L&S Chairs and Business Officers

November 2, 2010

Gene Lucas
Executive Vice Chancellor
2010-11 Issues

• LRDP
• Budget
  – Operational Effectiveness
• Housing
• WASC
• FTE Call
• Rankings
Long Range Development Plan

• LRDP and EIR were approved and certified unanimously at the September Regents meeting
• Preceded by unanimous approval of mitigation and service agreements by City of Goleta and County of Santa Barbara
• Next stop: California Coastal Commission
2010-11 UC Budget

- Campus restoration (GF) $199 million
- Campus restoration $106 million (one time, ARRA)
- Enrollment funding (GF) $51.3 million
- Annuitant health (GF) $14.1 million
- Capital Facility Projects $353 million
2010-11 UCSB Budget

• Restored recurring funds plus increased student “tuition” will cover:
  – End of furloughs – i.e., replaced salary savings
  – Increases in:
    • Employer contributions to PEB
    • Employer contributions to health benefits
    • Salaries for represented employees
    • Faculty merits
    • Inflation (e.g., utilities)

• Hence, no budget cuts to cover these!
2010-2011 UCSB Budget

- Allocation of enrollment funding in proportion to 2007-08 enrollments
- Merced “tax” relief
- MCOI funds
  - OMP for new space
  - Faculty/TA salary and benefits
  - Graduate Student Support
- Not a big restoration, but every little bit helps
2011-12 UC Budget

- Restore 2007-08 Base Budget $438.7 M
- 2011-12 UC Mandatory Costs $354.6 M
- UC Budget Initiatives $103.6 M
- UC Unfunded Enrollment $70.5 M
- 2011-12 UC Budget Needs $967.4 M
John Woolley’s Questions

• Is UCSB’s budget disadvantaged relative to other campuses?
• Is research subsidized?
• Where did the ARRA research support ICR go?
Is UCSB Budget Disadvantaged Relative to Other Campuses?

• Yes
Is UCSB Budget Disadvantaged Relative to Other Campuses?

• Yes -- Because
  – Shortchanged from beginning
  – 50% Grad growth during period of uniform MCOI
  – Stopped growing
  – Low Conversion ratio
  – Net donor in some fund categories (e.g., Ed Fees)
Is UCSB Budget Disadvantaged Relative to Other Campuses?

• Yes  -- What are we doing about it?
  – Increased conversion ratio
  – LRDP -- growth
  – Changing “allocation methodology”
  – Working to change future allocations to base budget (including graduated MCOI)
Is Research Subsidized?

• Yes
Is Research Subsidized?

• Indirect cost recovery (ICR)
  – Collected to support the research infrastructure
  – Rates negotiated with federal government
  – Current rates 75%-80% of what we can justify
  – State and federal government historically expect university support of research as part of partnership
  – Improving this is one of recommendations of COTF and is an issue for both APLU and AAU
Where did the ARRA research ICR go?

• To answer this question, need to see how ICR is distributed in general
ICR Distribution

Pachinko
ICR Distribution

Pachinko
Conditions on ARRA Money

- ICR paid in proportion to expenditures
- ARRA funds will be spent over 5 year period
- Much stiffer compliance and reporting requirements
- Severe penalties for mis-reporting
- Necessitates spending more on pre-award and post-award processing
- Essentially eliminates funds to spend on other campus needs
Operational Effectiveness

• CCBS recommended initiating Operational Effectiveness activity
• Steering Committee, Leadership Committee, 4 Working Groups
  – IT
  – Shops
  – Personnel
  – Conferences and Events
Operational Effectiveness

• Financial System Implementation
  – Evaluating partnership with UCLA
  – UCOP providing interest free loan to evaluate and implement – payable over 7 years
  – Potential savings with e-procurement feature
Housing

• North Campus (161 for-sale homes)
  – Phase I (22 units) under construction
  – Occupancy in Spring 2011
  – Phase II under development

• Sierra Madre (155 rental family housing)
  – Third party – Towbes Group
  – Planning/Drawing stage
WASC

• Three steps
  – Prepare and Submit Institutional Proposal (2009)
  – Capacity and Preparatory Review (2011)
  – Educational Effectiveness Review (2013)

• Website:
  http://evc.ucsb.edu/wasc/index.cfm
WASC -- Status

- Institutional proposal submitted and subsequently reduced in scope:
  - Undergraduate Educational Effectiveness
  - Excellence in Graduate Education
- Michael Brown and Mary Nisbet appointed as co-ALO’s
WASC – Status – cont’d

• Committees formed and functioning to prepare for CPR in Fall 2011
  – Steering Committee (Lucas and Bohn)
    • Operational Subcommittee (Nisbet and Brown)
  – UG Ed Effectiveness (Nisbet and Bedard)
  – Grad Excellence (Morrison and Sutton)
  – Data and Policy (Velasco and Weeks)

• Intended to involve entire campus through communication and consultation
FTE Call

- In process of activating large fraction of “frozen” searches
- Will send out FTE call in November
  - Ask for multi-year plans
  - Factor in recent and upcoming separations
  - Anticipate approving ~15 new searches for 2011-12
Rankings

• USNWR
  – 9th of all public research universities in US
• ARWU and Times Higher Ed
  – Top 30 of all universities worldwide
• NRC
  – 7 in top 5
  – 13 in top 10
  – 20 in top 20
Thank You!!!