

MINUTES
COMMITTEE ON PLANNING AND BUDGET
Meeting of October 4, 2012

Present: Lynn Westerkamp (Chair), Zsuzsanna Abrams, Don Brenneis, Sue Carter, E.G. Crichton, David Draper, Daniel Friedman, Susan Harding, David Helmbold, Joe Konopelski, Susan Schwartz, Mary-Beth Harhen (ASO), Matthew Mednick (ASO).

Guests: EVC Galloway, VC P&B Delaney

Member's Items

Member Helmbold gave a number of updates from the September 18, 2012 Campus Planning and Stewardship meeting including the increasing costs associated with the Merrill Housing and Telecommunications construction projects which CPB will monitor closely.

Chair Konopelski reported on the recent Academic Council meeting and meeting of the previous day with UC Provost Aimée Dorr and other UCOP senior management. One new item from the meeting with Provost Dorr was focusing systemwide on “quality”, in contrast with recent messaging initiatives around access and affordability. UCOP remains hopeful that the Prop 30 initiative will pass, though there are some questions about contingency plans if it does not, as well as some questions about the funding streams implementation. It seems that even though we are only one year into the implementation, some campus are already lobbying to change the model, which could have dire financial implications for UCSC, as we have not seen the roll-out of rebenching funds yet. Chair Konopelski argued that it is premature to change the implementation of funding streams, and that the model should be allowed to function for a minimum period before revision as outcomes are not yet known.

Vice Provost & Dean of Undergraduate Education Hughey (VPDUE) Consultation

CPB's consultation with the VPDUE spanned a number of topics with the objective of getting both the VPDUE and CPB membership updated on several issues which are currently in progress, or the collaborative work of senate/administrative agents. Topics included:

Re-alignment of units from the former Student Affairs division

The VPDUE reported that the Enrollment Management unit's integration is going very well. He has viewed the changes as an opportunity to get related services for undergraduates more integrated and helped to build more connections between staff, especially in the student services/retention related areas. He reported on some issues, mostly historic artifacts, like the financial organization of accounting structures, which are likely to be fixed with time, as they are not high priority items.

The committee asked about the possibility of reducing costs, and that the original SEC proposal called specifically for Learning Support Services (LSS) to be moved within the VPDUE's

structure. The VPDUE did not express any strong opinion about these issues and stressed that as long as the services and unit communication function well, that the current reporting lines are fine. As an example, Hughey cited that this year there are 6-8% more frosh than expected, resulting in an increased demand for Math 2. With LSS help (additional tutors) they were able to bump up the capacity in fall. Math 3 was also in high demand, and additional tutors would not cover the issue, so funding for additional sections were split funded by PBSci and the VPDUE's office.

Retention

The VPDUE stated that while retention is a laudable goal, he is much more focused on graduation rates. He explained that it is not always appropriate to move students along, if there are factors which make their continued enrollment problematic. It is in the best interest of some students to leave and either seek their education elsewhere or come back when they are ready.

The VPDUE described the ongoing process of the Hispanic Serving Institution (HSI) team he appointed to look into the requirements for application for HSI status, as well as associated financial implications and what would be required in terms of targeted student support. In addition, a Transfer Community Group has been formed, as well as a major prep alignment effort which will help to ensure that transfers are able to graduate in a timely manner. An Academic Computing group has also been charged with implementing academic advising reporting (degree audit) so that students can independently figure out what courses they are missing. This will streamline advising, with some divisions already using it. Students can do some self advising which is helpful, so that advisers have more time to spend on progress toward major. The ultimate goal is an integrated system that can track graduation rates by major as well as other indicators like the pass rate of specific courses.

The VPDUE reported on the Honors Program, currently for the first-year only, which is now at three Colleges (Cowell, Merrill, Kresge). Hughey expects the program to grow to all Colleges, and that ultimately there must be honors opportunities in the majors as well. His vision is that the first year program is a recruitment tool, but that there should be later courses in an honors/challenge pool, with hopefully about 20% UCSC students participating for Honors recognition at graduation.

Impaction

CPB members asked if the VPDUE has a mechanism to define what courses and/or majors are impacted. While the VPDUE did not claim to have a formal definition of impaction, he asserted that many programs are impacted to varying degrees, and that getting students into majors earlier will help relieve some of the issue. Already provisionally approved is the transition from major disqualification to qualification, so that the Departments can monitor if their students are prepared to succeed. Looking at students in their first five quarters to understand if they are progressing toward qualification to a major, is now of critical importance. Like requirements will also soon be expected of transfer students.

The VPDUE gave a brief update on the Summer Session Director hiring, informing the committee that she will start October 22, 2012.

Part II of Budget Training (VC Planning & Budget Delaney)

VC Delaney presented the second installment of the UCSC budget overview training. Her materials covered a variety of topics including tuition & state funding levels, enrollment projections, faculty FTE, staff and student employees, the recent budget cuts and budget outlook, UCRS (retirement), mandatory cost increases, resident, national, international, and graduate student targets.

EVC Consultation

VC Delaney gave a short update on the budget projections, pre-election and reviewed how UCSC has planned to implement rebenching. The main take-away being that it is not certain at this time how the planned funding increases will be allocated during the six-year roll-out.

The EVC noted the very recent announcement that the former UCR Chancellor Tim White will become the CSU system's seventh chancellor at the end of December.

CPB asked the EVC about her plans for the process and time line for the budget consultation this year. She stated that obviously, there will be a lot of action after the November ballot, and that both the system and campuses will know more then. It is her intention to send a request for budget scenarios to the Principal Officers as soon as we have targets and that she would like see see submissions in January. CPB followed up with some concerns about the quality of the 2011-12 submissions. The EVC acknowledged the inconsistent return of required materials, which CPB noted made it difficult to parse the relative impact of some decisions. The EVC noted that the planning target of \$8M shortfall may actually be as much as \$12-13M, and that even if the Prop 30 ballot initiative passes, the campus will still need to find an additional \$4M in cuts. It is uncertain should Prop 30 fail, if all the trigger cuts will be passed down to the campuses. The Regent's reaction to the outcome will determine much of the budget planning for the year.

The EVC related the VPDUE's recent efforts on retention, having appointed a large group working on these inter-related issues and she asserted that she has urged him to include more faculty on the work groups. The changing demographics of the UCSC student population is of the utmost importance and the various forms of required academic support are a number one priority. The EVC has asked for an integrated plan by Winter for full campus consultation in the Spring prior to implementation.

Due to ongoing budgetary issues, bridge funding for the academic divisions has become problematic to maintain, so the EVC is considering going back to the old model of TAS

allocation that will have incentives around enrollments (keeping the relative budget size the same).

UCO/Lick is an ongoing problem, as UCOP tries to defund the academic salaries associated with it. The funding comes from UCOP but is administered on campus. The astronomer titles are funded 80% from UCOP, 20% campus for teaching. Some parties have challenged the percentage of effort breakdown and argued these figures need recalibration. This could potentially cost UCSC a few million annually in salary and doesn't account for the fact that when the UCO/Lick budget was centralized to UCOP, UCSC had to move permanent dollars to UCOP to pay for those faculty salaries.

Health Care Benefits Costs

The UC Path project mandates going to composite benefit rates. EVC is considering changing to two rates, one for faculty, and one for all others. This single set rate would replace the wildly different benefits calculations which are done for almost every grant, and will likely need to have some set-aside funding for the “catch-up”, the year the change rolls out.