



UNIVERSITY OF CENTRAL FLORIDA

# Understanding UCF's Budget Allocation Model

---

A companion reference guide to UCF Web Course FBM 130

Prepared and maintained by the Office of Financial Affairs,  
Administration and Finance Division

*February 2022*

---

# Table of Contents

---

## FBM 130 Web Course

I.	Implementing a New Budget Model: A Collaborative Approach	
○	<a href="#">Introduction</a>	3
○	<a href="#">Building on Our Momentum</a>	3
○	<a href="#">Why did the university need a different resource allocation model?</a>	3
○	<a href="#">Budget Model Guiding Principles</a>	3
○	<a href="#">UCF's Budget Philosophy</a>	4
II.	Understanding the Budget Model	
	<b>A Hybrid Approach</b>	
○	<a href="#">What is Incentive-based Responsibility-centered Management (RCM) Budgeting?</a>	5
○	<a href="#">How is this different from the prior model?</a>	5
	<b>Incentive-based RCM Budget Model Framework</b>	
○	Organizational Structure	
·	<a href="#">Responsibility Centers</a>	6
·	<a href="#">Centers and Institutes</a>	6
·	<a href="#">Central Support Units</a>	7
·	<a href="#">Auxiliary Enterprises</a>	7
○	Allocation of Funds/Revenues	
·	<a href="#">Tuition and Fees Revenue</a>	8
·	<a href="#">State Appropriations</a>	12
·	<a href="#">Research Revenue</a>	12
·	<a href="#">Other Revenue Sources</a>	13
○	Allocation of Costs	
·	<a href="#">Direct Costs</a>	13
·	<a href="#">Indirect Costs</a>	13
○	Strategic Investment Fund	
·	<a href="#">Purpose, Source and Assumptions</a>	15
III.	Resources	
○	<a href="#">Frequently Asked Questions (FAQs)</a>	16
○	<a href="#">Glossary</a>	18
○	<a href="#">Other Resources</a>	20

## Appendix

[Appendix A: Tuition Revenue Distribution Example](#)

[Appendix B: Miscellaneous Fees Distribution Example](#)

[Appendix C: State Appropriations Distribution Example](#)

[Appendix D: Allocation of Indirect Costs Example](#)

# Implementing a New Budget Model: A Collaborative Approach

## Introduction

The purpose of this publication is to serve as an in-depth guide for understanding UCF's budget model and processes. Starting with the appointment of a steering committee in October 2019, a new incentive-based Responsibility-centered Management (RCM) model was approved unanimously by the academic deans and President Cartwright and shared with the Board of Trustees in May 2020. The new model is going live fiscal year 2023 (July 1, 2022) thanks to an almost three-year, highly collaborative and thoughtful development process.

A successful budget model is the embodiment of an organization's strategic goals and priorities. To understand UCF's budgeting approach, we must first take a moment to talk about our shared vision and strategic plan, why it was the right time to update our resource allocation model, the budget model guiding principles, and our overall budget philosophy.

We thank you for your time and interest in UCF's budget model and processes. We rely on the collective experience and support of our entire campus community to support the ongoing development and success of the model. For information regarding the project timeline and process, please visit UCF's Budget Model Redesign website.

## Building on Our Momentum

A successful strategic planning process requires ongoing commitment and effort. Forward-thinking institutions are continuously adopting new solutions to decrease the cost of education, enhance the brand experience, and improve student outcomes. As part of UCF's strategic approach, a steering committee with campus-wide representation was formed in 2019 to recommend a transparent and innovative budget allocation model that was simple to understand, help us plan for the future and invest in our strategic priorities, and reflect UCF's core values, principles, and goals.

Fast forward to 2022 and we find ourselves in uncharted territory following the worldwide COVID pandemic. While UCF has remained committed to its long-term strategy, it is time to ***build on our momentum*** and work to identify new areas of excellence and opportunity that will help chart our path toward achieving our vision. The collaborative effort to refine our strategic focus is underway and is expected to be completed in spring 2022.

## Why did the university need a different resource allocation model?

UCF's former budget process was built in a different era and was based on allocating funding based on the previous year's budget, plus or minus a percentage. This approach is largely predictable, but it is difficult to adapt to changing circumstances or fund strategic priorities. Shifting to a more strategic, data-informed model can significantly improve fiscal stewardship, empower colleges and schools to grow program revenues, and encourage administration to operate more efficiently while providing improved services.

Like a strategic plan, a successful budget model must evolve. Our vision and evolving strategic plan goals and objectives will inform future budget model changes.

## Budget Model Guiding Principles

One of the main priorities of this initiative was to develop a new budget allocation model to embody UCF's values, principles and goals and address our financial needs by strengthening our operations, expanding resources, and providing for strategic investments. To this end, financial leaders across UCF were interviewed to better understand the redesign considerations and help the institution clearly define key objectives. What we learned through this process was that our stakeholders desired greater financial transparency and a more methodical and predictable budget process to clearly show incentives and allow long term planning.

Armed with the feedback from our colleges and administrative units, the Steering Committee's first step was to develop the following governing principles to guide the proposed budget model structure, incentives, and revenue and cost allocation methodologies. Each of the following principles was considered as all material decisions were made throughout the design process that led to the adoption of the incentive-based RCM model described in this document.

- Ensure resource management, planning, and allocation **decisions are aligned with the institution’s mission** as a public multi-campus, metropolitan research university.
- **Ensure transparency, accountability, and fiscal responsibility** by requiring that all aspects of resource management are supported by data-informed decisions.
- **Align** budgetary **authority** with **responsibility** and **accountability**.
- Provide **significant incentives** for promoting efficiency, innovation, responsiveness and entrepreneurship using data-based decision-making.
- **Balance** complexities of the **economic realities** with a methodology that is **financially viable** and easy to understand.
- Distribute resources using a **predictable** and **consistent** methodology that allows for multiyear planning.

## UCF’s Budget Philosophy

An effective budgeting process transforms strategic goals into achievable operating plans, and:

- properly and continuously aligns resources
- employs an “all-funds” approach
- maintains fiscal responsibility with those closest to operational decisions
- increases communication, transparency, and accountability

This philosophy reflects UCF’s commitment to support the advancement of the university’s mission and goals as a comprehensive, high research-intensive university, while fostering a culture of innovation and cost-containment that will allow us to continue to achieve high value while promoting student success. We are deeply committed to an open and transparent budget development process that includes appropriate constituencies in budget planning, incorporates clear guidelines and sound budget principles fundamental to good stewardship of financial resources, provides for accountability, and provides adequate training for those involved.

All University officials responsible for budgeting processes and/or management of resources are expected to adhere to applicable university and state guidelines, policies, processes and regulations, and act within the spirit of this budget philosophy in a manner that evidences forthrightness and engenders public trust.

## Understanding the Budget Model

### A Hybrid Approach

UCF’s new budgeting model incorporates the fundamental elements of two approaches working in tandem: 1) an **incentive-based responsibility-centered management (RCM) model** that distributes revenue and allocates costs to the Responsibility Centers (RCs) and Centers and Institutes; and 2) the development of **spending plans** for each of the central support units (CSUs) based on efficiency, necessity, and multi-year planning rather than historical or incremental budgeting.

The goal of this combined approach is to decentralize decision making to the RCs while providing flexibility to the president and provost to fund institutional priorities that continue to advance the reputation of the university in a highly collaborative and transparent environment. Additionally, this approach seeks to annually re-examine and challenge the assumptions underlying the institution’s costs and encourage more effective utilization of resources and entrepreneurial activities.

Improvements to this model and overall approach will be made as the university continues to learn and evolve.

## What is incentive-based budgeting?

An incentive-based model is a decentralized responsibility centered management (RCM) approach to resource allocation and planning that has been adopted by many higher education institutions across the nation. In essence, it is a budgeting approach where college or academic “Responsibility Centers” (RCs) are allotted all of their self-generated revenues, and they in turn cover all of their direct *and indirect or “Central Support Unit” costs* (i.e., central Facilities, Finance, Human Resources).

Our new incentive-based RCM model is inclusive of all funds (not just tuition and fees), and central administrative service costs are allocated to the RCs and Centers and Institutes using several activity-based drivers. Ultimately, this budget model allocates resources to activities that advance the university’s strategic vision.

## How is this different from the prior model?

The new budget model embodies UCF’s values, principles, and goals and addresses our financial needs by strengthening operations, expanding resources, and providing for strategic investments. It does this in the following ways:

<b>New Budget Model</b> Beginning Fiscal Year 2023 (July 1, 2022)	<b>Prior Budget Models</b> Operative until Fiscal Year 2023
<ul style="list-style-type: none"><li>• Informs decision-making by providing trusted and reliable data identifying the total revenue generated and how it is being spent.</li><li>• Provides a consistent and fair methodology for revenue and cost allocation that is relatively simple and easy to understand.</li><li>• Allocates revenues from all sources and distributes "Central Support Units" (CSUs) costs directly or formulaically to the "Responsibility Centers" (RCs) and Centers and Institutes.</li><li>• Places responsibility on "Central Support Units" (CSUs) to create budgets for their departments each year based on efficiency and necessity rather than budget history.</li><li>• Leaders motivated to grow, contain costs, and reallocate resources within their budgets.</li><li>• All-funds budgeting approach provides an enterprise-wide view of the budget and supports improved decision-making, planning and investment in strategic priorities</li><li>• Provides strategic funds for investments and subvention and reflects a shared commitment to the overall fiscal health of the university.</li></ul>	<ul style="list-style-type: none"><li>• Budgets largely based on the previous year's allocation (incremental budgeting).</li><li>• Funds allocated incrementally from available Education and General (E&amp;G) revenues only after new "off-the-top" university commitments/needs were addressed. Other revenue sources were considered separately, providing a narrow rather than strategic viewpoint of the institution’s overall resources and costs.</li><li>• Overall methodology resulted in perceived lack of transparency and predictability.</li><li>• Supported duplication of services, resulting in diseconomies of scale and operating inefficiencies.</li><li>• Promoted unit-specific priorities at the expense of institutional needs and priorities.</li><li>• Did not provide adequate resources for strategic investments,</li></ul>

## Budget Model Framework

There are four fundamental aspects to address in describing UCF's incentive-based RCM budget model

- Organizational Structure (how units are categorized)
- Allocation of Revenue (how our different revenue sources are distributed)
- Allocation of Costs (how direct and indirect costs are shared)
  - Strategic Investment Fund (funds to support strategic initiatives or “subvention”)

### Organizational Structure

UCF's incentive-based budget model classifies its organizational units into four categories: **Responsibility Centers, Central Support Units, Centers and Institutes, and Auxiliary Enterprises**. The categorization of units will be updated as necessary to reflect changes in the university's organizational structure including, but not limited to the creation of new academic units, the restructuring (and/or potential renaming) of existing programs, and/or administrative restructuring.

#### Responsibility Centers (RCs)

These are the colleges or primary academic units that deliver the majority of UCF's instruction and research activity and generate recurring revenue (tuition and fees) for the institution.

- College of Arts and Humanities
- College of Business Administration
- College of Community Innovation and Education
- College of Engineering and Computer Science
- College of Health Professions and Sciences
- College of Medicine
- Burnett School of Biomedical Sciences
- College of Nursing
- College of Optics and Photonics
- College of Sciences
- Rosen College of Hospitality Management

#### Centers and Institutes

UCF is home to more than 50 Centers and Institutes that aim to solve big problems and align with the economic needs of the nation. A complete list can be found on the Office of Research website [here](#).

While all centers/Institutes specialize in scientific research and development, the faculty in these four centers/institutes are directly affiliated with the RCs and also involved in the delivery of academic programs and services (thus generating tuition and fees for the institution). Accordingly, the budget model revenue and cost distribution methodologies for these four centers/institutes are the same as for the RCs as described in the Allocation of Funds/Revenues and Allocation of Costs sections. They are also eligible for subvention.

## Central Support Units (CSUs)

Central Support Units (CSUs) provide essential programs, products, or services to support UCF's primary mission. They have limited-to-no ability to add or influence revenue. Costs to provide this support are aggregated into cost pools and allocated to the RCs as indirect costs, as described in the Allocation of Costs section.

## Auxiliary Enterprises

Auxiliary enterprises are UCF's self-supporting, non-academic entities that exist to furnish vital goods or services to students, faculty, or staff, and charge fees directly related to, but not necessarily equal to, the cost of the goods or services that they provide. They are not eligible for subvention.

## Allocation of Funds/Revenues

The first step in the process of determining budget allocations in an incentive-based RCM model is the revenue distribution. Revenue is generated from a variety of sources. In conformity with UCF's budget philosophy, our model employs an all-funds approach. This strategy is intended to empower RC leaders to be entrepreneurial and grow and utilize revenues from all available sources to fund college-level expenditures and new programs/initiatives, as well as support overall improvement of the university's financial position.

This section describes revenue distribution to the RCs and Centers/Institutes by source of funding and distribution method (direct and formula allocations).

## Tuition and Fees Revenue

### 1. In-state/Resident and Out-of-state/Non-resident Tuition

Tuition is the basic resident and non-resident, as applicable, fee charged to all students for instruction in credit courses. A complete schedule of current tuition rates and associated fees can be found [here](#).

#### o Direct Allocation

UCF's budget model attributes 100% of the tuition revenue from the following programs directly to the RC or Center/Institute that is delivering the courses and incurring the cost of business.

#### **Special Tuition Degree Programs**

UCF students enrolled in the Doctor of Physical Therapy (DPT), Doctor of Medicine (MD), and Florida Interactive Entertainment Academy (FIEA) are assessed different tuition and fee rates than all other programs. The tuition for these programs is directly allocated to the degree-offering RC (College of Health Professions and Sciences, College of Medicine, and College of Sciences).

#### **Market Tuition Rate Programs**

Florida universities may be authorized by their respective Board of Trustees (BOT) to establish market tuition rates for *graduate-level courses* offered online or through the university's continuing education unit in accordance with Board of Governors Regulation 8.002. Market Tuition Rate is defined as a separate tuition rate that is competitively aligned with comparable programs offered by public and independent institutions located both in-state and out-of-state. Market Tuition Rate programs must generate sufficient revenue to operate without state Education and General (E&G) funding. Therefore, the revenue generated by Market Tuition Rate Programs is directly distributed to the degree-offering RC.

#### o Formula Allocation

Revenue from all undergraduate, graduate, and online courses net of the direct allocations described previously is pooled and allocated formulaically to the RCs and Centers/Institutes based on student credit hours (SCHs) in accordance with the following methodology.

## **SCH Distribution**

SCHs are attributed to the RCs and Centers/Institutes based on College of Instruction (instructor of record) and College of Record (the student's major college), as follows:

- **College of Instruction, 80%**

Florida State University System (SUS) institutions are required to report SCHs by "Course-offering College." For example, UCF assigns and reports all English Department courses to Arts and Humanities, regardless of instructor or student major.

UCF's budget model does this differently. Specifically, the model attributes 80% of each SCH to the RC or Center/Institute that employs the instructor. This is done to support the direct cost of instruction. For example, 80% of SCHs generated by a College of Engineering and Computer Science (or any other) major taking an English course taught by a College of Business Administration faculty member will be allocated to the College of Business Administration (rather than Arts and Humanities, following SUS reporting).

- **College of Record, 20%**

To support the cost of recruitment and advising, as well as indirect costs associated with students housed within a college (its majors), the remaining 20% of SCHs generated are attributed to the RCs or Centers/Institutes based on student majors.

## **SCH Data Collection Timeframe and Weighting**

To smooth the effect of any material enrollment fluctuations from one year to the next, the model utilizes two years of SCH data following an 80/20 distribution methodology to calculate tuition revenue allocations. Furthermore, the data collection period dates back two academic years due to the budget model annual cycle. For example, the FY 2023 budget model effective July 1, 2022 will be based on SCH data from the 2021 academic year (Summer and Fall 2020, and Spring 2021) and the 2020 academic year (Summer and Fall 2019, and Spring 2020)

The SCH data is then weighted at 25% for "Prior Year" and 75% for "Next Year" (Next Year being the most recent SCH data), and applied to gross tuition revenue (prior to fellowships, scholarships, or waivers) from the immediately preceding academic year.

## **Fellowships, Scholarships and Tuition Waivers**

Once the gross tuition revenue by RC and Center/Institute is calculated, the final step is to offset it by the direct cost of uncollected tuition revenues due to fellowships, scholarships, and tuition waivers. For undergraduate waivers this is calculated using the same methodology and weighting applied to the tuition pool (SCH data for two academic years weighted at 25% for "Prior Year" and 75% for "Next Year.")

Please refer to Appendix A for a complete tuition revenue distribution example.



## 2. Fees

### Associated Fees

In addition to resident or non-resident tuition, as applicable, all students must pay the fees associated with enrollment at UCF. These are required or authorized by the legislative bodies that govern the university, as follows: the Florida Legislature ([Florida Statutes, Chapter 1009](#)); the Florida Board of Governors ([Regulations, Chapter 7](#)); and the UCF Board of Trustees ([UCF Regulations, Chapter 9](#)).

These fees are assessed per SCH based on the level of the course (undergraduate or graduate).

#### o Direct Allocation

UCF's budget model attributes the following associated fee revenues *directly* to the division that is delivering the service and incurring the cost of business.

Fee Name	Description
<b><u>Parking and Transportation</u></b>	
Transportation Access Fee	Fund the shuttle system and transportation infrastructure.
<b><u>SDES</u></b>	
Activity and Service Fee	Activities and services that benefit the general student body.
Student Financial Aid Fee (Resident and non-resident, as applicable)	Financial aid and support services.
<b><u>Student Health Services</u></b>	
Health Fee	Fund student health services.
<b><u>UCF IT</u></b>	
Technology Fee	Enhance instructional technology resources,
<i>The following fees are subject to different state processing and other guidelines, and are consequently treated as direct pass-throughs to the noted CSUs <b>outside of the model</b>.</i>	
<b><u>Facilities Planning</u></b>	
Capital Improvement Fee	Building construction and repair
<b><u>President and Gov. Relations</u></b>	
Athletic Fee	Support UCF Intercollegiate Athletics.

#### o Formula Allocation

UCF's budget model allocates the following associated fee revenue **formulaically** to the RCs.

#### ***Undergraduate Differential Tuition Fee (70%)***

Beginning with the 2007 Fall semester, new or re-admitted undergraduate students are charged a differential tuition fee. This is a supplemental fee beyond the base cost of tuition that must be directed to promote improvements in the quality of undergraduate education. Specifically, Florida Statute Chapter 1009.24(16)(a) requires that at least (30%) of revenues from differential tuition be expended to provide financial aid to undergraduate students who exhibit financial need to meet the cost of university attendance. The remaining 70% from differential tuition must be expended to support the quality of ***undergraduate*** education

These funds are distributed to the RCs following the same methodology for in- and out-of-state tuition revenue described above (80% by College of Instruction + 20% by College of Record) to be expended in compliance with Florida Statute. To that end, UCF's financial aid costs are allocated to the RCs as described in the "Allocation of Costs" section of this guide.

### Miscellaneous Fees

These are other fees that are **assessed on an ad hoc basis**, as needed, rather than per student credit hours (with a few exceptions, as noted). Ad-hoc auxiliary fees are *directly* attributed to the units providing the services and incurring the costs, whereas E&G-authorized fees are *formulaically* distributed to the RCs and Centers/Institutes.

#### o **Direct Allocation**

UCF's budget model attributes the following miscellaneous auxiliary fee revenues *directly* to the division that is delivering the service and incurring the cost of business.

<b><u>Business Services</u></b>	<b><u>SDES</u></b>
ID Service and Access Fee (Annual)	Diploma Replacement Fee Orientation Fee Transcript Fee Forfeited Deposit
<b><u>Division of Digital Learning</u></b>	<b><u>UCF Global</u></b>
Distance Learning Course Fee (course-specific)	International Student Service Fee (per term)
<b><u>Finance</u></b>	<b><u>UCF Libraries</u></b>
Collection Costs Credit Card Convenience Fee Returned Check Fee	Library Interlibrary Loans/Literature Searches Library Damaged/Broken/Lost Materials
<b><u>RGUs/Colleges</u></b>	<b><u>As applicable by case</u></b>
Materials and Supplies Fee Equipment Fee	Duplicating/photocopying Fees Incidental Non-academic Services Late Payment/Registration (Auxiliary) Standardized Tests Fees

#### o **Formula Allocation**

UCF's budget model allocates ad-hoc E&G miscellaneous fee revenues **formulaically** to the RCs and Centers/Institutes. This includes Application Fees, Excess Hour Fees (the surcharge to each SCH taken in excess of the total number of credit hours required to complete the degree being pursued), Late Payment Fees, Late Registration Fees, Library Overdue Fines, and Repeat Course Fees.

The total revenue generated by each fee is prorated by the tuition revenue by level (undergraduate and graduate, as applicable by fee) and added to the tuition revenue pool distributed to the RCs and Centers/Institutes following the same methodology described previously (80% by College of Instruction + 20% by College of Record). The fees are prorated as follows:

##### **Prorated by Undergraduate Tuition**

- Excess Hours Fees
- Repeat Course Fees

##### **Prorated by Total Tuition (Undergraduate and Graduate)**

- Application Fee
- Late Payment/Registration Fee (E&G component)
- Library Fines

Please refer to Appendix B for a complete miscellaneous fees distribution example.

## State Appropriations

In addition to tuition and fees revenue, public universities rely on state appropriations to fund instructional activities, support services, and general operations. These come in the form of direct or designated state appropriations and general or allocable state appropriations.

- **Direct Allocation**

Some state appropriations are specifically designated to support university-unique special activities or initiatives. These designated state allocations are directly allocated to the managing unit and are deducted from the general state appropriations total to be distributed to the RCs and Centers/Institutes via the model.

A prime example of a direct state appropriation is the Florida Center for Students with Unique Abilities (FCSUA). Signed into law by Florida's Governor in 2016, the legislation specifically established the FCSUA at UCF to work with higher education institutions across Florida to increase independent living, inclusive and experiential postsecondary education, and employment opportunities for students with intellectual disabilities.

- **Formula Allocation**

General state appropriations are pooled and distributed to the RCs and Centers/Institutes via the model. Some examples of general state appropriations include funding to support health insurance, retirement, and other benefit cost increases.

Once again, this pool is the available balance after designated state appropriations are deducted. As recommended by the Budget Model Steering Committee, the distribution is based on three state metric categories until further notice: **Instruction**, **Student Completion**, and **Research** as follows:

State Metric Category	Allocation Method	Distribution
Instruction	Student credit hours	42.5%
Student Completion	Degrees awarded	42.5%
Research	3-year historical C&G revenue average	15.0%
<b>Total</b>		<b>100.0%</b>

Please refer to Appendix C for a state appropriation distribution example.

## Research Revenue

- **Direct Research or Other Sponsored Activities (Contracts and Grants) Revenue**

Revenues from all UCF contracts and grants are directly allocated to the originating units. Accordingly, all colleges, centers/institutes, and other units (including auxiliary enterprises and CSUs, as applicable) will be responsible for covering all direct and indirect costs associated with their contracts and grants and research activities.

- **Indirect Facilities and Administrative (F&A) Revenue**

Also referred to as Indirect Cost Recovery (IDC) or overhead (OH), this is an assessment to reimburse UCF for the business costs incurred to support its awarded contracts and grants. There are different rates for on- and off-campus organized research, instruction, and other sponsored activities. More information about UCF's F&A rates can be found in the Budget Preparation section on the [Office of Research website](#) (see F&A Costs).

UCF's RCs and Centers/Institutes are allocated 100% of the F&A revenue they generate. However, they are assessed a charge to cover the cost of the support services provided by the Office of Research, as described in the Allocation of Costs section.

## Other Revenue Sources

### ○ Auxiliary Revenue

Auxiliary Enterprises are allocated 100% of the revenue they generate and are responsible for all of their direct costs. Additionally, they are assessed a fee to cover the cost of the support services the university provides, as described in the Allocation of Costs section.

UCF's RCs, Centers and Institutes, and CSUs may also generate supplementary auxiliary revenue from ancillary or secondary activities (conference revenues, journal publications, etc.). These revenues are directly allocated to the originating unit and are also subject to the support services fee.

### ○ Carry Forward Funds

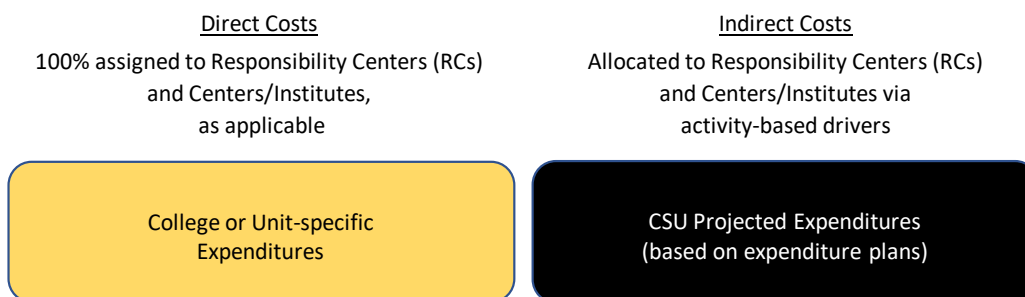
Carry forward funds are the university's prior year unspent Educational and General (E&G) balance including interest or investment earnings on E&G balances. These funds are addressed outside the model as part of the university's budget planning process to achieve a balanced budget while optimizing resources to align with strategic priorities. They are allocated in accordance with UCF Policy 3-212 "Allocation and Use of Education and General Carry Forward Funds" found here.

### ○ Other Local Revenue

Other local funds excluded from the budget model include concession funds, and College of Medicine Faculty Practice and Self-insurance plan funds.

## Allocation of Costs

The next step in the budget allocation process is to address the distribution or sharing of costs. Like revenue, the distribution of costs falls into two distinct categories: direct costs and indirect costs.



## Direct Costs

These are the projected costs or expenditures that are specific to and incurred directly within a RC or Center/Institute. These include things like faculty and staff salaries, fringe benefits, equipment, supplies, telephone, travel, etc. The treatment of direct costs in the incentive-based RCM model does not differ from UCF's historical models (meaning Colleges and Centers/Institutes pay for them directly).

## Indirect Costs

UCF's incentive-based RCM model allocates central administrative costs to the RCs and Centers/Institutes using several allocation cost drivers such that each unit is "fully costed" (paying for both its direct expenses and the indirect expenses of the centrally provided services). While the allocation cost drivers/metrics are intended for alignment with service use to determine directional consumption, they are not expected to identify a precise cost for each activity based on actual consumption (e.g. tickets, direct bill, etc.) However, this approach provides transparency into the overall cost of each operation, including its sub-units.

Additional details on the determination of indirect costs and how they will be allocated follows next.

○ **Indirect Cost Determination**

Before the CSU costs can be distributed to the RCs and Centers/Institutes, the university must have a thorough understanding of them to ensure effective utilization of resources and determination of funding priorities. That is why UCF will require spending plans for each of the CSUs based on efficiency, necessity, and a multi-year planning approach rather than historical or incremental budgets. This new approach will put the onus on managers to justify expenses and aims to drive value for an organization by optimizing costs and not just revenue.

○ **Indirect Cost Allocation**

CSU costs will be allocated to the RCs and Centers/Institutes as indirect expenses. To smooth the effect of any material cost fluctuations from one year to the next, the model utilizes two years of expenditure data weighted at 25% for “Prior Year” and 75% for “Next Year” (Next Year being the most recent data).

The indirect cost allocation is determined by multiplying CSU net costs by each college/unit’s share of the total cost drivers applicable for each cost pool. The driver variable selected in each case was the one deemed best fit to answer the question of "what type of activity metric most significantly drives the expenditures related to each CSU?" If there was no clear “best” answer to this question, direct expenditures were selected as the variable, following the logic that a unit’s budget size should reasonably reflect its relative use or “consumption” of a central service.

· **Cost Drivers or Metrics**

The following table lists all the cost drivers used to allocate CSU net costs to the RCs and Centers/Institutes.

CSU Central Support Units	RC and Academic/Research SSU Allocation Cost Drivers
Academic Affairs	Faculty Headcount
Academic Support	Enrollment FTEs
Administration	Direct Expense
Communications and Marketing	Direct Expense
Compliance	Direct Expense
Facilities	Assigned Sq. Ft.
Finance	Direct Expense
Human Resources	Employee Headcount
Office of Research	C&G Expenditures
President	Direct Expense
Public Safety	In-person Student and Employee Headcount*
Student Development & Enrollment Services	Undergraduate Student Headcount
UCF IT	Student and Employee Headcount
University Development	Direct Expense
University Libraries	Student and Employee Headcount

\* Excludes UCF Online Program students.

· **Data Collection Period**

The data collection period for all CSUs with the exception of Facilities and the Office of Research will be the preceding two fiscal years with a 75% and 25% weighting of the activity drivers. For example, the Academic Affairs cost distribution for FY 2023 (effective July 1, 2022) would be determined as follows: 75% of FY 2021 faculty headcount + 25% of FY 2020 faculty headcount.

For the Office of Research, the cost distribution will be a 2-year average of C&G expenses based on three years of data. For example, the FY 2023 cost distribution will be based on the average of FY 2020 (FY 18, 19, and 20 average) and FY 2021 (FY 19, 20, and 21 average). For Facilities, the data collection period will be based solely on current space utilization.

## Exceptions

### Auxiliary Enterprises

Self-supporting Auxiliary Enterprises are not charged a proportion of indirect cost allocations. Instead, they are assessed a direct fee towards supporting the CSUs. This fee equals 9% of their total prior fiscal year's external revenue, excluding transfers and expense reimbursements. All external revenue from UCF's Auxiliary Enterprises, Athletics, Direct Support Organizations (DSOs), Technology Fee, and auxiliary operations within the RCs or Center/Institutes will be assessed this charge. The only revenues not subject to this charge are Activity and Service Fee revenues, Materials Supplies and Equipment fee revenues, and Student Financial Aid.

The revenue from this fee is distributed to the CSUs to offset salary and operational expenses. The offset expenses reduce the overall CSU charges to the RCs and Centers/Institutes.

### Indirect Facilities and Administrative (F&A) Revenue

F&A revenues are not subject to indirect cost allocation for any of the CSUs except for the Office of Research.

Please refer to Appendix D for a complete cost allocation example.

## Strategic Investment Fund

### Purpose

One of the fundamental premises of an incentive-based RCM model is the recognition that the sum of the parts is not optimal for the whole. The university needs the ability and flexibility to act as one entity by having a central Strategic Investment Fund to address mission subsidies, university priorities, and revenue growth strategies.

### Source

To achieve this goal, UCF's model calls for an 18% fee on all *unrestricted* revenues. This includes mainly E&G tuition (net of restricted fellowships, scholarships, student financial aid, and waivers) and state appropriations. Auxiliary revenues, as well as restricted revenues (i.e., C&G and F&A revenues) are not subject to this fee.

### Assumptions

- The Strategic Investment Fund or pool is used firstly to subvent or subsidize any RCs or Centers/Institutes as necessary, and secondly to make institutional investments in strategic initiatives as deemed appropriate by the president and provost.
- Subvention is a budgetary tool available to the provost to reallocate revenues to RCs or Centers/Institutes that require additional support or a rebalancing of revenues to meet their expenditures in accordance with the strategic priorities established by the president and overall direction of the university.
- Subvention is commonly used in incentive-based RCM models to address unique roles and characteristics of particular colleges or to provide time-limited assistance to support sudden revenue or expenditure shifts and give units time to adjust.
- Subvention is for a fixed period and specified purpose. That being said, there are some core academic programs or disciplines at any major research university that simply do not generate sufficient revenue to meet their expenditures by their very nature and may require some form of annual differential support. The university as a whole benefits from its broad portfolio of academic offerings, and the need for strategic subvention should not be viewed as a reflection of a unit's productivity, value, or worth.
- The remaining portion of the Strategic Investment Fund post subvention is used to support new and emerging university initiatives that align with the institution's highest priorities.
- Allocations from the Strategic Investment Fund for either subvention or to jump-start key university initiatives are never recurring or permanent base adjustments. They are non-recurring or one-time investments, and there should be no expectation of continuity or renewal.

## Resources

### Frequently Asked Questions (FAQs)

- How do I enroll in the companion web course to this reference guide?

*Thank you for your interest in UCF's budget allocation model and processes. The self-paced web course called FBM 130 Understanding UCF's Budget Allocation Model can be found via the myUCF portal (select the Employee Self Service and Learning and Development links).*

*Please visit the UCF Financial Training website found [here](#) for information about budget training and specific instructions on course registration.*

- Where do I find definitions or learn more about the concepts described in this guide?

*Please refer to the glossary in the next section for an alphabetical index of terms used throughout this guide. Additionally, refer to the next question for information regarding some of the material covered in detail in other university web courses.*

- How can I learn about the university's external and internal budget business processes?

*The following web courses are recommended for all employees with responsibilities for general department or project oversight, purchasing, payroll, and other administrative activities, and will provide a strong foundation to better understand UCF's internal budget allocation model.*

#### **FCM 130: Colors of Money**

*Describes UCF's governance structure, annual state budget request and allocation processes, and statutes, regulations, and rules defining the appropriate use of state funds. This includes UCF Board of Trustees (BOT) powers and duties; state budget request process and timeline; Florida statutes; state university operating budgets and entities; types of funding sources; and required BOT approvals.*

#### **FCM 131: Expenditures 101**

*Describes the budget entities or sources of funding that make up the university's operating budget: Education and General (E&G); Auxiliary; Contracts and Grants (C&G); and Local Funds. Prerequisite Course: FCM 130.*

#### **FBM 131: Navigating UCF's Budget Process** *Coming soon!*

*This course will delve into UCF's internal annual budget process (budget development and approval processes and timeline); the collaborative budget planning tool (Adaptive Planning); and governance structure (ongoing budget model maintenance and support). Much of this support infrastructure is still under active development and will be documented in this course and accompanying reference manual during the spring 2022 semester.*

*Please visit the UCF Financial Training website found [here](#) for information about budget training and specific instructions on course registration.*

- How do Workday's **Adaptive Planning** and **OfficeConnect** relate to the budget model?

*Adaptive Planning (AP) is the enterprise solution adopted by UCF to provide a collaborative environment for planning, budgeting, and reporting to support the new budget allocation model. OfficeConnect is the AP add-on tool to update and generate management reports directly within the Microsoft Office Suite.*

*Details about system access and training can be found on the Knight Vision website [here](#).*

- Will face to face or real-time training be available?

*UCF is committed to rolling out the planned budget model training program in phases to support an active learning environment and enable employees to retain the material and provide feedback. The first part of the program consists of the reference guide and two self-paced web courses.*

*Real-time training aimed at targeted audience/user groups led by Financial Affairs or Academic Affairs will follow and be announced via direct communications. This will include role-based training for budget administrators in the academic colleges or units, as well as the university's central administrative support offices.*

- How are model decisions made and the input of campus stakeholders solicited and considered?

#### Early Model Selection and Design Phases

- *Steering Committee – A Steering Committee comprised of broad and diverse campus representation was charged with recommending a new budgeting approach to the president that would fit UCF’s needs and help us align resources with strategic priorities. One of their major jobs was to solicit campus feedback to inform key model decision points.*  
*For more information about the Steering Committee, please visit the Budget Model redesign website [here](#).*
- *Deans Meetings – UCF leaders and representatives from our external consulting partner (Huron), as needed, met regularly with college deans and academic and administrative budget officers throughout the model selection and development phases. The meetings were intended to introduce them to the proposed model and provide opportunities for questions and input on key model decision points.*
- *Open Campus Forums –Open virtual information segments during scheduled campus forums (including Faculty Senate and Knight Vision) provided opportunities for anyone on campus to learn about the changes underway and voice their comments and questions.*

#### Ongoing Governance

- *The University Budget Committee (UBC) and Central Support Unit Allocation Committee (CSUAC) will be the principal bodies responsible for making recommendations to the president regarding all budget model decisions and proposed changes/improvements. The need for additional working committees to maintain and support an efficient budgeting process year to year will be determined as the budget model evolves.*  
*Information about the governance structure and general business processes to support the new model that are still under development will be available in the companion web course coming soon (FBM 131).*

- How does an incentive-based model differ from a Responsibility Center Management (RCM) model?

*Incentive-based Budgeting (IBB)—also commonly known as Responsibility Center Management (RCM)— is a decentralized budgeting philosophy designed to delegate authority to revenue-generating units to manage their own revenues and expenditures. The terms IBB and RCM are frequently used interchangeably to reflect a budgeting approach that provides units with more autonomy, transparency, and ability to make data-driven decisions to align budget allocations with university goals.*

- What does it mean that UCF has adopted a hybrid budget model?

*It is very common for higher education institutions to adopt a combined approach when implementing an IBB/RCM model to better support the university’s mission. Along with the new RCM model, UCF is implementing a process for the development of spending plans for all of its Central Support Units (CSUs) based on efficiency, necessity, and a multiple-year planning approach rather than historical or incremental budgeting. This strategic approach seeks to annually re-examine and challenge the assumptions underlying the institution’s costs and encourage more effective utilization of resources and entrepreneurial activities.*

- How are university E&G carry forward funds addressed in the model?

*Carry forward funds are addressed outside the model as part of the university’s budget planning process to achieve a balanced budget while optimizing resources to align with strategic priorities. They are allocated in accordance with UCF Policy 3-212 “Allocation and Use of Education and General Carry Forward Funds” found [here](#). Annual carry forward distribution guidelines and process will be covered in the upcoming web course FBM 131.*

- I have completed the web course and reviewed the sample distribution diagrams and pro-forma, but still have questions. Who do I contact?

*It is essential that our central budget model administrators closely collaborate to ensure that the university responds to questions consistently and efficiently, and documents all questions and feedback to continuously enhance stakeholder training and recommend model changes to senior leadership. To that end, all questions should be directed to your principal division-level (Academic Affairs, Administration and Finance, Communications and Marketing, and President’s Office) budget administrator.*



## Glossary

### ○ Auxiliary Enterprises

*In accordance with BOG Regulation 9.013, auxiliary services are integral, self-supporting activities of a university that furnish faculty, staff, and students goods and/or services that are necessary or desirable, but not readily available elsewhere in terms of costs, quality, quantity, timeliness, convenience, or other similar considerations. These activities shall support the educational endeavor of the institution and enhance its functioning; therefore, they shall not detract or distract from this basic endeavor in any way, financially or otherwise.*

### ○ Budget Entities

*The sources of funding/revenue that make up UCF's operating budget are grouped into four major categories or budget entities, as follows: Education and General (E&G); Auxiliary, Contract and Grants (C&G), and Local Funds.*

### ○ Carry Forward Funds

*Carry forward funds are the university's prior year unspent Educational and General (E&G) balances including interest and investment earnings (see E&G Funds definition).*

### ○ Central Support Units (CSUs)

*CSUs provide essential programs, products, or services to support the university's primary mission. Costs to provide this support are aggregated into cost pools and allocated to the revenue generating units as indirect costs.*

### ○ Centers and Institutes

*These are among the research centers and institutes that are housed officially within UCF's Office of Research. While their missions are primarily research and development-focused, the faculty in these Centers and Institutes are also directly affiliated with the RCs and involved in the delivery of academic programs and services (thus generating tuition and fees for the institution).*

### ○ Concession Funds (Local Funds)

*Originate from proceeds from beverage pouring rights contracts, snack vending, and student housing laundry machines. These local funds are used for events and other expenditures that support the university.*

### ○ Contracts and Grants (C&G) or Sponsored Research Funds

*C&G funds are research and work study awards from federal, state, local, and private sponsors to faculty in support of research activities. This category also includes Facilities and Administrative (F&A) funds and Direct Support Organization (DSO) reimbursements for use of university resources.*

### ○ Costs (Direct and Indirect)

*Direct costs are expenditures explicitly attached to the RCs and Centers/Institutes. Examples include labor, equipment, supplies, telephone, travel, etc. Indirect costs are those borne by the institution centrally (by the CCUs) to provide essential support services to the RCs and Centers/Institutes, such as facilities, finance, human resources, IT, and general administration.*

*Indirect costs in an incentive-based RCM model are pooled and allocated to the RCs and Centers/Institutes proportionally by cost drivers (see definition).*

### ○ Cost Drivers

*Cost drivers are the metrics assigned to best attribute indirect costs to the RC's and Centers/Institutes. There is no best methodology to achieve this, and the metrics are based on the premise that a unit's size should reasonably reflect its relative use or "consumption" of a central service. Examples of cost drivers are employee or student headcount, employee or student full-time equivalent (FTE), and direct expenses.*

### ○ Direct Support Organizations (DSOs)

*A DSO is a Florida not-for-profit, federally tax-exempt corporation and a direct support organization of UCF under Florida law. DSOs provide an important university operation such as partner with the university to fundraise, support research, provide needed facilities and enhance public-private partnerships. UCF's eight DSOs are exempt from the budget model, and are as follows: UCF Academic Health, UCF Athletics Association, UCF Convocation*

Corporation, UCF Finance Corporation, UCF Foundation, UCF Limitless Solutions, UCF Research Foundation, and UCF Stadium Corporation. More information about UCF's DSOs can be found [here](#).

- **Education and General (E&G) Funds**

*E&G funds generate from the following three sources: 1) state allocations/appropriations from general revenue (primarily Florida sales tax); 2) state allocations/appropriations from the Educational Enhancement Trust Fund (lottery sales); and 3) student tuition and fees, net of waivers. E&G also includes carry forward funds, which is simply the prior year E&G unspent balance.*

- **Facilities and Administrative (F&A) Funds**

*Also referred to as Indirect Cost Recovery (IDC) or Research Overhead (OH) these funds originate from an assessment to support the research enterprise and reimburse UCF for the business costs incurred to support its awarded contracts and grants.*

- **Faculty Practice Plan Funds (College of Medicine Local Funds)**

*Clinical fees for professional medical care and treatment of patients by UCF's College of Medicine faculty as an integral part of the college's clinical and academic mission.*

- **Incentive-based or Responsibility Center Management Model**

*Incentive-based Budgeting (IBB)—also commonly known as Responsibility Center Management (RCM)— is a decentralized budgeting philosophy designed to delegate authority to revenue-generating units to manage their own revenues and direct and indirect expenditures. The model names IBB and RCM are frequently used interchangeably and reflect a budgeting approach that provides units with more autonomy, transparency, and ability to make data-driven decisions to align budget allocations with university goals.*

- **Intercollegiate Athletics Funds (Local Funds)**

*Funding from student athletics fees, ticket sales to athletics events, game guarantees, NCAA distributions, sponsorships, and private donations to support the university's student athletics programs.*

- **Local Funds**

*Local Funds is the operating budget category that describes revenues from the following activities or operations: athletics, concessions, financial aid, student activities, technology fee, other board-approved fees, and university self-insurance plans.*

- **Responsibility Centers**

*Also commonly referred to as Revenue Centers, these are the colleges/ academic units that deliver the majority of UCF's instruction and research activity and generate recurring revenue (tuition and fees) for the institution.*

- **Self-insurance Plan Funds (College of Medicine Local Funds)**

*UCF's College of Medicine program provides comprehensive professional and general liability protection in connection with delivery of health care services. This local funding originates from the fees billed to those covered by the self-insurance plan.*

- **Strategic Investment Fund**

*This is a pool that originates from a fee on all unrestricted funds/revenues that is used firstly to subvent or subsidize any RCs or Centers/Institutes as necessary; and secondly to make institutional investments in strategic initiatives as deemed appropriate by the president and provost.*

- **Student Activities and Service Fee (Local Funds)**

*Designed to support student government operations and student activities such as clubs and organizations and shall be expended for lawful purposes to benefit the student body in general.*

- **Student Financial Aid (Local Funds)**

*Local Funds for Student Financial Aid come from the following sources: Student Financial Aid Fee, Federal Pell Grants, Florida Bright Futures Scholarships, Florida Student Assistance Grants, Federal Work Study, First Generation Scholarships, and Private Scholarship Funding.*

- **Subvention**

Subvention is a budgetary tool available to the provost to reallocate revenues from the Strategic Investment Fund to RCs or Centers/Institutes that require additional support or a rebalancing of revenues to meet their expenditures in accordance with the strategic priorities established by the president and overall direction of the university. Auxiliary Enterprises are not eligible for subvention.

- **Technology Fee (Local Funds)**

*The revenue from this student fee is used to enhance instructional technology resources for students and faculty.*

- **Tuition**

*Tuition is the basic fee assessed to students for enrollment in credit courses at any of the state universities. Undergraduate tuition per credit hour is established pursuant to law. Tuition for existing or new graduate and professional programs, or out-of-state fees, may be established by the BOG pursuant to law.*

## Other UCF Resources

- [Administration and Finance Division](#)
- [Financial Affairs](#)
- [Dollars and \\$ense: University Budget Model Presentation](#)
- [UCF Budget Model Redesign Website](#)
- [UCF Knight Vision Transformation](#)



## Appendix B: Miscellaneous Fees Distribution Example

	A	B	C	D	E	F	G	H	I	J
GROSS TUITION				ASSOCIATED FEES FORMULAIC DISTRIBUTION						
	Tuition Revenue (Excludes Diff. Tuition)	% of Total Ugrad	Formula	Repeat Course Fee Revenue	Excess Hours Fee Revenue	% of Total (Ugrad + Grad)	Formula	Application Fee Revenue	Late Registration Fee Revenue	Library Fines Fee Revenue
1	<b>UNDERGRADUATE</b>			1,600,000	4,000,000			1,800,000	700,000	51,000
2										
3				(D1 * B)	(E1 * B)			(H1 * F)	(I1 * F)	(J1 * F)
4	<b>IN-STATE</b>	170,402,025		1,188,646	2,971,615			1,084,980	421,937	30,741
5	Undergrad	160,513,222	70.0% (A5/A10)	1,119,666	2,799,166	56.8% (A5/A30)		1,022,016	397,451	28,957
6	UCF Online	9,888,803	4.3% (A6/A10)	68,980	172,449	3.5% (A6/A30)		62,964	24,486	1,784
7	<b>OUT-OF-STATE</b>	58,970,932		411,354	1,028,385			375,479	146,019	10,639
8	Undergrad	56,768,535	24.7% (A8/A10)	395,991	989,978	20.1% (A8/A30)		361,455	140,566	10,241
9	UCF Online	2,202,397	1.0% (A9/A10)	15,363	38,407	1% (A9/A30)		14,023	5,453	397
10	<b>Total Undergrad</b>	229,372,957		1,600,000	4,000,000			1,460,459	567,956	41,380
11										
12	<b>GRADUATE</b>									
13										
14	<b>IN-STATE</b>	43,961,117						279,908	108,853	7,931
15	Graduate	33,138,224				11.7% (A15/A30)		210,997	82,054	5,978
16	UCF Online	10,822,893				3.8% (A16/A30)		68,911	26,799	1,952
17	<b>OUT-OF-STATE</b>	9,365,670						59,633	23,191	1,690
18	Graduate	6,618,697				2.3% (A18/A30)		42,142	16,389	1,194
19	UCF Online	2,746,973				1.0% (A19/A30)		17,490	6,802	496
20	<b>Total Undergrad</b>	53,326,787						339,541	132,044	9,620
21										
22	<b>TOTAL (UNDERGRADUATE + GRADUATE)</b>									
23										
24	<b>IN-STATE</b>	214,363,142		1,188,646	2,971,615			1,364,889	530,790	38,672
25	Ugrad + Graduate	193,651,446		1,119,666	2,799,166			1,233,014	479,505	34,935
26	UCF Online	20,711,696		68,980	172,449			131,875	51,285	3,736
27	<b>OUT-OF-STATE</b>	68,336,602		411,354	1,028,385			435,111	169,210	12,328
28	Ugrad + Graduate	63,387,232		395,991	989,978			403,598	156,955	11,435
29	UCF Online	4,949,370		15,363	38,407			31,514	12,255	893
30	<b>Total</b>	282,699,744		1,600,000	4,000,000			1,800,000	700,000	51,000

*Items highlighted in grey represent actual fee revenues prior to distribution to the SCH tuition pool by levels (undergraduate and graduate).*

## Appendix C: State Appropriations Distribution Example

State Appropriations Distribution Metrics							
Sample Data for 2023 Budget Model (Effective 7/1/2022)							
	College of "Name"		UCF		% of Total		
	2020	2021	2020	2021	(B / D)	(C / E)	(G*.75) + (F*.25)
1 Total Undergraduate Instructed <sup>1</sup>	36,337	37,436	1,544,828	1,572,447	2.35%	2.38%	2.3736%
2 Total Graduate Instructed <sup>2</sup>	7,004	7,810	134,200	137,262	5.22%	5.69%	5.5722%
3 Total Instructed Credit Hours	43,341.00	45,246.00	1,679,028.45	1,709,708.70	2.58%	2.65%	2.630140%
4 Historical C&G - 3 Year Average	475,961	1,039,145	101,137,884	115,769,111	0.47%	0.90%	0.8013%
5 Degrees Awarded	794	1,030	15,336	16,576	5.18%	6.21%	5.954692%

<sup>1</sup> Appendix A, rows 2+4+6+8

<sup>2</sup> Appendix A, rows 11+13+15+17

State Appropriations Distribution				
Sample Data for 2023 Budget Model (Effective 7/1/2022)				
	UCF Total E&G	Distribution	College of "Name"	
	(K2 * L)	%	(H * K)	
TOT E&G Appropriations	372,980,806			
Designated State Funding	(41,138,812)			
TOT For Allocation	331,841,994			
EG Appropriation SCH Instructed (42.5%)	(Formula) 141,032,847	0.425	3,709,362	
EG Appropriation Research Activity (15%)	(Formula) 49,776,299	0.150	398,858	
EG Appropriation Student Completion (42.5%)	(Formula) 141,032,847	0.425	8,398,072	

## Appendix D: Allocation of Indirect Costs Example

Central Support Unit (CSU) Activity Drivers Sample Data for 2023 Budget Model (Effective 7/1/2022)							
	College of "Name"		UCF		% of UCF Total		
	FY2020	FY2021	FY2020	FY2021	FY2020 (B / D)	FY2021 (C / E)	Weighted Avg (G*.75) + (F*.25)
1 Employee Headcount	190	210	7,001	7,389	2.71%	2.84%	2.81%
2 Faculty Headcount	129	148	2,336	2,399	5.52%	6.15%	5.99%
3 Enrollment Headcount - UGRD	2,426	2,525	48,580	49,827	4.99%	5.07%	5.05%
4 Student and Employee Headcount	3,022	3,187	63,217	65,110	4.78%	4.90%	4.87%
5 Enrollment FTE	4,777	2,488	113,763	58,012	4.20%	4.29%	4.27%
6 Grants and Contracts Distributions	1,443,188	1,557,346	115,894,068	126,039,897	1.25%	1.24%	1.24%
7 In-Person Student and Employee Headcount	2,418	2,433	59,392	60,365	4.07%	4.03%	4.04%
8 Unadjusted Space	57,191	24,068	1,701,866	1,674,757	3.36%	1.44%	1.92%
9 Student and Employee FTE	4,226	2,249	115,228.01	62,258.16	3.67%	3.61%	3.63%
10 Direct Expense	11,297,753	11,812,670	370,543,718	386,088,157	3.05%	3.06%	3.06%
11							
12							
13							
14							
15							
16							
17							
18							
19							
20							
21							
22							
23							

\*Based on two years of expenditure data weighted as follows: 25% for FY 2020 expenditures and 75% for FY 2021 expenditures.

Central Support Unit (CSU) Cost Allocation Sample Data for 2023 Budget Model (Effective 7/1/2022)				
	Cost Driver	Weighted Averages H	CSU Total Expenditures*	College of "Name"
				Weighted Allocation (L * M)
CSU - Academic Affairs	Faculty Headcount	5.99%	22,881,433	1,371,001
<b>Total Academic Support</b>		4.27%	41,701,547	1,779,136
CSU - Burnett Honors College	Enrollment FTE	4.27%	2,073,032	88,443
CSU - Division of Digital Learning	Enrollment FTE	4.27%	1,832,566	78,184
CSU - College of Graduate Studies	Enrollment FTE	4.27%	15,112,899	644,770
CSU - Division of Student Learning	Enrollment FTE	4.27%	21,285,058	908,096
CSU - UCF Global	Enrollment FTE	4.27%	1,397,994	59,643
CSU - Administration	Direct Expense	3.06%	5,736,802	175,366
CSU - Communications and Marketing	Direct Expense	3.06%	8,071,976	246,749
CSU - Facilities	Unadjusted Space	1.92%	30,870,472	592,080
CSU - Finance	Direct Expense	3.06%	10,187,158	311,408
CSU - Compliance	Direct Expense	3.06%	11,401,473	348,528
CSU - Human Resources	Employee Headcount	2.81%	5,924,583	166,312
CSU - UCF IT	Student and Employee Headcount	4.87%	31,082,539	1,512,749
CSU - Office of Research	Grants and Contracts Distributions	1.24%	6,416,598	79,438
CSU - President and Govt. Relations	Direct Expense	3.06%	12,869,650	393,408
CSU - Public Safety	In-Person Student and Employee Headcount	4.04%	13,398,905	541,340
CSU - Student Development & Enrollm	Enrollment Headcount - UGRD	5.05%	19,402,706	979,539
CSU - University Development	Direct Expense	3.06%	11,021,337	336,907
CSU - University Libraries	Student and Employee FTE	3.63%	18,995,499	688,822
Total_SSUP_Charge_In		0.00%	9,413,273	-
Total Central Support Unit Allocations		3.67%	259,375,951	9,522,784