

Campus Finance Committee Meeting

Date: December 2, 2021

Time: 9:00 AM

In Attendance

Elizabeth Watkins, Gerry Bomotti, Anil Deolalikar, Brian Haynes, Christopher Lynch, Dana Simmons, Daryle Williams, Deborah Deas, Jason Stajich, Kevin Vaughn, Peter Hayashida, Louie Rodriguez, Melanie Wu, Peter Hayashida, Shaun Bowler, Yunzeng Wang, Jennifer Vogel Farias (Dean Uhrich proxy) and Lorissa Zavala (Stephanie Flores Proxy - committee support). Absent: Jennifer Brown, Kathryn Uhrich, Jeff Girard, Elysha Castillo (Student Rep), Mariam Lam, Rodolfo Torres, Steven Mandeville-Gamble.

Opening Comments - Liz

We'll first discuss the attached model of the impact of the BCOE proposal to return extramurally-generated PhD tuition back to the college/schools that bring in those funds, and then we will have a roundtable report-out on how your budget presentations to your organizations went.

PhD Tuition Redistribution Model

Spreadsheet attached

- BCOE wants to keep tuition paid for by contracts & grants to create an independent funding mechanism for research growth.
- Currently, there is no revenue stream within PhD funding that is associated with growing research, and any/all actual funding from PhD tuition (along with a portion of masters tuition) goes to the Graduate Division to support doctoral students.
- A few members of the CFC would like to see cross-college subsidies to understand how this piece of funding ties to all funding Graduate Division receives in relation to their Org's subsidies (specifically, see what funding their unit contributes to the Graduate Division and what funding they get back from the Graduate Division).
- Any reduction in the current revenue directed to the Graduate Division (for support of doctoral students across campus) will mean less funding from that source, and this would mostly impact CHASS.

Discussion – All

Multiple funding sources come together to support the Graduate Division funding for doctoral students. This presentation model for redistributing grant funded PhD tuition payments essentially shows a redistribution of money away from some schools/colleges (CHASS and Education) to BCOE and SOM; CNAS is level.

BCOE would like to keep the PhD tuition paid for in grants, as this would be invested in supporting growth in research activities.

The main revenue sources to the Graduate Division to fund doctoral students are:

- For masters, 1/3 of tuition goes to Graduate Division pool and 2/3 of tuition stays with college.
- There is a 50/50 split for professional masters, between Graduate Division and school/college.
- PDST: MD, Public Policy, Business. For the Professional Degree Supplemental Tuition, 100% of it goes to school/college, with 1/3 to Financial Aid within that school college (which they manage).
- Very few doctoral students pay their own tuition, and most are paid with grants or another external source. We treat that like master's degree tuition.

PhD students who are working as TA's have tuition waived (allocation of an equal amount of revenue and offsetting expense). The focus of this discussion is on the Graduate Division funding for doctoral students for the first year cohort, as schools and colleges pay TA's for their work. Central resources augments the money we give to Graduate Division for doctoral students in the range of an additional \$3-4 million above the tuition-based revenue sources (mostly masters).

SPP has no undergraduate program, so the center in a sense doesn't pay for a single TA in SPP.

We have tuition dollars and state dollars in the form of subvention. There are several major central services where we need to invest in staff. UE, Grad Division, Library, PBA. We need to think of staffing up services for new students we need to bring in. Figuring out this complicated puzzle of the tuition dollar component is also related to the figuring out the staff dollar component.

The presentation of this model is focused on a set of funds Grad Division manages. Most of our money comes from UG. We can show all the TA financing, before and after the model. For the issue of subvention, we can review the Delaware model impacts.

In general, in public higher ed finance, and especially with our model where everyone gets the weight of one for each FTE (and all majors pay the same tuition), it is often the case a CHASS unit subsidized the campus. A lot of schools have differential fees; engineering would keep most of that amount for the cost differences.

In 2018 – 2019 we implemented tweaks to the budget model. Delaware model adjustment is not a tweak; it's significant adjustments for schools/colleges especially with no differential tuition.

These are fundamental, ideological conversations we're going to have about money. We may need new principles on how to allocate the money we collect.

Budget Presentation Report Out - All

What was the feedback from your departments, staff, and for some students on your presentations about what the center pays for?

1. Academic Support Unit (Senate P&B): Budget was obscure, didn't understand how budget moves around campus. There is a conviction that money is hiding behind couches. This is about transparency - there is a feeling we have open lines of communication as a committee and the VCPBA has been incredibly responsive, so how do we translate to faculty colleagues as that is where there is an enormous amount of mistrust.
2. Academic Unit (SPP): Appreciated the budget presentation. They're not that concerned at what happening at campus level; they're interested in their own issues within the school. Should we be expanding Undergrad or Graduate? Which one will be expand revenue? I think generally faculty are not that concerned about larger campus issues, and are rather more interested about what affects them.
2. Academic Unit (SOM): Financial data is presented routinely three times a year. Pleased with the transparency of overall campus data. SOM and subsidy came up, and prior to the SOM getting \$25M, campus was supporting certain things. We're giving \$8.5M back for those things campus would support and concern about the increases in those costs which will lead to "hitting the wall" again in the future.
3. Academic Unit (BUS): No concerns with the overall campus budget data. The bigger concern is the school is almost half self-supporting and that supports 100% of the staff.
4. Academic Unit (SOE): In general, people were really appreciative. The biggest set of questions came from both enrollment growth to 2025, and what does this mean for us, faculty growth, staff growth, TA growth, etc., to keep up with that campus target.
5. Academic Unit (BCOE): Faculty are more concerned with doing research; chairs are interested in the bigger picture, the wild card is master's tuition and a big drop when international students couldn't come.
6. Student Support Unit (VCSA): We approached this as leadership challenge. Executive leadership asked their teams to read the budget letter. We circled back, had a full-blown presentation with directors, spent about two hours walking through doc. We also challenged them to understand how the pieces come together in the big picture. They appreciated documentation, communication, anything like this across campus, and that triggered some questions about revenue streams and funding sources. They had specific questions about Student fee money, the SRC, HUB, SSF, and how those revenue streams come together.
7. Administrative Unit (PBA/FPDC/Aux): There were different budget cuts based on different units and we reviewed those differences and why. For some of the larger direct reports, like auxiliaries,

there are different revenue issues/losses. Facilities has custodial and that is a larger issue, those are more long-term employment opportunities and salary scale issues.

8. Academic Unit (UNEX): Staff are concerned about the unit budget. HEERF funding only covers part of our deficit, but some questioned why we aren't using that for investment in the future, because staff are concerned about the unit's future. I'm going to be outlining a plan for the future and how we're well situated for growth.

9. Student Support Unit (GradDiv): We had small meetings, and to reiterate the point, there is a trust issue and being open about information. All these decisions require buy in from faculty and staff.

10. Administrative Unit (VCUA): We haven't experienced some of the trust issues others are describing. We've actually been meeting with the whole staff about every five weeks. From high level conceptual standpoint, there are questions as to how campus is planning for future growth. Department heads didn't get any questions from their folks.

11. Academic Unit (CNAS): Budget discussions occur monthly and the #1 concern is affordability of faculty hires and keeping faculty FTE at same level when we see 10 departures a year. Another issue is that the new F&A model did not discuss how many faculty were needed to meet teaching mission. Over time there is a clear decline in spending power in our budget.

It made a big difference to hear from the chancellor that UCR is historically underfunded and squeezed – we don't want to put forth that issue publicly that we're strained, but public sunniness makes us feel like we're not adequate in the conditions that we have.

- Let's be clear the Chancellor is constantly reminding UCOP about the inequitable distribution of resources. There is a Cheerleader aspect of job and how truly amazing faculty and staff are, which may account for the "sunniness".

Action Items

1. Request to break out revenue from PhD and master's degree program when discussing Grad Division funding, in addition to a comprehensive Grad finance working report

Next Meeting

Thursday, December 16 @ 9am

Note Current Policy: S&C's use grant funding to pay for GSR/PhD students tuition and the tuition income goes 100% into the Graduate Student Support that is provided to the Graduate Division to support PhD students across the campus

ANY SHARING OF GSR TUITION WILL TAKE FUNDING FROM THE GRADUATE DIVISION AND THEREFORE SUPPORT FOR PHD STUDENTS ACROSS THE CAMPUS. THIS MODEL SHOWS THE IMPACTS OF VARIOUS OPTIONS OF SUCH SHARING.

Table 1 Redistribution of GSR tuition using 19/20 target numbers

Graduate Student Researchers

COLLEGES	GSR TUITION CONTRIBUTION	# PhD TARGET	AY19-20 PSA	SCENARIO 1 PSA	SCENARIO 2 PSA	Scenario 1 PSA Change	Scenario 2 PSA Change	Scenario 1 Total Dollar change	Scenario 2 Total Dollar Change
CHASS	\$124,887	154	\$28,924	\$22,829	\$24,776	-21.1%	-14.3%	-\$938,538	-\$638,793
CNAS	\$2,058,347	230	\$30,546	\$30,968	\$30,879	1.4%	1.1%	\$97,067	\$76,780
BCOE	\$2,146,434	140	\$32,500	\$37,350	\$35,666	14.9%	9.7%	\$679,002	\$443,272
SOM	\$338,000	9	\$31,500	\$59,574	\$52,334	89.1%	66.1%	\$252,665	\$187,507
SOE	\$103,400	20	\$31,000	\$27,188	\$28,045	-12.3%	-9.5%	-\$76,233	-\$59,101
AGSM	\$0	2	\$29,000	\$22,018	\$24,167	-24.1%	-16.7%	-\$13,963	-\$9,665
Total	\$4,771,068	555	\$16,991,249	\$16,991,249	\$16,991,249				

PSA = Per Student Average for their entire stipend and fee package. So this appears to show proportional reductions to S&C's and increases based on providing support for what are now grant funded. The GSR tuition is added back to those S&C's based on those that have paid in the past and then there is a proportional redistribution of the \$16.99M amount.

-\$2,673,740

\$4,204,781 Although table 2 below only shows two Colleges, table 1 includes all Colleges that provided GSR tuition funding

\$810.95

\$22,018

Scenario 1 Colleges keep 100% of GSR tuition and the rest equally divided

Scenario 2 Colleges keep 75% of GSR tuition and the rest equally divided

Other scenario's could be developed and modelled for sharing of GSR tuition

Based on their calcs, the rest of the Grad Student Support budget is equally divided by the PSA

Table 2 Sum of PFR Amount Fiscal Year 2021

Org Code	Org Code(descr)	Total	Tuition Portion Only	75% of tuition portion
ORG11	Bourns College of Engineering	2,358,718	2,146,434	1,609,825
ORG14	College of Nat & Agr Sciences	2,261,919	2,058,347	1,543,760
Grand Total		4,620,638	4,204,780	3,153,585

The table above has these same numbers for these two colleges but includes others as well.

Matches total above in table 1 for the GSR tuition for these two Colleges.

Cohort funds include the tuition portion only.

3,814.00 Tuition

376.00 Student services fee

4,190.00 Partial fee remission PFR is "Partial Fee Remission" because 100% of student fees aren't covered only Student and Student Services Fee

Notes:

fees are charged to the grant

it reflects on the students banner screen as an award (fee award toward their tuition)

fees post to a balance account A01392 ZZZZZ

tuition is posted in 20095

Table 3 19/20 Cohort Central Fellowship Summary by College

Data as of 11/14/19

Stipends and Fees 29 @\$24K 10 @\$50K 60 @\$10K 65 @\$4K ??

College	Headcount*	Stip & Fees	Add-ons					Total
			ECRA	PRF	CDF	Diversity	JumpStart	
AGSM	2	58,322						58,322
BCOE	280	3,513,278			34,000	32,890		3,580,168
BIOMED	14	285,237		50,000	10,000	12,000		357,237
CHASS	164	4,185,586	382,500	200,000	295,000	152,000		5,215,086
CNAS	194	5,024,096	192,000		257,000	162,450	70,000	5,705,546
EDUC	23	273,084	48,000		11,000	8,000		340,084
Total	677	13,339,604	622,500	250,000	607,000	367,340	70,000	15,256,444

*INCLUDES MASTERS (excludes CEN and OENR)

1,916,840 Total of special programs

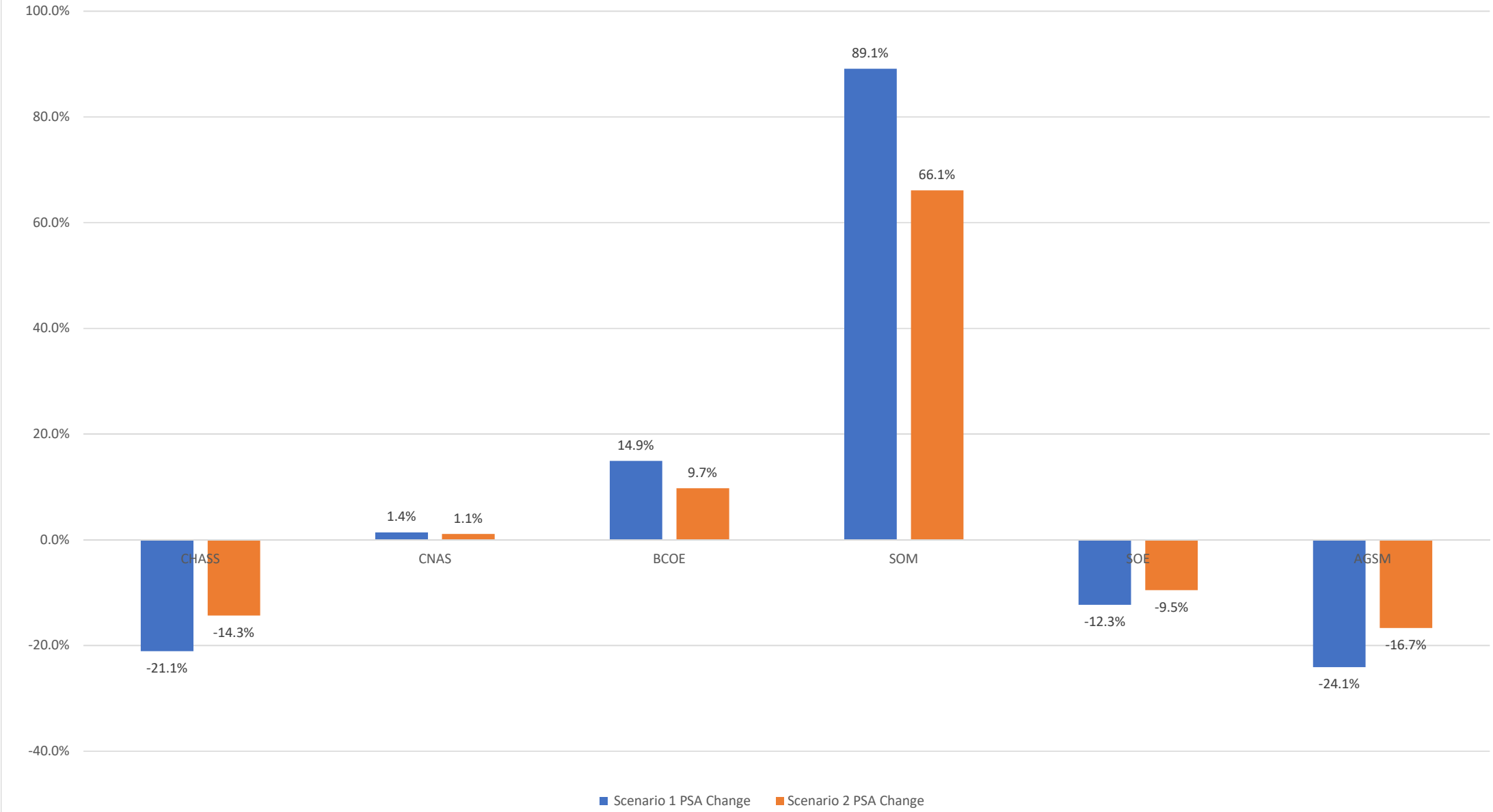
For FY20 the approved budget and assumptions were:

Overall PSA	\$26,938	
Total stipends and fees	\$19,664,988	
Total students supported	730	How relates to 677 in table 3, and 555 in table 1? 730 was the budget, 677 is the number of students that actually received funding (includes 555 PhD fellowship packages plus masters and possibly misc dissertation awards)
Overall total budget	\$22,266,134	

Difference in total vs Stipends and fees

\$2,601,146 Close to \$1.9M above but not exact, as there is recruitment and others costs in the total budget
This is the budget on the add-ons, but they generally are not able to award all of them due to the requirements

% Changes to PSA Based on Providing S&C's GSR Tuition vs Status Quo



Dollar Changes to S&C's Based on Providing S&C's GSR Tuition vs Status Quo

