value for UB students and families; however, it makes it increasingly difficult to fulfill the university's mission.

- The partial extension of NYSUNY 2020 has meant that tuition revenues have increased only modestly over the last several years. For fall 2022, no tuition increases were authorized.

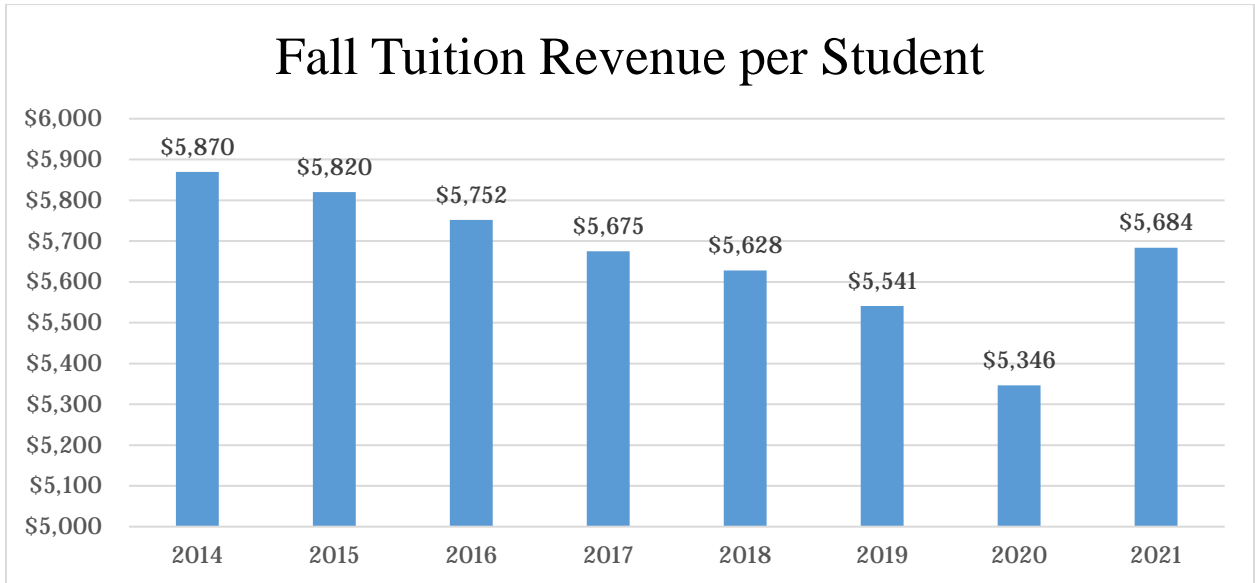
### ***Enrollment***

Through our Integrated Resource Planning process, UB has made a concerted effort to use data to forecast and prepare for trends. In 2021/22 UB experienced a rebound in graduate enrollment, primarily due to the influx of students who deferred enrollment during COVID. This was primarily seen in UB's School of Engineering and Applied Sciences and School of Management programs. Coupled with the traditional fall incoming cohort, the result was that class size nearly doubled in some programs for the fall 2021 semester. Current enrollment is expected to continue this growth trend in professional and master's programs.

Simultaneously, after years of undergraduate enrollment growth, primarily from resident students, UB's current plan is to maintain the size of the freshman and transfer populations while focusing on improving retention for undergraduate students.

The below graph illustrates how tuition revenue per student declined for several years when the tuition rate is normalized at 2021/22 rates for all years. Enrollment growth has primarily been in resident undergraduate students, who pay the lowest tuition rate. The increase in 2021/2022 graduate enrollment (primarily international students) highlights the impact of enrollment mix on tuition revenue. Normalizing the tuition rate removes the impact of tuition rate increases and focuses on the enrollment mix.

- It takes three resident undergraduate students to replace the lost tuition revenue from one student from all other tuition groups (e.g., international students).



As enrollment grows, this puts pressure on UB’s already overtaxed infrastructure and increases costs for academic support services such as student academic advising, university libraries and student services.

UB’s programs continue to experience strong student demand. UB seeks to balance the overall size, diversity and make-up of its student population with revenues received and costs incurred to provide the highest degree of excellence in academic and student experiences.

### **PhD Student Stipends and Program Enhancements**

As part of the PhD Excellence Initiative, UB has established a floor for stipends paid to full-time funded PhD students TA/RA/GA appointments. In addition, the university now covers the fees charged to these fully funded PhD students, reducing their cost. Academic deans were also asked to review their programs and create plans that:

- ensure PhD student obligations are balanced between scholarship and teaching;

- provide funding for all full-time funded PhD students for the duration of their PhD programs; and
- attract exceptional students to our programs.

## **Capital**

### ***Academic Space Needs***

We were pleased with the slight increase in the capital allotment in this past year's budget; however, that funding remains significantly below capital funding levels before the recession.

Due to budget cuts in 2013 and undergraduate enrollment growth, UB's physical space and infrastructure have become inadequate to support our growing student needs. UB's deferred maintenance needs have grown exponentially and have risen to \$605 million. Continued enrollment growth will be highly dependent upon our ability to expand our physical capacity to accommodate additional students.

UB received \$40.5 million in funding from the State University Construction Fund to renovate Foster Hall last year. This funding will help relieve space constraints on the North Campus and will help us realize our vision of devoting South Campus to community-facing professional programs.

UB conducted an analysis of our academic space utilization and, according to a recent space utilization study, we exceed national benchmarks for classroom utilization.

### ***Holistic Capital Planning***

Expectations surrounding UB's ability to address capital issues in a comprehensive manner also remain an area of concern.

Though the university is pursuing efficiency measures to defray these costs, there is a point at which cuts will begin to negatively impact academic quality, faculty recruitment and retention, and the student experience.

While the university continues to support efforts to diversify and grow our student body while also providing a safe and inclusive campus, these efforts come at a cost.

We consider these costs to be a sound investment in our future and the future of our students, however, resources allocated to these initiatives require shifting resources away from other areas of investment.

## **Research Costs**

As we continue to grow our research enterprise and support scholarly excellence, like most universities, UB is bearing a greater share of the cost. We consider this an investment in the university's future.

The university has invested significant funding to support our research infrastructure, adding positions within Sponsored Project Services, Technology Transfer, Research Information Services and the offices of Research Advancement and Compliance. This investment ensures UB will continue to support our aspirations for our faculty to secure more and larger external awards.

The competition for external sources of research funding is greater than ever. We expect seed funding from our Blue Sky program, implemented in 2018, and other investments into faculty startups to yield more external funding

## **2. Actions to Address Fiscal Challenges**

To meet today's challenges, UB realizes that it must make internal changes to responsibly manage its financial resources. We have already initiated a series of changes to help us remain fiscally sound, while retaining enough resources to invest in critical near-term needs.

As helpful as these decisions have been, they cannot close the gap, and an infusion of new resources is required to maintain UB's competitive edge and meet our strategic goals.

UB's Annual Resource Planning Process (ARPP) has plotted a course to address these challenges. Without the ameliorations outlined in UB's plan, the university would be encumbered with rising costs, shrinking resources and outsized expectations, which can stall or even negate our hard-earned progress.

Below is an overview of the most pressing challenges affecting UB's budget, and the steps we have taken to address them:

## **Study and Planning**

- We have conducted a comprehensive review of our budget model to further maximize our existing resources. For 2022/2023, the summer and winter budget models have been updated to more closely align to the academic year tuition revenue model. Updates to the model are outlined later in this document.
- We have added workforce planning to our ARPP as we continue to prepare for unfunded negotiated salary increases. All units have been undertaking strategic planning efforts and workforce staffing plans that emphasize the need to restructure our workforce to align state operating sources with uses. We are also focused on being responsible and intentional in our hiring and on rethinking staffing strategies as a result of operational excellence initiatives and shared central resources.
- We developed a multi-phased approach to achieve our Capital Master Plan aspirations.
- We adopted an Integrated Resource Planning process, which engages units on an annual basis; implemented a new budget model; conducted training and outreach on the importance of resource prioritization and allocation; and employed multi-year financial planning to identify cost-savings. We use continuous improvement principles and practices to assess effectiveness and make necessary changes.
- We convened a Space Utilization Study, adopted new space policies and standards, and made progress in aligning our space allocation with budget models and enrollment and tuition forecasts.
- We created a data analytics function that provides both central administration and units with department- and program-level data. This data is used to forecast enrollment, tuition and resource planning.
- We implemented multi-year utilities planning to achieve energy savings.
- We support the continued implementation of the Enrollment and Resource Planning Calendar.

## **Technology & Business Process Solutions**

UB has embraced a number of technological and business process solutions to reduce costs and better manage our resources, as part of our university-wide Operational Excellence initiative.

*Learn more about [UB's Operational Excellence initiative](#)*

- The implementation of the **ShopBlue e-procurement system** has enabled UB to streamline its purchasing process, enhance spending visibility and control and fully utilize the contracts negotiated by the purchasing department.
- The implementation of new **learning management systems like EDGE, travel solutions like Concur Travel and Expense system, and Time and Attendance system** are reducing costs, simplifying processes, creating a culture of continuous improvement and maximizing human resources.
- We are working on the implementation of **UPlan, a new budgeting, planning and forecasting system** that will improve accuracy and efficiency, and support scenario planning. The initial module for commitment management has been implemented centrally and to all units across campus.
- We are streamlining our **capital rehab project process** to be more efficient.

## **State-controlled dependencies**

The university continues to advocate for state support and tuition and fee rates that, together, keep UB's resources on par with peer institutions.

Capital funding will remain a priority during this year's budget. Capital funding advocacy must include funds for critical maintenance and strategic priority projects including major building renovations and new buildings.

UB is experiencing an increase in demand for STEM programs. STEM programs require modern laboratories and facilities. Access to campus space for both classroom and laboratories is strained.



# Budget Planning

---

## 1. Annual Resource Planning Process (ARPP)

The Annual Resource Planning Process (ARPP) provides a framework for the university to review our financial capacity, align our current resources to support our priorities, and assess potential areas for new investment.

### Guiding Principles

UB utilizes the ARPP to plan for its financial needs. Guided by five principles, our planning process takes a holistic approach to identifying university needs and allocating available funds to support both individual unit needs and the strategic priorities of the university a whole.

- 1) **Strategic** - The plan aligns incentives with our mission and strategic behaviors.
- 2) **Predictable** - The plan builds models that provide a reliable foundation for planning.
- 3) **Flexibility** - The plan builds models that anticipate and are responsive to changes in the economic environment as well as incorporating appropriate risk management strategies.
- 4) **Integration** - The plan considers the university as a whole and make intentional connections between organizational needs and priorities.
- 5) **Stewardship** - The plan exercises prudence in managing university resources, diversifies revenue streams to promote resilience, maintains appropriate reserves and rewards efficiency and effectiveness.

Tightly woven into our ARPP are UB's four strategic goals that will help us achieve our vision of advancing into the nation's top 25 public research universities.

### *Collaborative Approach*

During the ARPP, UB's Provost and the Division of Finance and Administration collaborate closely with units to plan for future years. The process encompasses the review of many different factors including enrollment, tuition revenue, staffing, research expenditures and proposals, endowments, unit spending plans,

capital/space, risks and contingencies, and investment proposals. The budget planning process looks at funding priorities through these lenses:

- Comprehensive asset/liability management
- Integrated, single-institutional point of view
- Long-term in nature
- Analyze returns on investments
- Proactive
- Dynamic and scenario-based
- Transparency

Also, during the ARPP, the Division of Finance and Administration's Resource Planning team collaborates with UB's Division of Student Life to set student fees for specific services and ensure that the university is accommodating their needs. The outcomes of the ARPP are submitted to SUNY for approval before implementation.

## **Planning Phases**

The ARPP consists of three phases:

- 1) **Phase 1** (September – Mid-January): Three-Year Plan information collection
  - Key Outcome: Communicate guidance to VP/Deans and unit business officers based on the university's financial position to assist units in providing their input and needs through the Three-Year Plan workbook.
- 2) **Phase 2** (Mid-January-March): Analysis, Discussion & Decision-Making
  - Key Outcome: VP/Deans present the unit's position to senior leadership to gain a shared understanding of needs and to inform Resource Planning decisions.
- 3) **Phase 3** (April-August): Closure of Annual Resource Planning Process
  - Key Outcome: Communicate unit expectations and outcomes to VP/Deans to finalize Three-Year Plans and implement Resource Planning decisions.

The Division of Finance and Administration loads new fiscal year budgets into the financial system for July 1 implementation.

## 2. Financial Capacity

UB's strong financial health has been and will continue to be a key asset to managing through financial volatility while continuing to focus on our mission and long-term goals. As we entered fiscal year 2022/2023, several important factors influenced our beginning fund balances:

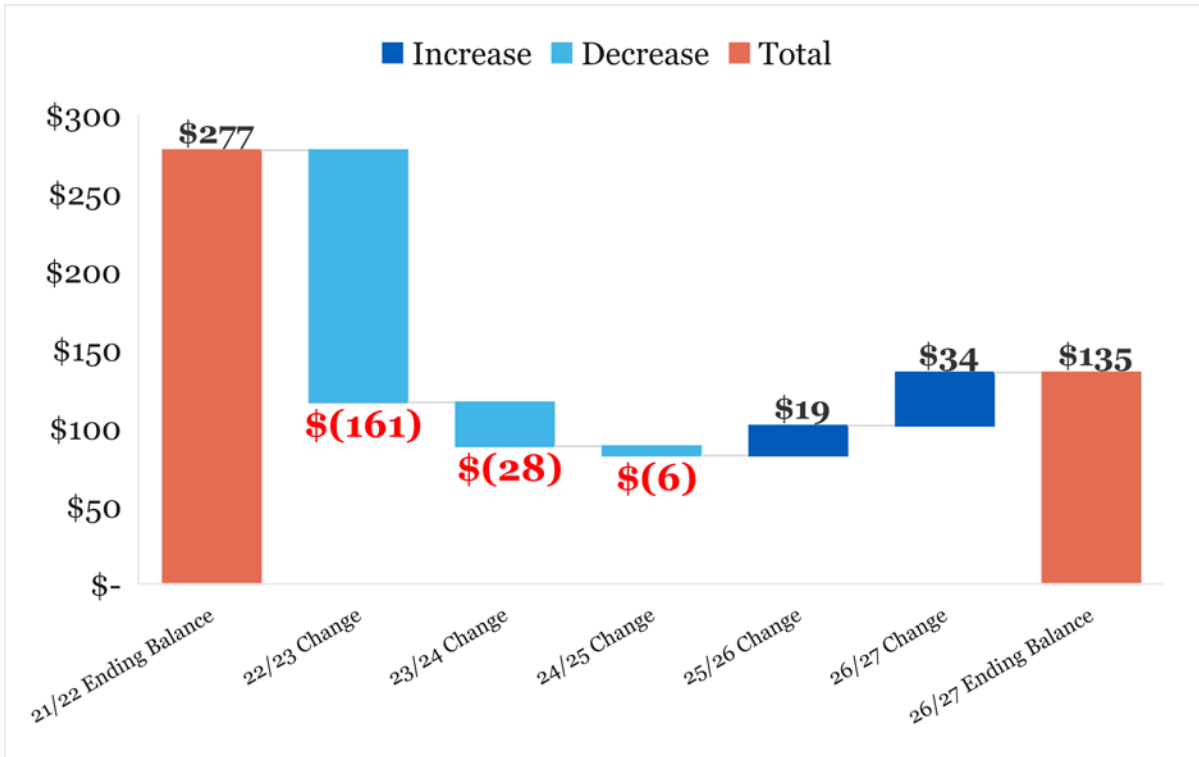
- Our five-year rolling financial planning process anticipates and takes into account major economic opportunities and impacts;
- Our multi-year planning effort for addressing unfunded negotiated salary increases means that decanal and divisional units have been saving funds for that purpose, as they also assess future staffing needs;
- Our financial discipline that holds contingency reserves to assist with the very types of financial challenges we now face.

Existing balances will help fund initiatives that help UB meet its long-term strategic goals.

Unit balances also grow as they planned for unfunded negotiated salary increases exceeding \$50 million over the course of the current union contracts. Carryforward balances are one-time funds and are not sustainable long-term to fund increasing recurring cost, primarily due to unfunded salary increases. Thus, the university continues in its work to achieve long-term balance over time.

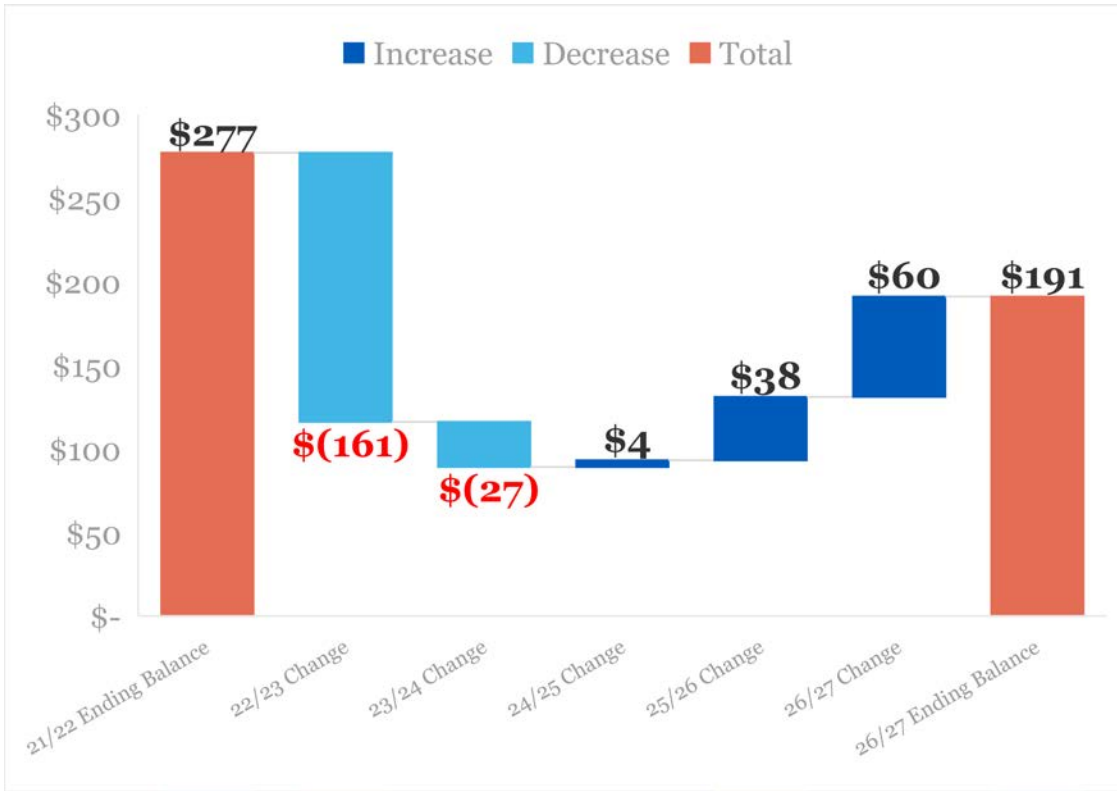
The below graphs represent projected centrally managed Internal Financial Plan (IFP) balances in millions over the next five years as a result of investments made during the 2022/2023 ARPP (outlined in the next section).

The first graph represents a conservative projection with revenue projections remaining primarily flat over five years. Direct tax support has been flat for over a decade and tuition and fee rates have been relatively flat over the past two years.



The graph below represents a more moderate projection assuming modest tuition, fee and other revenue growth over the course of the next five years.

- IFP balances are strategic reserves set aside to fund investment proposals through the ARPP that meet the strategic priorities of the university. The balances below exclude the university’s \$40 million in emergency reserves set aside to manage unforeseen circumstances and only to be used if the President, Provost and Vice President for Finance & Administration all agree it is necessary.



# Investment Decisions

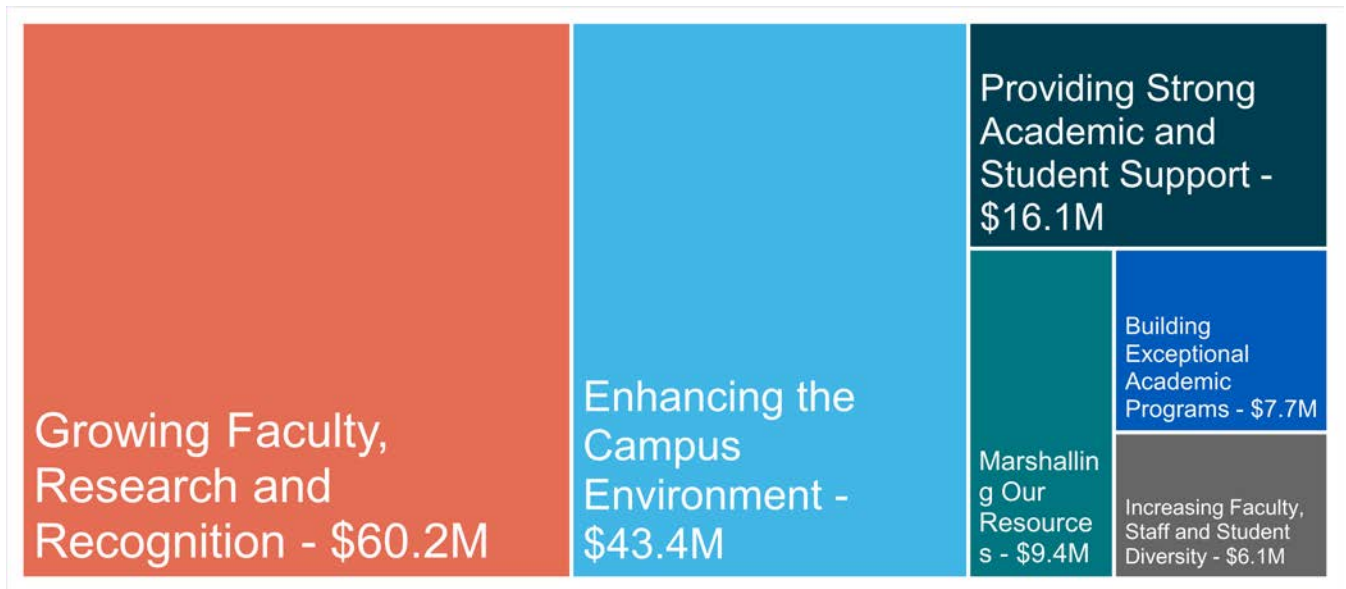
## 1. Investment Requests & Funding

For the 2022/2023 ARPP, investments totaling \$142.9 million over three years were made. Recurring amounts were added for each year to arrive at a three-year total. The below graph shows the breakout by funding priority. Enhancing the Campus Environment includes \$19 million marker from HEERF funds to offset lost revenue in student housing and to be utilized for capital projects.

The following is a list of all investments made during the 2022/2023 ARPP by priority.

Notes:

- Recurring amounts added for 3-year total
- Funding swaps net to \$0 in graph
- Enhancing the Campus Environment includes \$19M marker from HEERF funds to offset lost revenue in student housing to be utilized for capital projects



## Investment Priorities

### *Growing Faculty Research & Recognition*

Title	Unit	Recurring Funding	One-Time Funding
Asia Research Institute (ARI)	Provost	\$0	\$600,000
Postdoc Researchers	Graduate School of Education	\$0	\$860,000
IAD Support	Research and Economic Development	\$0	\$3,000,000
Large Grant Proposal Support	Research and Economic Development	\$0	\$300,000
Research Enabling Equipment Fund	Research and Economic Development	\$0	\$6,000,000
Research Support Infrastructure Expansion	Research and Economic Development	\$2,200,000	\$0
VPHS Research Structure	Health Sciences	\$0	\$1,500,000
Pharmacy Program - Building Drug Discovery	School of Pharmacy and Pharmaceutical Sciences	\$550,000	\$1,200,000
Disciplinary Excellence - Departments of Chemistry, Psychology & Romance Languages	College of Arts and Sciences	\$1,661,000	\$7,727,000
Disciplinary Excellence - Department of Epidemiology & Environmental Health	School of Public Health and Health Professions	\$534,000	\$1,460,000
Disciplinary Excellence - Departments of Mechanical & Aerospace Engineering and Chemical & Biological Engineering	School of Engineering and Applied Science	\$895,000	\$10,985,000
Faculty Recruitment and Retention Across Campus	Various	\$1,500,000	\$0
Creating Starter Labs for Faculty Onboarding	College of Arts and Sciences	\$0	\$1,100,000
Support for New Periodontics Chair	School of Dental Medicine	\$0	\$400,000
Recruiting the best PhD Students	Central University	\$1,000,000	\$0

### *Enhancing the Campus Environment*

Title	Unit	Recurring Funding	One-Time Funding
Student Housing COVID Lost Revenue and Capital Reserves	Student Life	\$0	\$19,000,000
Diefendorf Annex Site Upgrade	Central University	\$0	\$3,000,000
Campus Wayfinding	Central University	\$0	\$25,000
Improve Instructional Facilities	Central University	\$0	\$10,500,000
Martin Room Renovation	Central University	\$0	\$500,000
Library Furniture Replacement	Provost	\$0	\$975,000
FF&E Crosby Hall	School of Architecture and Planning	\$0	\$1,000,000
Law - Clinic Expansion	School of Law	\$0	\$1,000,000
Student Union Upgrades	Student Life	\$0	\$5,200,000
AutoStore ASRS Phase II	Provost	\$0	\$1,500,000

## ***Providing Strong Academic & Student Support***

Title	Unit	Recurring Funding	One-Time Funding
Law program development	School of Law	\$0	\$1,000,000
Continued PhD Support	College of Arts and Sciences	\$0	\$525,000
Reducing Class Size	College of Arts and Sciences	\$1,250,000	\$445,000
Micro-credentials	Provost	\$83,000	\$0
UG Retention	Provost	\$0	\$1,900,000
Student Success Coaches - Pilot Program	Academic Units	\$0	\$520,000
New International Recruiter & Counselor	Provost	\$0	\$75,000
Special Needs Dentist	School of Dental Medicine	\$200,000	\$0
Academic Success and Bar Preparations for Students	School of Law	\$0	\$400,000
Blackstone Launchpad	Student Life	\$200,000	\$0
Enrollment Five Year Plan	Central University	\$2,000,000	\$0
Decanal Transitions - SOM, SON, SDM	Various	TBD	TBD

## ***Marshalling our Resources***

Title	Unit	Recurring Funding	One-Time Funding
Recurring Campus Support for Software Escalation Cost	Central University	\$229,000	\$0
Campus-wide CRM	Chief Information Officer & UA	\$0	\$6,000,000
Preparing for UB's Next Comprehensive Campaign	University Advancement	\$0	\$250,000
Communications Manager to Support Academic Programs	University Communications	\$150,000	\$0
21-22 COVID Testing Expense Reimbursement	Division of Athletics	\$0	\$40,000
CCR Deficit	Research and Economic Development	\$0	\$2,700,000
Funding Swap - State for RF	Research and Economic Development	\$1,000,000	\$0



### ***Building Exceptional Academic Programs***

Title	Unit	Recurring Funding	One-Time Funding
Criminology MS Program	College of Arts and Sciences	\$0	\$530,000
Genetic Counseling MS Program	Jacobs School of Medicine	\$0	\$350,000
Growth in SEAS MS Degrees	School of Engineering and Applied Science	\$0	\$4,000,000
MS Business Analytics Offering Online	School of Management	\$0	\$525,000
Enhancing SPPS Graduate Programs	School of Pharmacy and Pharmaceutical Sciences	\$0	\$750,000
MPH Growth	School of Public Health and Health Professions	\$0	\$375,000
Online MSW Program Expansion	School of Social Work	\$0	\$600,000
MD Curriculum Revision	Jacobs School of Medicine	\$0	\$600,000

### ***Increasing Faculty, Staff and Student Diversity***

Title	Unit	Recurring Funding	One-Time Funding
Continued Support for Improving Faculty Diversity	College of Arts and Sciences	\$0	\$3,000,000
SEAS Diversity Initiatives	School of Engineering and Applied Science	\$0	\$1,000,000
Building Diversity through the Pharmacy Academic and Leadership Fellowship	School of Pharmacy and Pharmaceutical Sciences	\$0	\$865,000
Gender Institute Enhancement/Support	Provost	\$75,000	\$0
PACOR Implementation	Provost	\$200,000	\$0
International Student Success and Inclusion	Provost	\$150,000	\$0

## **Funding provided outside the ARPP during 2021/22 (Emerging Needs)**

Title	Unit	One-Time Funding	Recurring Funding	Notes
VP Health Sciences Transition	JSMBS	\$20,000,000		To support VP Health Sciences in achieving strategic goals for the Jacobs School.
Farber Annex Rehab and Student Health Services Maple Road	Central University	\$2,571,733		To support Student Health Services Maple Rd location - construction, operating and lease.
Legette-Jack Contract Buyout Funds	Athletics	\$87,000		Fund's received as part of Coach Jack's contract buyout clause paid by Syracuse. Provided to Athletics net GUSF to help offset the Women's Basketball coaching transition costs incurred.
SDM Interim Dean Research Support	SDM	\$100,000		To support Interim Dean transition.
Crosby/NSC Rehab Costs	Central University	\$400,000		Crosby (\$300k) - Rehab of classrooms 107 and 109 that was later designated as centrally scheduled. NSC (\$100k) - Additional funding for the "Learning Landscape" portion of the projects which includes furniture and other upgrades.
Research Operation Expansion	VPRED	\$900,000		To support Research Operations Infrastructure Expansion, funded on a recurring process as part of the 2022/23 ARPP.
MRI - CBLI Equipment	JSMBS/VPRED	\$2,466,005		\$1,923,005 - 0% loan for CBLI to purchase new 3T MRI equipment replacing the recently decommissioned Cannon 3T MRI. This is to be repaid over 13 years. \$543,000 - To fund for design and construction to the facility needed to accommodate the new equipment prior to installation.
Autoclave in BRB Cost Increase	JSMBS	\$45,000		To pay for the increase for the project cost due to the change from using house steam to an electric steam generator.
New Vice Provost for International Education	Provost	\$350,000	\$295,000	To support salary of the Vice Provost for International Education and costs to enhance International Faculty Research Program. Recurring amount previously not part of department's base budget.
Student Government Start Up Costs	Student Life	\$151,746		To fund costs above the original need, including legal fees and costs for transition.

## **Higher Education Emergency Relief Fund (HEERF)**

The university received over \$68 million in federal aid from the CARES Act and American Rescue Act for direct institutional use. This excludes the aid provided to students impacted by COVID. Below is a graph representing internal allocation of institutional HEERF funding.

Allocation of HEERF Funds	Total Allocation
Campus Living	\$36.4 million
Tuition Revenue Shortfall forgiveness	\$13.6 million
Student Health Services	\$2.3 million
COVID expenses (e.g., testing, PPE, technology)	\$8.7 million
FSA Rent Forgiveness	\$7.4 million
<b>Total</b>	<b>\$68.4 million</b>

In total, the university saw revenue loss exceeding \$127 million, while the vast majority of costs associated with these services had already been committed or

incurred. In addition, UB’s response to COVID-19 has, to date, cost the university \$10.2 million for technology to provide remote instruction, cleaning supplies, testing and PPE (including masks and face shields). Collectively, the reduction in expenditures and federal stimulus funds provided UB with relief and, with strong financial stewardship, UB offset much of the negative financial impact associated with the COVID-19 pandemic.

The chart below illustrates cuts or losses to UB funding through 2020-2021 as a result of COVID-19. While the financial impact of COVID was much less severe in 2021/22, once numbers are finalized the impact will be several million dollars more.

<b>Source</b>	<b>Total Funding Reduction</b>
State Tax Support Cut	\$6.5 million
FSA Rent Forgiveness	\$7.4 million
Other Unit Revenue Loss	\$7.6 million
COVID Expenses	\$10.2 million
Tuition Revenue Shortfalls	\$13.6 million
Athletics Revenue Loss	\$10.6 million
FSA Revenue Loss	\$37.0 million
Campus Living	\$44.6 million
<b>Total</b>	<b>\$137.5 million</b>

## Budget Model

---

### 1. Base Budget

A unit’s base budget comprises the following:

- a compilation of historical agreements between former Provosts and Deans
- tuition revenue to support base enrollment
- shares from tuition increases
- investments to support unit and university special initiatives

For July 1 budget implementation, the base budget is delivered to the unit in recurring state operating funds at the beginning of the fiscal year.

## 2. Enrollment and Tuition Revenue

Headcount targets for the next fiscal year are discussed in the fall through meetings with academic units led by the Vice Provost for Enrollment Management (EM), in collaboration with the Director for Resource Planning (RP) and the Associate Vice President and Director of Institutional Research (IR).

### **Enrollment Growth**

Increased headcount can have a widespread effect on the university by increasing demand for campus housing, dining, classroom space, required classes, and more. Units are therefore required to work closely with the Provost to implement plans for enrollment growth.

If an academic unit receives additional funding to support enrollment growth, funds are delivered in non-recurring state operating dollars the following year on August 15.

#### ***Considerations for Growing Enrollment***

- Overall enrollment growth mix; university tuition revenue
- Impact on campus housing, dining, classroom space, College of Arts and Sciences classes, and UB Curriculum offerings
- Status of the university multi-year financial plan; overall financial health of the university

#### ***Tuition Revenue Target (academic units only)***

Updates to the tuition revenue target component of the budget model for the academic year went into effect for 2021/22. The changes will align targets with recent enrollment trends, be reflected in distributing revenue to growing units, and bring consistency to how targets are calculated for all units. The changes include:

- Targets are reset annually based on a weighted three-year rolling average versus target in prior model based on a static single year.
  - 50% weight for the most recent year
  - 30% weight for the next year
  - 20% weight for the third year

- Targets differentiate graduate/professional tuition revenue from undergraduate tuition revenue. This is to offset the impact of Excelsior and international student enrollment for undergraduates not controlled by the various schools.
  - Grad/Professional – continue to use gross tuition revenue as metric
  - Undergraduate (UG) – shift to an average value per UG credit hour across the university and use to calculate UG tuition revenue target based on credit hours.
- Tuition revenue shares are now standardized at 70% for growth above target.
  - If a unit exceeds its tuition revenue target in a given year, the unit will receive their share the following year in non-recurring state operating funds. Units that do not meet their target in a given year continue to be subject to the Tuition Revenue Shortfall Assessment (TRSA) outlined below.

In order to continue to receive the same base budget each year, each unit will need to maintain its tuition revenue target. Base budgets will be adjusted beginning in fiscal year 2022/2023 in alignment with tuition revenue targets updated each year. The change to base budget will be 70% of the change to the tuition revenue target.

The primary metric that determines the academic base budget is the tuition revenue target; however, total headcount (new and continuing) and total credit hours are important inputs that affect the tuition revenue outcome and therefore need to be managed. For example, a decrease in out-of-state headcount may lead to a decrease in tuition revenue.

If a unit does not meet its tuition revenue target in a given year, the unit will return money to the university the following year in non-recurring state operating funds. The amount returned to the university is determined by the extent the unit fell short of its tuition revenue target.

### 3. Tuition Revenue Shortfall Adjustment (TRSA)

Band*	TRSA %
>2%	0%

Band*	TRSA %
2% to >5%	40%
5% to >10%	60%
10%	80%

**\*Bands:** The purpose of the bands is to recognize that a unit may be unable to anticipate enrollment fluctuations (in which case the risk is shared between the unit and the university), as well as the opportunity for a unit to make short-term adjustments to lessen the impact of unanticipated enrollment shortfalls.

## Bottom Line → Where can you take ACTION for change?

What will have the greatest impact on your revenue/student?

### Undergraduate

#### Headcount

- Fall incoming FRESHMEN cohort size
- Fall incoming TRANSFER group (Fr/So/Jr/Sr mix)
- Spring incoming FRESHMEN cohort size
- Spring incoming TRANSFER group (Fr/So/Jr/Sr)
- Distribution of incoming students by school
- Distribution of total population by level or year#
- **Wedge-IN/OUT impact on distribution by school**
- **Retention rates (1<sup>st</sup> to 2<sup>nd</sup>, 2<sup>nd</sup> to 3<sup>rd</sup> ... etc.)**

#### Revenue

- Residency – NYS vs. OOS
- **Credit hour mix – by major vs. service**
- **Pay factor (impacts cost, impacts NET revenue)**
- Changing tuition rates

### Graduate & Professional

#### Headcount

- **NEW students** (fall, spring, summer)  
Direct result of **Applications** → **Offer** → **Yield**
- **Continuing rates by school/level (year by year)**

#### Revenue

- **Residency – NYS vs. OOS**
- **Population mix – by level, department, plan**
- **Number of supported students**
- **Percent full \$ potential (F/T vs. P/T population)**
- **Pay factor (impacts cost, impacts NET revenue)**
- Changing tuition rates

**RED indicates factors that academic units can influence (ACTION)**

UBO Retreat ("Enrollment Analytics") – Fall 2017

Presented by Brian O'Connor (boc@buffalo.edu)

### ***Tuition Rate Increase Revenue (Academic Units only)***

In a year in which there is a tuition rate increase, the university will retain 50% of the revenue generated as a result of the tuition increase. This revenue will be placed in a pool to be used for investments through the ARPP in special initiatives, academic infrastructure, and academic support needs.

The remaining 50% will be placed in a pool from which academic units might receive investments based on meeting established performance metrics or other criteria, for academic initiatives, or by requesting these funds through the ARPP.

There will be no tuition shares for academic support units, although these units continue to have an opportunity to discuss budget needs as part of the ARPP.

### ***Summer Session Budget Model***

As of summer 2022, the summer budget model mirrors the academic year model. Summer session revenue does not count in fall/spring total and does not generate state operating funds. Summer tuition shares are delivered in SUTRA funds.

The costs of offering summer session courses are expected by SUNY to be funded from tuition revenues earned in those courses or from other institutional revenues. The university must also fund the indirect costs from tuition revenues or other institutional sources. SUNY assesses a 24% flat tax on gross summer session revenue to fund fringe benefit costs incurred by faculty.

### ***Winter Session Budget Model***

Units do not have winter tuition revenue targets. As of winter 2023, the revenue share has been updated to 70% to unit and 30% to central.

Winter session revenue does not count in fall/spring total and does not generate state operating funds. Winter tuition shares are delivered in SUTRA funds.

The costs of offering winter session courses are expected by SUNY to be funded from tuition revenues earned in those courses or from other institutional revenues. The university must also fund the indirect costs from tuition revenues or other institutional sources. SUNY assesses a 24% flat tax on gross winter session revenue to fund fringe benefit costs incurred by faculty.

## **4. Fees**

### **General University Service Fee (GUSF) – 13%**

GUSF of 13% remains in effect and is charged on external revenue deposited into Income Fund Reimbursable (IFR), University at Buffalo Foundation (UBF), Research Foundation (RF), or Faculty Student Association (Campus Dining and Shops) accounts as outlined in the Disclosure of All Funds Policy.

*Learn more about [General University Service Fee \(GUSF\)](#)*

### **University Fees**

University Fees represent all non-service center fees on campus. There are three distinct categories based on level of approval required.

- 1) **SUNY Board of Trustee Approved Fees** - University-wide fees paid by students as a condition of attendance. Examples include comprehensive fee, admission deposits, etc.
- 2) **SUNY Chancellor Approved Fees** - Mandatory student fees with set amounts assessed by all campuses due to a student's action or inaction,



campus-specific fees for special services or campus-specific user fees. Examples include undergraduate application fees, music instrument rental, library fees and fines, etc.

- 3) **Campus Approved Fees** - Customer fees for services. Examples include non-credit bearing course fees, residence hall charges, etc.

*Learn more about [University Fees](#)*

## **Service Center Fees**

Service centers provide services that support the internal operations of the university or can provide services to external users. Service center fees recover the cost of operations of the service center.

*Learn more about [Service Center Fees](#)*

*Learn more about [Financial Management of Service Centers Policy](#)*

## **Broad-Based Fees**

Broad-based fees are generally charged to all enrolled students to finance discrete activities that benefit the student body, excluding those activities that are part of the core instructional program. During the ARPP, units have the opportunity to share five-year fee requests as well as information on the planned utilization of funds between mandates and strategic investments. The information provided will be considered during the preparation of the university's final request to SUNY for Broad-Based Fee rate increases.

*Learn more about [Broad Based Fees](#)*

## **Higher Education Price Index (HEPI)**

The current fee policies state that "Annual Broad-Based Fee increases should be no greater than the Higher Education Price Index (HEPI) unless there is a compelling case." For 2022/2023, assume the maximum annual broad-based fee weighted average HEPI percentage to be 5.00%.

*Learn more about [Higher Education Price Index \(HEPI\)](#)*

## 5. Campus Dining and Campus Living Rates

Campus dining rates and campus housing rates are evaluated on an annual basis and may be subject to adjustments. Senior leadership works with the Vice President for Student Life to review these rates amongst a student's total cost of attendance.

*Learn more about [campus meal plans](#) and [campus housing costs](#)*

## 6. Faculty & Staff

### **Negotiated Salary Increases**

The university continues to advocate for New York State to fund state salary increases; however, there are currently no plans for state funding. Therefore, units are advised to assume salary increases will be unit-funded and factor that cost into their budgets. Units are advised to use Salary Increase Projections resources, provided to them as part of their resource planning process.

### **Fringe Benefits Rates**

Fringe benefits are part of a regular employee's remuneration package that is not pay (*expressed as a percentage*), which may or may not be charged directly to an account. This includes payroll taxes, health insurance, retirement and other benefits. For State Operating accounts, these benefits are paid directly through the office of the State Controller and are not charged to campus accounts.

*Learn more about [Fringe Rates](#)*

### **Salary Recovery – 20%**

The Salary Recovery Fee is a flat fee, charged at a rate of 20% on Salary Recovery funds deposited into Income Fund Reimbursable (IFR) accounts. These funds help to preserve research infrastructures, services, and faculty compensation. Salary recovery funds are considered core state support reimbursing the state for faculty member time spent conducting research.

*Learn more about the [Salary Recovery Fee](#)*

## 7. Indirect Cost Recovery (ICR) – 12%

Each year, a percentage of indirect costs recovered from sponsored projects is distributed to university entities based upon the affiliation and relative contributions of key personnel to project objectives. At the discretion of the Provost, ICR distribution may occur to other (non-academic) university entities. The current ICR distribution rate is 12%. Delivery of the 12% ICR distribution for the prior year occurs in August.

*Learn more about [Indirect \(F&A\) Cost Recovery and Distribution policy](#)*

## 8. Royalty and Patent Income

Central university funding for Royalty and Patent Income is part of the university Internal Financial Plan and is committed based on the recommendation and approval of the Provost, Vice President of Finance and Administration and President as part of the ARPP.

# Unit Budget – All Sources in Millions

## 1. Decanal Units

<b>Academic</b>				
	Sources	% of Total	Uses	% of Total
College of Arts and Sciences	\$109	23.4%	\$109	24.7%
Graduate School of Education	\$16	3.5%	\$16	3.6%
Jacobs School of Medicine and Biomedical Sciences	\$127	27.4%	\$112	25.4%
School of Architecture and Planning	\$10	2.2%	\$9	2.0%
School of Dental Medicine	\$36	7.8%	\$38	8.7%
School of Engineering and Applied Sciences	\$65	14.0%	\$63	14.4%
School of Law	\$17	3.8%	\$16	3.6%
School of Management	\$27	5.7%	\$28	6.3%
School of Nursing	\$11	2.3%	\$11	2.4%
School of Pharmacy and Pharmaceutical Sciences	\$15	3.2%	\$13	3.1%
School of Public Health and Health Professions	\$21	4.4%	\$17	3.9%
School of Social Work	\$11	2.3%	\$9	2.0%
<b>Grand Total</b>	<b>\$464</b>	<b>100.0%</b>	<b>\$441</b>	<b>100.0%</b>

In the 2021/22 academic year, total revenue sources exceeded uses by \$23 million across all academic units.

## 2. Academic Support

<b>Academic Support</b>				
	Sources	% of Total	Commitments	% of Total
Chief Information Officer	\$40	11.9%	\$43	13.7%
Division of Athletics	\$36	10.7%	\$35	11.1%
Finance and Administration	\$72	21.2%	\$69	21.8%
Health Sciences	\$2	0.4%	\$2	0.6%
President	\$6	1.8%	\$6	2.0%
Provost	\$58	16.9%	\$49	15.5%
Research and Economic Development	\$25	7.4%	\$22	7.0%
Student Life	\$82	24.0%	\$71	22.4%
University Advancement	\$15	4.4%	\$14	4.5%
University Communications	\$5	1.4%	\$5	1.5%
<b>Grand Total</b>	<b>\$341</b>	<b>100.0%</b>	<b>\$316</b>	<b>100.0%</b>

In the 2021/22 academic year, total sources exceeded uses by \$25 million across all academic support units.

- Academic support units are necessary to the academic and research mission of the university. Some of the revenue is generated directly by these units.

Campus Financial Plan/Central University				
	Sources	% of Total	Commitments	% of Total
Campus Financial Plan/Central University	\$137	100.0%	\$75	100.0%
<b>Grand Total</b>	<b>\$137</b>	<b>100.0%</b>	<b>\$75</b>	<b>100.0%</b>

Campus Financial Plan includes funding made available for investment through the ARPP. Central University includes funding for centrally managed areas including but not limited to the Merit Scholarship, University Utilities and centrally managed Instructional Facilities budgets.

Academic support units include the following areas:

**Chief Information Officer.** Includes Enterprise Application Services; Information Technology (IT) Customer Services; Network & Communication Services; and other IT support.

**Division of Athletics.** Includes UB's 16 Division I sports; various administrative and student athlete support areas; and Recreation and Intramurals.

**Finance and Administration.** Includes the Office of Finance & Administration; Business Services; Emergency Management; Human Resources; Parking & Transportation Services; Resource Planning; Sustainability; University Police; and University Facilities.

**Health Sciences.** Includes VP for Health Sciences and office of Interprofessional Education.

**President.** Includes the office of the President; Equity, Internal Audit, Diversity & Inclusion; Government & Community Relations; and University Events.

**Provost.** Includes office of the Provost; Academic Planning; Enrollment Management; Faculty Affairs; Inclusive Excellence; Institutional Analysis; International Education; Educational Affairs; Educational Opportunity Center; University Libraries; and University Shared Governance.

**Research & Economic Development.** Includes Sponsored Research Administration; Communities of Excellence; Research Advancement; Economic Development; Animal Facilities; Research Compliance; and several centers and institutes.

**Student Life.** Includes Student Health & Wellness; Counseling Services; Dean of Students; and Campus Living.

**University Advancement.** Includes advancement teams for all academic units; Alumni Engagement; Philanthropy.

**University Communications.** Includes University Communications; Trademarks and Licensing; and university branding initiatives.

### 3. Funding Sources

The tables below note the common sources of funding to campus budgets and how those funds are used. Each unit is required to align their costs to the appropriate sources.

#### State Funds

##### *Sources of Funds*

State Tax	Tuition Revenue	Income Fund Reimbursable (IFR)	State Univ. Tuition Reimbursable (SUTRA)	Dorm Income Fund Reimbursable (DIFR)	Research Foundation (RF)	UB Foundation (UBF)
Appropriated by NYS Govt. Allocated to campus by SUNY	Student tuition payments	Student fee revenue External funds self-supporting programs	Students in Study Abroad, contract courses, etc.	Residence Hall rent revenue	Federal, state, private grants Indirect cost recovery earnings	Donor support On-campus apartment rent Clinic and other self-supporting program revenues

##### *Uses of Funds*

	State Tax	Tuition Revenue	IFR	SUTRA	DIFR	RF	UBF
Instructional Salary Expenses	X	X	X	X			

Non-Instructional Salary Expenses / Salary associated with fee revenue	X	X	X	X	X	X	X
Temporary Service Expense	X	X	X	X	X	X	X
Fringe Benefit Expense	NA	NA	63.95% on salary expenses	29.7% assessed on revenue	63.95% on salary expenses	Applicable fringe rate per apptmt type	Actual fringe cost
Non-Salary Expense (e.g., contractual svcs, supplies, travel, prof fees, equipment)	X	X	X	X	X	X	X

## State Operating

State Operating accounts are funded from state tax dollars and campus revenues from tuition and certain other sources. Units receive a state operating allocation as part of their base budget. Changes to unit state budget allocations are commonly the result of budget model implementation and strategic investments awarded through the annual resource planning process.

## Income Fund Reimbursable (IFR)

IFR accounts are self-supporting accounts that track cash collections and matching expenditures associated with educational and related activities provided to students and other customers. An IFR account differs from a State Operating account in that it is supported by cash receipts. The source of the revenue determines whether the General University Service Fee will be assessed. The primary sources of revenue for IFR accounts include:

- Salary recovery (payment from Research Foundation grants for the salary and fringe benefits of individuals on the state payroll who work on sponsored programs)
- Fees, fines, deposits and rentals (course fees, parking, photocopying, rental of campus facilities, library fines, etc.)
- State grants and awards
- Continuing education programs.

## State University Tuition Reimbursable (SUTRA)

State University Tuition Reimbursable Accounts funding is generated from self-supporting overseas programs, contract courses, summer and winter session tuition. Units receive summer session base budget and tuition revenue share via commitments solidified through the ARPP process. SUTRA accounts operate similar to Income Fund Reimbursable (IFR) accounts.

### ***Dormitory Income Fund Reimbursable (DIFR)***

Dormitory Income Fund Reimbursable is a group of accounts that are self-supporting and used to administer residence hall room rental fees and charges. DIFR accounts operate similar to IFR accounts.

### ***Research Foundation (RF)***

Research Foundation accounts record research, instruction, training and economic development activities conducted under the direction of university faculty and staff and funded by organizations both external and internal to the university. There are two distinct types of RF accounts: Sponsored accounts and Non-Sponsored accounts.

Sponsored accounts are funded by sponsors external to the university and are used for programs of research, scholarly and creative activities, education and training, and public service.

Non-sponsored accounts are funded by indirect cost dollars. The university receives Indirect Cost funds as reimbursement for overhead costs associated with sponsored research. Indirect Costs, also known as Facilities and Administrative (F&A) costs or overhead costs, are real costs related to sponsored projects that are not easily attributable to individual projects. Examples include maintenance, security, heating, cooling, lighting, space, disposal of hazardous waste, secretarial support, the library, and cost of compliance with government regulations.

UB recovers the total direct costs and indirect (facilities and administrative (F&A)) costs for each sponsored award unless specifically prohibited or limited by the funding agency. Because indirect (F&A) costs cannot be readily assigned to a particular sponsored project or activity, they must be recovered from funding agencies through the application of the federally approved indirect (F&A) cost rates. When allowed by the sponsor, all proposals for external funding must include a budget request for indirect (F&A) costs using the appropriate federal rate.



**Royalty Income\***: Royalty income is realized from the commercialization of UB intellectual property. When UB intellectual property is licensed and generates royalty for UB, that royalty is shared with those who made the innovation, in accordance with the Royalty Distribution Policy. After paying the inventors' share of royalty income, the remaining portion is shared across departments and schools of the inventors, as well as with the university. The department, school and university share of Research Foundation non-sponsored funds must be used to support scientific research or education.

*\*All royalty income designated to a campus allocated account MUST be utilized for the support of scientific research or education per the Bayh-Dole Act which governs intellectual property arising from federal government-funded research. Since the majority (if not all) of UB intellectual property (IP) arises from federal-funded research, all intellectual property is managed by Bayh-Dole Act.*

*Learn more about the [Bayh-Dole Act](#)*

**Patent Income:** Patent reimbursement funds support the UB Technology Transfer Office (TT), through the Vice President of Research and Economic Development (VPRED) in the Internal Financial Plan and recouped by the university through patent reimbursements.

### ***UB Foundation (UBF)***

Funds managed by UBF support and promote UB activities and programs. UBF accounts are funded primarily from gifts, endowed funds, grants and fee revenues.

*Learn more about [UB Foundation funding sources](#)*

## Financial Section

---

Each year, UB provides an Overview of Financial Activities that is designed to provide UB's leadership with a comprehensive, high-level summary of financial information campus to assist with decision making.

- 1) **UB Financial Statements.** Annual financial statements for the fiscal year ending June 30. These unaudited financial statements are compiled based on State University of New York (SUNY) campus-level financial reports representing the operations for state and research foundation activities.
  - Audited financial statements for UB are included in the appendix to the Overview of Financial Activities.
- 2) **Supplemental Financial Activity Reporting.** Additional financial information including an overview of core operating activities and other key financial highlights.

*View the current version of [UB's Financial Reporting](#)*