L&S Chairs and Business Officers

April 3, 2012

Gene Lucas
Executive Vice Chancellor
Updates

• Budget – 2011-12, 2012-13
• IT
• Operational Effectiveness
• WASC
• Capital Projects and Housing
2011-12 UC Budget

• $750 million cut to UC budget
  – $500 million + $150 million
  – $100 million cut in January, triggered by >$1 billion shortfall in projected revenue

• UCOP bridged the additional $100 million on a one time basis – becomes permanent in 2012-13
UCSB Budget 2011-12

• Budget Cuts, unfunded expenses
  – State Reduction $48.0 million
  – Salary, Benefit Increases 21.0
  – Mandatory Cost Increases 4.5
  – Long Term Commitments 2.4
  – Funding Streams Assessment 10.7

Total $86.6 million
**UCSB Budget 2011-12 – Cont’d**

- **New Revenue, Cost Reductions, Actions**
  - Student Fees $29.1 million
  - UCOP/Summer 14.6
  - One Time 17.5
  - NRT 3.1
  - Funding Streams 8.6
  - Campus Assessment 3.6
  - Operational Effectiveness 10.1

**Total** $86.6 million
Residual Issues

- Carry forward ~$12 million permanent shortfall into 2012-13
- $50 million cut this year to campuses due to funding streams mis-calculation → Executive Budget Committee reviewing OP budget
Governor’s 2012-13 UC Budget

- Permanentize $100 million mid-year cut
- $92 million for employer contributions to pension
- Moves funding for LR and GO bonds to UC
  - Expands base
  - Potential for refinancing
2012-13 UCSB Budget

• Estimated Permanent Budget Gap:
  – $41 million w/out $200 million mid year cut
  – $56 million with $200 million mid year cut

• Estimated Additional Revenue
  – $33 million

• Estimated Residual Structural Deficit
  – $8 million w/out mid year cut
  – $23 million with mid year cut
Unresolved for 2012-13

• Governor’s revenue proposal
  – Offset $200 million mid-year cut
  – Multi-year budget plan
    • Stable annual increases in base budget
    • Stable predictable tuition increases

• Rebenching
  – Achieving equitable per student funding across UC
IT Projects

• North Hall Data Center (April)
• Student Information System Modernization (August)
• Gateway: E-Procurement (June)
• New Financial System (Oracle, 2 years)
• UC Path: PPS (3 years)
• ESCI on-line (Summer)
Operational Effectiveness

• Initiated last year by Coordinating Committee on Budget Strategy
  – CCBS serves as Steering Committee
  – Project Committee co-chaired by David Marshall and Marc Fisher

• 4+1 project teams

• Phase I recommendations being implemented
OE Projects

- Information Technology & Communications
- Campus Personnel
- Conferences and Events
- Shop Services
- Financial Systems and Procurement
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
Capital Projects

• Two projects in progress
  – Campus Infrastructure
    • Under construction
  – Library addition/seismic
    • LRB approved; awaiting funding and seismic design
    • Effects of seismic and ADA on capacity under study

• Bioengineering – on hold
Housing

• North Campus (161 for-sale homes)
  – Phase I (22 units) completed and sold
  – Phase II initiated

• Sierra Madre (155 rental family housing)
  – Third party → UCSB

• San Joaquin Apartments
  – Initial planning stage
Thank You!!!