Chancellor’s Undergraduate Internship Program

Peggy Delaney
March 24, 2014
Context

• Issues facing higher education
• California’s higher education system
• Higher education financing in California
• UCSC’s Budget
• Questions & Answers
Partial List of Issues Facing Higher Education

Diversity and access
Information Technology
Teacher Training
Academic Preparation
Public Perception
Standards & Accountability
Declining State Subsidy
Affordability
Higher Education in California

• California Community Colleges (CCC)
  ▪ 112 campuses, 2.3 million students

• California State University (CSU)*
  ▪ 23 campuses; 437,000 students

• University of California (UC)
  ▪ 10 campuses; 243,000 students

*CSU is the largest 4 year university system in the U.S.
UC’s Budget

UC's Budget: $25.8 Billion

UC Santa Cruz
San Francisco
Berkeley
Davis
Merced
Santa Barbara
UCLA
Irvine
San Diego
Riverside

UCOP 3%
LA 23%
I 9%
R 3%
M 1%
SD 14%
SF 16%
B 10%
D 14%
SB 4%
SC 3%

UC’s Budget Distribution
UC Santa Cruz’s 2013-14 budget
$633 million

- State of California: $145.6M (23%)
- Tuition and Fees: $191.4M (30%)
- Extramural Support: $160.2M (25%)
- Auxiliary Enterprises: $93.6M (15%)
- Other Sources: $42.4M (7%)
Major Fund Categories

Core Funds

– State Funds
– UC Student Tuition & Fees
– Contract & Grant Overhead

Non-Core Funds

– Extramural Funds
  • Gifts & Endowments
  • Contracts and Grants
– Auxiliary Enterprises
– Recharge Operations
– Campus Based Fees

UCSC’s 2013-14 Estimated Budget

$633M

$317M

$316M
State dollars, tuition, and overhead receipts are the foundation

- **State Funds**
- **Student Tuition and Fees**
- **Overhead Receipts**
- **Private Fund Raising**
- **Research**
- **Auxiliaries**
- **D.O.E. Labs**

- **Restricted by Source**
- **Committed by Policy**
- **Restricted by Source**
- **Restricted by Source**

Core UC Support
State Funds (incremental)

In the past:
- Formulaic, Inflationary, Programmatic (good years)
- Reduced Funding (difficult years)

Governor’s Multi-Year Funding Plan
- 5% increase for two years (2013-14 & 2014-15)
- 4% for two following years (2015-16 & 2016-17)
- No additional $ for capital or pension programs
- Predicated on no tuition increases

Not sufficient to cover basic mandatory costs
Student Tuition and Fees

• Tuition (part of General Fund)
• N/R Supplemental Tuition (part of General Fund)
• Student Services Fee
• Campus Based Fees
• Miscellaneous/Course Fees
• Fees for Professional Schools
Campus Based Fees

Student Referendum

EOP
Student Gov’t
Student Programs
Student-initiated outreach
SUA
Student Media
Campus Sustainability
Engaging Education
Theater Arts
Student Facilities
Athletic Facilities
Transportation
HIV testing
Intramural/club sports
Recreation programs
Renewable energy
Childcare
Seismic Safety

Most include 25% or 33% return-to-aid
Fee level set by Regents
Tuition $11,220
Stu Serv Fee $972
Total = $12,192

Minus RTA $3,666

Financial Aid $3,690

General Fund $7,554

Student Services $948

(For illustrative purposes)
Addressing the future …

• A slowing in the external environment driving growth …

• Structural issues with the State budget …

• Revenue growth is not a viable long-term budget assumption…
Permanent budgets reduced $62M with cuts from 15% to 35%

Permanent Cuts to Units
2008-09 thru 2013-14

- Academic Divisions: -16% $18 M
- Academic Support: -33% $8 M
- Institutional Support: -32% $25 M
- Auxiliaries: 2 M
- Central: 9 M

Total: $62 M

Budget Implementation

Increased Costs/State Cuts: $146M
New Resources & Cuts to Units: $146M
UC Santa Cruz—$62 million cut between 2008-09 and 2013-14

Cuts
- Faculty positions
- TAs
- Funding for lecturers, tutors and readers
- Library

But applied even greater cuts to support operations
- Over 300 staff positions
- Delay needed investments

Impacts
- Consolidate or close departments and programs
- Suspend admissions to degree programs
- Reduced library hours, access to journals
# Fewer Staff on General Funds

**UC Santa Cruz employees paid from General Funds and Tuition**

*(October payroll full-time equivalents)*

<table>
<thead>
<tr>
<th></th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ladder Faculty</td>
<td>498</td>
<td>498</td>
<td>487</td>
<td>487</td>
<td>458</td>
<td>-40</td>
</tr>
<tr>
<td>Other Academic</td>
<td>317</td>
<td>270</td>
<td>274</td>
<td>251</td>
<td>247</td>
<td>-70</td>
</tr>
<tr>
<td>SMG &amp; MSP</td>
<td>108</td>
<td>106</td>
<td>97</td>
<td>86</td>
<td>83</td>
<td>-25</td>
</tr>
<tr>
<td>Staff</td>
<td>1,309</td>
<td>1,203</td>
<td>1,151</td>
<td>1,029</td>
<td>996</td>
<td>-313</td>
</tr>
<tr>
<td>Total faculty and staff employees</td>
<td>2,232</td>
<td>2,077</td>
<td>2,009</td>
<td>1,852</td>
<td>1,784</td>
<td>-448</td>
</tr>
<tr>
<td>Student Employees</td>
<td>432</td>
<td>369</td>
<td>375</td>
<td>370</td>
<td>380</td>
<td>-52</td>
</tr>
</tbody>
</table>
## 2012-13 Indicators Showed Improvement!

### Instructional Program Indicators

<table>
<thead>
<tr>
<th>The number of UG courses has dropped:</th>
<th>2008-09</th>
<th>2009-10</th>
<th>2010-11</th>
<th>2011-12</th>
<th>2012-13</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>UG courses (fall quarter)</td>
<td>988</td>
<td>911</td>
<td>938</td>
<td>897</td>
<td>913</td>
<td>-7.6%</td>
</tr>
</tbody>
</table>

### Class size has increased:

<table>
<thead>
<tr>
<th>Percent UG courses with over 100 students</th>
<th>2008-09</th>
<th>2009-10</th>
<th>2010-11</th>
<th>2011-12</th>
<th>2012-13</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>13%</td>
<td>15%</td>
<td>15%</td>
<td>16%</td>
<td>15%</td>
<td>15%</td>
<td>15.4%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Percent UG courses with fewer than 20 students</th>
<th>2008-09</th>
<th>2009-10</th>
<th>2010-11</th>
<th>2011-12</th>
<th>2012-13</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>34%</td>
<td>27%</td>
<td>27%</td>
<td>23%</td>
<td>26%</td>
<td></td>
<td>-23.5%</td>
</tr>
</tbody>
</table>

### The student/faculty ratio has increased:

<table>
<thead>
<tr>
<th>Student-to-payroll faculty FTE</th>
<th>2008-09</th>
<th>2009-10</th>
<th>2010-11</th>
<th>2011-12</th>
<th>2012-13</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>25.4</td>
<td>27.5</td>
<td>26.6</td>
<td>28.1</td>
<td>27.2</td>
<td></td>
<td>7.1%</td>
</tr>
</tbody>
</table>
### 2007-08 and 2013-14

#### Core & Non-Core Funding Sources

<table>
<thead>
<tr>
<th>Category</th>
<th>2007-08</th>
<th>2013-14</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grad Stu</td>
<td>1,394</td>
<td>1,460</td>
</tr>
<tr>
<td>UG Stu</td>
<td>13,884</td>
<td>14,990</td>
</tr>
<tr>
<td>Budgeted Faculty FTE</td>
<td>834</td>
<td>860</td>
</tr>
<tr>
<td>Hollowed FTE</td>
<td>18</td>
<td>88</td>
</tr>
<tr>
<td>% Filled</td>
<td>66%</td>
<td>67%</td>
</tr>
<tr>
<td>UG Degrees</td>
<td>3,468</td>
<td>4,038</td>
</tr>
<tr>
<td>Grad Degrees</td>
<td>437</td>
<td>440</td>
</tr>
<tr>
<td>Employees paid on GF</td>
<td>2,232</td>
<td>1,784</td>
</tr>
</tbody>
</table>

**Columns:**
- **Grad Stu**: Grad Student Funding Sources
- **UG Stu**: Undergraduate Student Funding Sources
- **Budgeted Faculty FTE**: Budgeted Faculty Full-Time Equivalents
- **Hollowed FTE**: Hollowed Faculty Full-Time Equivalents
- **% Filled**: Faculty FTE Filling Percentage
- **UG Degrees**: Undergraduate Degrees
- **Grad Degrees**: Graduate Degrees
- **Employees paid on GF**: Employees paid on General Fund

**Graph:**
- The graph illustrates the distribution of funding sources over the years 2007-08 and 2013-14.
- The categories include:
  - Other
  - Auxiliary Enterprises
  - Extramural
  - Fees (UNEX & Campus Based Fees)
  - Tuition and Fees (Tuition, SSF, SS, NRT)
  - State

**Note:**
- The specific contributions for each category are not detailed in the image, but typically, these would be indicated by the color-coded bars in the graph.
State/UC Budget Issues

State Funds, Tuition, and Enrollment over last 20+ years

Since 1990-91, student enrollment has increased by more than 50%, primarily driven by the University’s continuing commitment to accommodate eligible California resident undergraduates, while State support has not kept pace and student tuition and fees have risen to backfill the loss of State General Funds.
Since 1990-91, average inflation-adjusted expenditures for educating UC students have declined (UCRP employer contributions, which restarted in 2010-11, are excluded from this calculation); the State's share of expenditures has plunged even more steeply; and the student share, net of financial aid, has more than tripled.
Funding higher education ...

- Education as a public good
  - Low tuition
  - High State subsidies

- Education as a private good
  - High tuition
  - Low State subsidies
  - High financial aid
Looking Ahead

- **Resources Stabilizing**
  - Proposed LREP
  - More UG nonresident students
  - Evaluating Options for Summer
  - Renewed focus on Graduate Growth
  - New PDST programs
  - Comprehensive Campaign

- **Strategic Planning – Envision UCSC**
  [envision.ucsc.edu](http://envision.ucsc.edu)
Q & A