Academic Affairs Budget Perspective

Academic Affairs Priorities
Academic and Budget
Institutional Preeminence

Challenges in preserving excellence:

- Recruitment / retention of stellar faculty
- Reliable revenue sources
- Unfunded enrollments
- Graduate / undergraduate student ratio
Comparison Data – 2009/10
Filled Faculty % and Student/Faculty Ratio

<table>
<thead>
<tr>
<th>Location</th>
<th>Filled Faculty</th>
<th>Student/Faculty Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>Santa Barbara</td>
<td>78%</td>
<td>26.41</td>
</tr>
<tr>
<td>Davis</td>
<td>74%</td>
<td>27.30</td>
</tr>
<tr>
<td>Los Angeles</td>
<td>72%</td>
<td>25.86</td>
</tr>
<tr>
<td>Berkeley</td>
<td>71%</td>
<td>26.78</td>
</tr>
<tr>
<td>Irvine</td>
<td>70%</td>
<td>28.30</td>
</tr>
<tr>
<td>Santa Cruz</td>
<td>67%</td>
<td>30.65</td>
</tr>
<tr>
<td>Riverside</td>
<td>65%</td>
<td>32.33</td>
</tr>
<tr>
<td>San Diego</td>
<td>62% *</td>
<td>31.87</td>
</tr>
</tbody>
</table>

AA would have to increase filled faculty by 260 to get back to the 82% filled level last achieved in 1997/98

*GC only; HS and SIO are at 82% and 89% filled, respectively

Source: UCOP Institutional Research
State Funds and Student Fees

Dollars in billions. Fee revenue figures include financial aid, but exclude nonresident tuition.

Display 4
General Campus student headcount enrollment and Faculty FTE
Faculty Productivity *
General Campus C/G Awards
1990/91 – 2010/11 (projected from Feb ‘11)

* Calculated based on all faculty in AA
Academic Affairs Priorities

• Protect the Academic Core
  – Maintain Faculty Strength
  – Protect and enhance Faculty and Non-Represented Staff Salaries (the OP Plan)

• Support the linked missions of Undergraduate and Graduate instruction

• Provide sufficient operating and support infrastructure to cover costs of the core academic mission
Instructional Mission

• 3,100 undergraduate courses per year with an average enrollment of 79
  – Temporary faculty teach 29% of these courses ($16M)
  – TAships support graduate students and the undergraduate teaching need ($21.2M)
  – Fellowship funding and Fee Remissions provide essential support to the graduate program ($32.4M)
Academic Affairs Budget Perspective

Academic Affairs Budget Cuts
2008 through 2011/12
Permanent Budget Cuts in AA since 2008

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2008/09</td>
<td>$1.4 M</td>
</tr>
<tr>
<td>2009/10</td>
<td>$7.4 M</td>
</tr>
<tr>
<td>2010/11</td>
<td>$7.7 M</td>
</tr>
<tr>
<td>Est. 2011/12</td>
<td>$20.0 M</td>
</tr>
</tbody>
</table>

(38% of $50 M)

Total over four years $36.5 M *

* 14% of 07/08 total core funds budget
Cost Reductions in AA

Division/Depart/Admin support budget cuts

<table>
<thead>
<tr>
<th>Year</th>
<th>Percentage</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2008/09</td>
<td>3%</td>
<td>$1.7 M</td>
</tr>
<tr>
<td>2009/10</td>
<td>6%</td>
<td>$3.5 M</td>
</tr>
<tr>
<td>2010/11</td>
<td>15%*</td>
<td>$6.1 M</td>
</tr>
</tbody>
</table>

$11.3 M

Reduced spending on capital, and instructional support

$1.5 M
Cost Reductions in AA continued

Reduced budget for Temp Faculty $1.5 M
Cut funds for low enrollment classes and reduced administrative support

Reduced funding for TA FTE $1.3 M
Eliminated 2 year guarantee

Faculty Salary Savings $3.9 M
Froze and reduced hiring (29 FTE)

Total cost reductions to date $19.5 M
New Revenue and Additional Cost Savings in 2011/12

New Revenue

Resident enrollment growth (510) $  5.0 M
Over enrollment Fee Revenue (1,400) 5.6 M
Non Resident enrollment growth 
Non Resident enrollment growth per plan to 10% does not cover cuts

Total $10.6 M

Additional Cost Savings in 2011/12

Reduce planned LRF hires by 10 $  4.0 M
Reduce capital investments 1.0 M

Total $  5.0 M
## Summary AA Budget Plan

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Budget cuts to AA through 11/12</td>
<td>$36.5 M</td>
</tr>
<tr>
<td>(14% of total 07 core budget; 30% w/o faculty salaries)</td>
<td></td>
</tr>
<tr>
<td>Cuts planned through 2010/11</td>
<td>$19.5 M</td>
</tr>
<tr>
<td>Enrollment based revenue increases</td>
<td>$10.6 M</td>
</tr>
<tr>
<td>New cuts planned for 2011/12</td>
<td>$5.0 M</td>
</tr>
<tr>
<td>Total Cuts and new Revenue</td>
<td>$35.1 M</td>
</tr>
<tr>
<td>Gap – Use Reserve funds</td>
<td>$1.4 M</td>
</tr>
</tbody>
</table>
AA Budget Strategy

• Recover State budget cuts with increased fee revenue
  – Increase Non-resident enrollments (1,000 = $18M)
  – Convert resident over enrollments to non-residents (1,000 = increase of $13.5M)
  – Support increased fee/tuition levels for resident and non resident undergraduates with minimal increases to graduate fees
AA Budget Strategy continued

• Support implementation of Negotiated Compensation Plan for faculty salaries
• Support expansion of self supporting alternative degree programs, e.g. MAS
• Support capital campaign to increase funding for graduate and undergraduate financial support
Campus investments under consideration

- One or two new large classrooms (350-400)
- Develop robust non-resident enrollment strategy to ensure new targets are sustained
- Upgrade classroom technology
- Transition funding to support the Libraries
- Thorough evaluation of semester system conversion
- Bridge funding for Preuss School