



THE CATHOLIC UNIVERSITY OF AMERICA

April 4, 2018

For the last several years, the University operating budget has been managed to simultaneously reduce expenditures to a target and to make incremental investments in initiatives which will drive revenue growth (both directly and indirectly) and mitigate risk. As such, the appendix in the Academic Renewal proposal that focuses on operational cost reductions should be understood to represent only a portion of the University's ongoing strategy.

Following, please find a description of the various incremental investments that were made in FY2017 and FY2018 operational budgets as well as those that have been planned for FY2019.

FY2017 Investments:

- The first part of a 2% merit increase for faculty and staff for the last three months of the fiscal year (\$470K).
- The budget for University Advancement was increased by \$1.57M to support an expanded fundraising strategy in future years. Funding supported the planned creation of ten new positions, including dedicated development officers in Architecture, Engineering, Theology and Religious Studies, Social Work, Athletics, and Arts and Sciences. The plan for also included the addition of another Corporate and Foundation Relations Officer, a Planned Giving Officer, and a National Collection Coordinator. The overarching goals of the plan are to: increase capacity across the university, right-size the central support team, build a major gift culture, and increase unrestricted revenue.
- The budget for Enrollment Management was increased by \$1.1M to support brand development and undergraduate recruitment. Funding supported three new full-time positions within the department which focused on adding new markets, improving the campus visit experience, and the content of the university website. Additional funds will supported outreach to high school sophomores, a new admissions CRM system, the re-design of the university website, and improved marketing materials.

FY2018 Investments:

- The second part of a 2% merit increase for faculty and staff for the first nine months of the fiscal year (\$1.4M).
- The University invested \$400K in athletics (\$315K in expenses and \$85K in discounting) to create four new varsity athletics options for students: men's and women's crew; and men's and women's golf. Additional options for varsity athletics on campus will not only enhance the student experience on campus but will also enhance university recruiting efforts and lead to improved student outcomes in academic performance, retention, and graduation.
- The University invested \$430K to create a new office of graduate admissions and recruitment. The overarching goals of this investment are to: halt continuing declines in traditional graduate enrollment, professionalize graduate admissions procedures and practices, and establish a formal marketing presence for graduate programs.
- The University invested \$238K in University Advancement to support expansion of fund-raising capabilities across campus and to foster continued growth of unrestricted and restricted revenues.
- The University invested \$105K in Enrollment Management to allow continued expansion into new markets through student search and to support existing investments in marketing and communications.
- The University added three positions to the Office of Career Services (\$250K) in order to raise the service level offered by this office up to that offered by university peers and competitors. University investment in this important area currently lags behind the market and does not meet the expectations of incoming students and their parents.
- The University invested \$400K in the Office of Human Resources in FY18 as part of an ongoing effort to build capacity in this area while ensuring continued compliance with evolving labor practices and standards.

FY2019 Investments:

- The University will invest \$135K in athletics to complete its commitment to four new varsity athletics options for students: men's and women's crew; and men's and women's golf.
- The University will allocate \$765K to the Office of the Controller for the first phase of automation and personnel investments in Treasury Services, General Accounting, Tax Services and Procurement.