L&S Chairs and Business Officers

February 9, 2010

Gene Lucas
Executive Vice Chancellor
New Leadership

• Searches
  – Academic
    • Dean, College of Engineering
    • University Librarian

• Appointments
  – Academic
    • Michael Brown, Acting Dean, Extended Learning Services
    • Loy Lytle, recalled as Dean Summer Sessions
Updates

• Budget
  – UCSB – 2009-10
  – UCSB – 2010-11

• Commission on the Future

• Capital Projects
UCSB Budget 2009-10

• New Reductions and Cost Increases
  – Carry Forward $ 0.1 million
  – State Budget Reductions 41.5
  – Salary/Benefit Costs 6.3
  – UCRP Employer Costs 1.8
  – UC Merced Tax 0.8
  – Add’l Instructional Support 1.1
  – Other 1.3

Total $ 52.9 million
UCSB Budget 2009-10 – Cont’d

• New Revenue, Cost Reductions, Actions
  – Student Fees $12.4 million
  – NSFAS 2.0
  – Central Campus Support 3.7
  – Over-enrollment Funding 5.9
  – Furlough Salary Savings 15.0

Total $39.0 million
• Difference in Reductions and New Revenue/Cost Reductions

$52.9 million
- $39 million
$13.9 million

To be distributed as permanent reductions
UCSB Budget 2009-10 – cont’d

• Coordinating Committee on Budget Strategy recommended to Chancellor targets based on planning principles

<table>
<thead>
<tr>
<th>Control Point</th>
<th>$ millions</th>
<th>% Cut</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chancellor</td>
<td>0.7</td>
<td>10.2</td>
</tr>
<tr>
<td>EVC</td>
<td>7.6</td>
<td>8.2</td>
</tr>
<tr>
<td>VC Admin</td>
<td>2.6</td>
<td>11.0</td>
</tr>
<tr>
<td>VC Inst Advance</td>
<td>0.6</td>
<td>10.7</td>
</tr>
<tr>
<td>VC Research</td>
<td>0.6</td>
<td>8.7</td>
</tr>
<tr>
<td>VC SA</td>
<td>1.8</td>
<td>9.5</td>
</tr>
</tbody>
</table>

Total = $13.9 million
Budget Reduction Planning

- Control points assigned targets to deans/directors
- Deans/directors worked with departments to develop local plans
- Deans/directors reported plans to control points, who rolled them up into divisional plans and reported them to CCBS
Coordinating Committee on Budget Strategy

- Has reviewed proposed actions to meet permanent cuts
- Will be making recommendations to Chancellor, approving most actions
- Will begin to review possible scenarios for 20010-11
Impacts

- Reduced faculty/staff size
- Reduced services/longer waits
- Reduced instructional budget
  - Larger classes
  - Fewer classes
  - Less TA/reader support
- Deferred equipment purchase/maintenance
- Reduced travel/entertainment/publications
Thanks for Heroic Efforts

• Staff
  – Doing more with fewer people

• Academics
  – accommodating over-enrollment in time of diminishing budgets
## 2010-11 Regents Budget Revenues ($ million)

<table>
<thead>
<tr>
<th>Source of Revenues</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>State General Funds</td>
<td></td>
</tr>
<tr>
<td>Restoration of Cut</td>
<td>305</td>
</tr>
<tr>
<td>Over-enrollment</td>
<td>156</td>
</tr>
<tr>
<td>Retirement Benefits</td>
<td>110</td>
</tr>
<tr>
<td>Core Increase</td>
<td>332</td>
</tr>
<tr>
<td>UC General Funds</td>
<td></td>
</tr>
<tr>
<td>NRT</td>
<td>10</td>
</tr>
<tr>
<td>Federal ICR</td>
<td>22</td>
</tr>
<tr>
<td>Other</td>
<td>1</td>
</tr>
<tr>
<td>Student Fees</td>
<td></td>
</tr>
<tr>
<td>2009-10 Mid Year</td>
<td>119</td>
</tr>
<tr>
<td>2010-11</td>
<td>286</td>
</tr>
<tr>
<td>Professional Schools</td>
<td>31</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1,372</strong></td>
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</table>
2010-11 Governor’s Budget

<table>
<thead>
<tr>
<th>Restoration of Cut</th>
<th>$305 million</th>
</tr>
</thead>
<tbody>
<tr>
<td>Over-enrollment</td>
<td>51</td>
</tr>
<tr>
<td>Post Empl. Health Ben.</td>
<td>14</td>
</tr>
</tbody>
</table>

- Over-enrollment funding contingent on Federal Funding ($9 billion)
- No capital outlay (bonds)
- Falls $533 million short of Regents request
  - still better than last year.
- Will be tough to retain through budget process
  - importance of advocacy
## 2010-11 UCSB Budget Scenarios

<table>
<thead>
<tr>
<th>Reductions/Increases</th>
<th>Baseline ($ million)</th>
<th>W/ $305 M Restoration ($ million)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Temp cuts permanetized</td>
<td>2.5</td>
<td>2.5</td>
</tr>
<tr>
<td>State budget reductions</td>
<td>22.1</td>
<td>--</td>
</tr>
<tr>
<td>Salary/benefit increases</td>
<td>7.9</td>
<td>7.9</td>
</tr>
<tr>
<td>UCRP Employer contr.</td>
<td>9.2</td>
<td>9.2</td>
</tr>
<tr>
<td>Faculty Recruit/Retention</td>
<td>1.2</td>
<td>1.2</td>
</tr>
<tr>
<td>UC Merced Tax</td>
<td>0.8</td>
<td>0.8</td>
</tr>
<tr>
<td>Workload</td>
<td>1.2</td>
<td>1.2</td>
</tr>
<tr>
<td>OMP for new space</td>
<td>2.0</td>
<td>2.0</td>
</tr>
<tr>
<td>Other</td>
<td>0.3</td>
<td>0.3</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td><strong>47.2</strong></td>
<td><strong>25.1</strong></td>
</tr>
<tr>
<td>Student Fee Increase</td>
<td>26.7</td>
<td>26.7</td>
</tr>
<tr>
<td>Gift Assessment (2%/4%)</td>
<td>2.5</td>
<td>2.5</td>
</tr>
<tr>
<td>Over-enrollment (fees)</td>
<td>6.0</td>
<td>6.0</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td><strong>35.2</strong></td>
<td><strong>35.2</strong></td>
</tr>
<tr>
<td><strong>Net</strong></td>
<td><strong>(12.0)</strong></td>
<td><strong>10.1</strong></td>
</tr>
</tbody>
</table>
UC Commission on the Future
UC Commission on the Future

**Membership:**

Board of Regents Chair Russell Gould, Co-Chair
President Mark G. Yudof, Co-Chair
Regent Jesse M. Bernal
Regent Sherry L. Lansing
Regent Monica Lozano
Regent Yolanda Nunn Gorman
Regent-Designate Jesse Cheng
UCLA Chancellor Gene Block
UC Irvine Chancellor Michael V. Drake
UC Santa Barbara Chancellor Henry T. Yang
UC Berkeley School of Law Dean Christopher Edley, Jr.
Academic Senate Immediate Past Chair Mary Croughan
Academic Senate Chair Henry ("Harry") Powell
Regents Staff Advisor Edward L. Abeyta
**Membership (cont.):**

Professor Cynthia Brown, UC Santa Barbara  
Professor Anil Deolalikar, UC Riverside  
Victor Sanchez, President, UC Student Association  
Warren Hellman, Alumnus, UC Berkeley  
Allan Zaremberg, President and Chief Executive Officer, California Chamber of Commerce  
Art Pulaski, Executive Secretary-Treasurer and Chief Officer, California Labor Federation, AFL-CIO

**Ex Officio:**

Interim Provost and Executive Vice President Lawrence H. Pitts  
Executive Vice President Peter Taylor  
Interim Executive Vice President Nathan Brostrom  
Academic Senate Vice Chair Daniel L. Simmons
Charge:

The Commission is charged with developing a new vision for the University within the context of the University's mission and budget, while reaffirming our commitment to quality, access and affordability. UC will continue to play a vital role in sustaining California's economy and cultural life, operating strategically and as efficiently as possible within available resources.
UC Commission on the Future

Five Working Group Co-Chairs:

Size and Shape of UC
  UC Santa Cruz Chancellor George R. Blumenthal
  UC Santa Barbara Professor Cynthia Brown

Education and Curriculum
  UC Davis Associate Professor Keith R. Williams
  UC Berkeley School of Law Dean Christopher Edley, Jr.

Access and Affordability
  Student Regent Jesse M. Bernal, GGSE graduate student of UCSB
  UC Irvine Chancellor Michael Drake

Funding Strategies
  UC Santa Barbara EVC Gene Lucas
  UCLA Vice Chancellor Steven A. Olsen

Research Strategies
  Academic Senate Immediate Past Chair Mary Croughan
  UC Santa Barbara Chancellor Henry T. Yang
UC Commission on the Future

**Website:**
http://ucfuture.universityofcalifornia.edu

**Comments invited:**
Click on the “Tell Us What You Think” link to share your questions, ideas, and suggestions with the Commission and its workgroups
Funding Strategies Work Group

- **Co-Chairs**
  - Gene Lucas, EVC, UCSB
  - Steve Olsen, VC Finance & Budget, UCLA

- 3 Regents
- 8 Faculty (7 campuses)
- 3 Budget and Capital Planning Officers
- 3 External
- Student
- UCOP – Peter Taylor, EVP-CFO
Activities to Date

• Listening Tour
• Collecting and cataloguing input
• Collecting and distributing background materials
• 4 meetings (4 more planned)
  – Organizational
  – Educational: Budget and Forecasting Models
  – Prioritization
    • Distill input into 5 groupings of high impact, high probability ideas
  – Formation of 5 subgroups
Five Subgroups

- Student Fees
- State Funding Strategies
- Federal Funding Strategies
- Administrative Efficiencies
- Alternative Funding Sources
Student Fees

- Stabilization
- Differential by discipline/campus
- Comparables
State Funding

- Advocacy – ammunition
- Support for state government/funding changes that advantage UC
- Capital outlay
- Operations and maintenance
Federal Funding

• ICR

• Expanded Federal Role in Higher Ed
  – Pell Grant Credit
  – Supplements to C&G for expanded graduate training
  – Partner programs (e.g., Race to the Top models)
Administrative Efficiencies

- Shared Services/Technology
- Best Practices
- Organizational Transformation (Six Sigma)
- Optimize Admin/Faculty ratios
- Capital Project Delivery
Alternative Funding Sources

- ICR for State/Gift funded research
- Faculty Compensation Plans
- Tech Transfer
- Taxing non-state operations
- Third party capital projects
- Development
Interaction of Workgroups

- Monthly co-chair meetings with Commission co-chairs
- Combined workgroup/subgroup meetings
- Campus meetings of workgroup members
Commission Goals

• Workgroups identify 2-3 “big ideas” by mid-March
  – Vetted by Commission
  – Vetted by Academic Senate

• Workgroups continue to work on viable ideas through summer 2010 – identify residual ideas
  – Vetted by Commission
  – Vetted by Academic Senate
Capital Projects

• Despite inability of state to sell bonds, several projects brought to fruition:
  – ESSB
  – EII addition
Capital Projects – cont’d

• Inability of state to sell bonds has changed remaining campus project schedule
  – Art renovation still scheduled to start

• Absence of capital outlay in Governor’s budget has changed the 5-year plan
  – ESSB Released space plan needs complete revision
  – Phelps/Ellison renovation on hold indefinitely
    • Phelps space being assigned for temporary needs
    • Some of Geography needs being met in Ellison assignments
  – EVC/HFA working on space to assist administrative consolidations
Housing

• North Campus -- Faculty for sale housing
  – 161 units
  – UCSB will build first 22; in progress

• Sierra Madre – staff, faculty, student family rental housing
  – 151 units
  – 3rd Party – Towbes Group
Thank You!!!