

UW Tacoma
FY2025 Operating Budget Narrative Submittal
March 4, 2024

- 1) Please provide a web link to your campus/unit strategic framework and provide three to five bullet points outlining the relationship between your resource plan and your strategic framework. *Word Limit: 750***

[UW Tacoma's 2022-2027 Strategic Plan](#) was last updated in Autumn 2023. The vision, goals and strategic priorities represents Chancellor Sheila Edwards Lange's commitment to ensure UW Tacoma (UWT) is a top urban-serving research university that provides economic and social mobility to thousands of students and their families. In planning for Fiscal Year 2025, UWT launched an enrollment-driven, values-based operating budget development process. All recommended budget reductions, reallocations and one-time investments were aligned with the plan's strategic priorities.

UWT Strategic Priorities

1. Students - Advance student success academically, professionally, and personally.
2. Communities - Partner in advancing strong and diverse communities.
3. Scholarship - Expand and support a broad range of teaching, research and creative innovation.
4. Equity - Promote and model inclusive excellence and social justice.
5. Vitality - Build a thriving community that is welcoming and sustainable.

Guided by these strategic priorities, UWT is realigning resources and making one-time investments in areas such as:

- Tribal relations and the Center for American Indigenous Studies (Equity and Community)
- Expansion of our Bachelor of Arts Education program to increase the number of teachers of color in Washington (Scholarship, Students and Equity)
- Ensure UWT students have access to the latest technology with updates to classroom technology for chemistry labs and computer science and engineering programs (Students)
- Improve student, faculty and staff safety and security with resources for emergency preparedness and environmental safety (Vitality).
- Enhances the holistic education of all students with resources and events to support the success of historically marginalized groups, empower students to engage difference toward justice, and build a more equitable campus (Equity, Vitality, Students, Communities)
- Capital and Master Planning initiatives to enhance the economic and social vitality of the community (Community, Vitality and Equity)
- With focused proviso resources from the Legislature, UW Tacoma will continue to build the innovative Husky Post Prison Pathways program and expand enrollments in computing and engineering programs. (Students, Communities, and Equity)

- 2) Please discuss your campus/unit's planned utilization of resources, as identified in your Adaptive entries (institutional initiative = UW Diversity Blueprint), in support of the [2022-2026 UW Diversity Blueprint](#) themes and goals. *Word Limit: 750***

Woven throughout the FY2025 budget proposal in Adaptive, are resources focused on goals shared by the UW Diversity Blueprint and UW Tacoma's Strategic Plan. This includes numerous initiatives to close equity gaps, enhance student well-being, and strengthen place-based partnerships with diverse communities in the region.

UW Tacoma continues to be the most diverse of the UW campuses, with 61% of undergraduates identifying as students of color. Over 50% of undergrads are the first in their families to go to college or will be the first to complete a four-year degree. Almost 20% of all students have a military affiliation, meaning they are active duty, have veteran status, or are a spouse or child of someone in the military.

UW Tacoma is the only public, four-year university in Washington with the “minority-serving institution” designation from the U.S. Department of Education, recognizing our enrollment of students of color. We are also an Asian American and Native American Pacific Islander Serving Institution (AANAPISI). In 2022, UW Tacoma was awarded a \$2 million-dollar AANAPISI grant from the U.S. Department of Education to fund a five year "AAPI THRIVE (Tacoma Husky Retention and Inclusive Vision of Excellence) Project.” The AANAPISI program is designed to increase institutional capacity to serve and improve programming for Asian American, Native American Pacific Islanders, and individuals from low-income backgrounds. The FY25 resource plan includes facilities and administrative supports for the AAPI Thrive project.

Leadership continues to work towards our mutual goal of making the university more inclusive and more equitable for students, staff, and academic personnel from diverse backgrounds. There is broad commitment to enhance the campus with programs, resources and events to support the success of historically marginalized groups, empower students to engage difference toward justice, and build a more equitable campus. For additional information, see our [Strategic Plan Metrics](#) tracking progress on retention, closing equity gaps, building community partnerships and expanding scholarly innovation.

Operating Budget & Fiscal Health Narrative

Text submitted within this section will not be published to OPB's Annual Budget Development website

1) How has the overall financial health of your unit/campus changed in the last year?

UW Tacoma (UWT) continues to stabilize its financial position after the challenges of the pandemic. Student enrollment in the current year is mostly flat compared to 2022-23. Net operating fee collections are expected increase by at least 2% this year (primarily due to the rate increase) after declining 8% in FY2022 and 3% in FY2023.

Similar to FY2023, UWT expects to close FY2024 with a modest positive ending net position of 0.8% to 1.0%. Proviso funds have continued to grow, from \$2.7 million in FY23, to \$4.3 million in FY24, and to \$5.3 million in FY25.

In FY2024 campus unrestricted reserves are expected to remain above 30% of the core operating budget. Strategic one-time investments from reserves will be used to pay off Court 17 Garage, City of Tacoma (\$1.2 million).

Changes in the operating budget may not be seen at the macro level. Historically, UWT held a \$3 million underspend in a central budget line. While we are continuing to safeguard the underspend, we are adjusting or “trueing up” budgets at the school and unit level.

2) Please describe the material changes to your unit or campus net position since FY2024 plans were submitted to the Office of the Provost.

Word Limit: 500

Since the FY2024 plan was originally submitted, UW Tacoma has balanced revenues and expenditures across all resource type (eliminating the GOF overspend).

Some technical adjustments have been made to correct duplicate revenues during the financial transformation process. Fortunately, University Budget Operations has corrected the major issues within Workday reports, but summer tuition revenue required additional adjustments.

Recent student financial changes in Workday confirm that FY2024 net operating fee collections continue to change due to various financial aid set-aside and waiver adjustments. Operating fee collections in Adaptive FY24 Management

Recast are conservative, based on actual enrollments and historical collection patterns. With this approach, any additional changes in student financial aid should still result in an increased, positive net position.

- 3) Are you forecasting an increase or decrease to net position within core academic operating funds (GOF & DOF) by more than 30% by the end of FY2024 or FY2025 (as measured against carryover available at the end of FY2023)? If so, please summarize the primary drivers of the change.

Word Limit: 500

No.

- 4) Please summarize your net position strategy, including major investments (net use) or contributions (net gains) as well as how the strategy aligns with the institutions' values, and your unit's strategic plans. *Word Limit: 500*

UW Tacoma will continue to align spending of our reserves with our strategic planning processes and priorities while maintaining our fiscal sustainability into the future. Noting that as our ongoing budget grows, so must our obligation to retain a prudent level of reserves. Moving forward, we will engage in multi-year planning for major reserve spending so that we have a balanced, long-term plan for major expenses.

To support student success in STEM, UWT will upgrade chemistry lab equipment and classroom computer technology in two buildings (\$100,000). Additionally, funds will be used to pilot additional graduate student library capacity, tutoring services, as well as peer advising services (<\$50,000).

UW Tacoma enjoys especially strong partnerships with the City of Tacoma, Tacoma Public Schools and many other community stakeholders. Leveraging these place-based partnerships for the benefit of the campus and the Tacoma community, one-time resources will be used to develop a new Master Plan in FY2025 (\$450,000). Recent investments from the Legislature to buy additional properties within the campus footprint provide a critical opportunity to expand our vision of UW Tacoma's future. The largest cost elements of long-term master planning include, architectural and engineering services, environmental assessments and collaboration/engagement across the campus and local community.

UWT is overdue in providing students adequate dining and housing services, often central to the student experience. Funds are budgeted for the anticipated pre-construction phase of a Student Housing & Dining capital project (\$300,000) to cover project management (UW Seattle), the Request for Proposals process and other expenses to bring this project to fruition should it move forward in the University Capital Plan.

While operating activities are expected to yield a modest contribution due to a positive fiscal year-end close of 0.8% to 1%, strategic utilization of net position for one-time investments is anticipated to result in an overall net use of net position, lowering reserves in FY25 by approximately \$500,000.

Faculty and Staff Position Budget Plan Narrative; Faculty Hiring Plan Alignment

Text submitted within this section will not be published to OPB's Annual Budget Development website

- 1) Please consider the **Staff** position budget plans you have entered in Adaptive Planning and provide a summary as to how your position plans support and enhance the student experience, reduce risk, and alleviate administrative burden.

While the FY2025 budget plans for Staff positions will largely remain consistent with FY2024, UWT intends to reallocate resources in a few areas to advance equity, community and campus vibrancy goals. A new Tribal Relations Liaison will strengthen UWT's relationships with Tribal governments across the region. Restoring resources for an Emergency Preparedness Manager will reduce risk and respond to campus requests for additional safety initiatives.

Student Affairs will enhance staff resources in career services and the Passport Champions program. We recognize the growing importance and evolution of career development as a retention tool. Exploring and setting career goals has been shown to provide students with the motivation and drive needed to persist. The Career Services Director will oversee programs, initiatives, and partnerships that directly impact the campus mission to support social mobility programs and post-graduation success through an equity lens and build capacity among students, staff, and faculty for students to develop career competencies, and directly supporting assessment of post-graduation outcomes.

The Passport Champions Program supports students who have experienced foster care or unaccompanied homelessness. A core belief of the program is that students are capable of incredible growth despite their challenges, and a focus on development, or a growth mindset, is key to the success of Champions students. Consequently, the coordinator will build capacity within the UW Tacoma community to create better outcomes for Champion participants and liaise directly with campus stakeholders and external partners to expand the adoption of practices that support student success.

Word Limit: 500

2) Consider the **Faculty** position budget plans you have entered in Adaptive Planning and review the following resources:

- Your campus/unit student credit hours divided by tenured/tenure-track and teaching track faculty.
- Your campus/unit student FTE divided by tenured/tenure-track FTE

Note: both resources are available on the [FY25 Budget Development Materials webpage](#), under support item #8 “Multidimensional Planning Tools & Resources”.

2a) Please confirm that the Faculty position budget plans you have entered in Adaptive Planning is in alignment with the campus/unit hiring plan for 2024-25 that you are preparing and reflective of student demand.

Indicate “confirmed” or provide a brief rationale for deviation, if not explained in question 2b, below.

Confirmed. New investments will support increased numbers of classes in the School of Education where student demand is growing. Increased proviso resources for engineering and computer science programs will support the addition of seven new faculty in FY2025.

2b) If your Faculty position budget plans and forthcoming campus/unit hiring plans for 2024-25 are reflective of hiring needs that may not directly relate to student demand, please comment on these needs (primary drivers, strategies, opportunities, etc.). *Word Limit: 500*

N/A

Required Budget Development Consultative Process Summary – Faculty, Staff and Students

*Text submitted within this section **will** be published to OPB's Annual Budget Development website*

-- If specific questions are not applicable to your unit, simply indicate n/a --

Consultation with your elected faculty councils, student councils and unit/campus staff, regarding your unit's/campus's budget proposal materials, including your proposed FY25 operating budget, narrative responses, tuition rate recommendations and fee-based rate recommendations are an important and necessary component of the UW's budget development process. Your responses to the questions below will be documented and included as part of the FY25 operating budget development review materials provided to Executive Leadership of the UW.

PLAN NOW to ensure that all unit/campus review and consultative processes are completed by the March 4, 2024 due date.

- 1) Please indicate the date that FACULTY leadership within your unit/campus was consulted and provided the opportunity to provide input as part of this budget planning exercise

February 8, and February 26, 2024.

Additionally, Faculty Councils of each of the academic schools were consulted in the process of developing school's budget reductions and requests between December 6, 2023 and January 19, 2024.

- 2) Please list a point of contact for your FACULTY leadership (name and UW email address).

Faculty Assembly: Huatong Sun (School of Interdisciplinary Arts & Sciences), htsun@uw.edu

- 3) Please indicate the date that STUDENT leadership within your unit/campus was consulted and provided the opportunity to provide input as part of this budget planning exercise.

The Associated Students of UW Tacoma were formally consulted January 30, 2024 and February 28, 2024. We also included a student representative (Alicia Whitten, ASUWT Director of Finance) on the Budget Advisory Committee which met February 8, and February 26, 2024.

- 4) Please list a point of contact for your STUDENT leadership (name and UW email address).

Holly Wetzel, ASUWT President
Associated Students of UW Tacoma
asuwtp@uw.edu

- 5) Please discuss how you involved campus or unit staff in the consultative process.

The UW Tacoma Staff Association was represented on the Budget Advisory Committee by Jennifer Mitchell (Academic Advising). The committee met February 8, and February 26, 2024.

- 6) Since submission of your tuition and/or fee-based rate recommendations on February 1, 2024, has your campus or unit received any additional feedback from students? If so, please summarize here.

No additional feedback about tuition rates has been received from students since February 1, 2024.

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Tuition-based Program Rate Recommendation Narrative
Master of Business Administration (MBA)

*Text submitted within this section **will** be published to OPB's Annual Budget Development website*

Responses to the questions below are required for each tuition category that your unit/campus recommends adjusting (as submitted to OPB by 2/1/24). **Please note question #4 is required for any programs for which no tuition increase is requested.** If you are recommending changes for multiple tuition categories, please differentiate your responses within each question.

- 1) Please explain how the proposed rate increase will enhance student experience and promote student success?

Word Limit: 500

N/A

- 2) Tuition and fee increases have a disproportionate impact on low-income students. Please comment on how each fee change will affect student debt loads, and specifically how the program will offset this impact. *Word Limit: 550*

N/A

- 3) Please discuss your unit/campus's overall tuition strategy for the next 3-5 years. Describe if you expect the proposed change to result in changes to enrollment (including changes to resident/nonresident composition) or the volume of tuition waivers awarded. *Word Limit: 250*

In the previous 5 years, our MBA program tuition strategy had been to request more substantial increases on a more periodic basis. With the change in statutory authority as regards tuition increases for state-funded, tuition-based programs, we felt this was a more effective approach to assuring our ability to cover increased operating costs by pursuing a more intermittent tuition rate strategy.

Our total program cost (including fees) for residents was significantly below market relative to our regional peers (including other UW campuses) who offer comparable in-person or hybrid part-time MBA programs for working professionals and we have been playing "catch-up" with those peers over the last two budget cycles. This strategy has been effective. While we continue to trail our nearest regional competitors, who target similar student demographics (working professionals seeking a hybrid learning experience with a significant in-person learning component). The gap in overall tuition costs has largely been closed. For resident students, our total program cost including fees averages 70.7% of the total program costs including fees for our regional peers, including the UW Foster working professionals programs. When comparing our tuition costs relative to non UW-Foster peers (which is more appropriate), our tuition costs are 92.7% of our regional peers (i.e., UW Bothell, Seattle U, PLU, Portland State University).

Because our program is part-time and targeted to working professionals, we rarely enroll non-resident students and once enrolled, those non-resident students as working professionals, typically move into resident status over the course of their studies. Also, as a part-time program, international students are not eligible for admission. Our current non-resident rates are slightly higher than our closest UW peer (the UW Bothell MBA program) and slightly lower than those for working professional or hybrid MBA programs at the UW Foster School of Business.

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- 4) If you are not planning to increase tuition for any program, please respond to the following: Generally, small, inflationary increases (1-2% annually) are preferred over no increase or large increases every few years. Please answer the following questions for each program where no increase is requested. *Word Limit: 250*

- a) Please explain why this program's rate does not warrant an increase by describing the program's financial position, structure, peer comparisons, or other relevant information.

We are NOT requesting a tuition increase for either resident or non-resident MBA tuition for FY 2025. Given that we have closed the gap in tuition costs and are currently at 92.7% of overall tuition costs relative to our closest regional peers (i.e., UW Bothell, Seattle University, PLU and Portland State University), we prefer to maintain our currently attractive cost competitive tuition relative to those peers our potential students are most likely to consider.

- b) What do you currently anticipate annual rate change requests will be for the next two years?

We anticipate increasing resident MBA tuition at rates comparable to inflation and our closest regional peer competitors (e.g., 2 – 3%) over the subsequent next two years. This will allow us to cover increased operating costs at the rate of inflation while maintaining our attractive cost competitive position relative to our closest regional peer competitors.

We do not anticipate increasing non-resident MBA tuition for FY 2026 to allow our non-resident price point in order to reach comparability with our closest UW competitor on this dimension, the UW Bothell naturally over the course of the next two years, a period during which we hope anticipated changes to the MBA program that allow for full-time enrollment will take effect. We want to assure that our non-resident tuition raters come in line with our closest UW peer programs.

- 5) Enrolled students affected by rate increases must be consulted on proposed increases before proposals are finalized. Please describe when and how students were consulted and summarize the feedback they provided regarding EACH of your tuition rate recommendations. *Word Limit: 500*

N/A



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Tuition-based Program Rate Recommendation Narrative

Master of Science in Business Analytics (MSBA) Program Submittal

*Text submitted within this section **will** be published to OPB's Annual Budget Development website*

Responses to the questions below are required for each tuition category that your unit/campus recommends adjusting (as submitted to OPB by 2/1/24). **Please note question #4 is required for any programs for which no tuition increase is requested.** If you are recommending changes for multiple tuition categories, please differentiate your responses within each question.

- 1) Please explain how the proposed rate increase will enhance student experience and promote student success?
Word Limit: 500
- 2) Tuition and fee increases have a disproportionate impact on low-income students. Please comment on how each fee change will affect student debt loads, and specifically how the program will offset this impact. *Word Limit: 550*
- 3) Please discuss your unit/campus's overall tuition strategy for the next 3-5 years. Describe if you expect the proposed change to result in changes to enrollment (including changes to resident/nonresident composition) or the volume of tuition waivers awarded. *Word Limit: 250*
- 4) If you are not planning to increase tuition for any program, please respond to the following: Generally, small, inflationary increases (1-2% annually) are preferred over no increase or large increases every few years. Please answer the following questions for each program where no increase is requested. *Word Limit: 250*
 - a) Please explain why this program's rate does not warrant an increase by describing the program's financial position, structure, peer comparisons, or other relevant information.

We are NOT requesting a tuition increase for MSBA tuition for FY 2025. The current rate is reasonably in alignment with comparable programs. The suggested rate increase in combination with the recent rate increase would diminish our current attractive cost-competitive tuition relative to those peers our potential students are most likely to consider.
 - b) What do you currently anticipate annual rate change requests will be for the next two years?

We anticipate increasing the MSBA tuition at rates comparable to inflation and our closest regional peer competitors over the subsequent two years at 1.5% each year.
- 5) Enrolled students affected by rate increases must be consulted on proposed increases before proposals are finalized. Please describe when and how students were consulted and summarize the feedback they provided regarding EACH of your tuition rate recommendations. *Word Limit: 500*