

Budget Overview

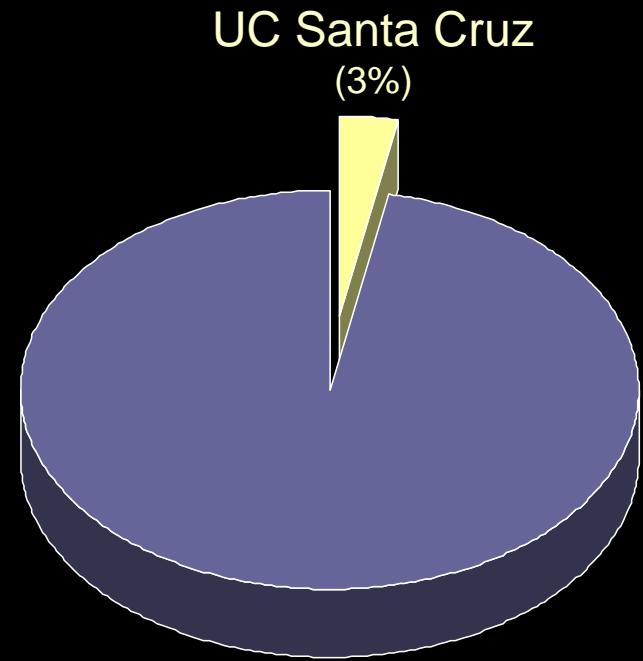
Meredith Michaels
January 23, 2007

Presentation for the Student Affairs Managers
Development Series

The context ...

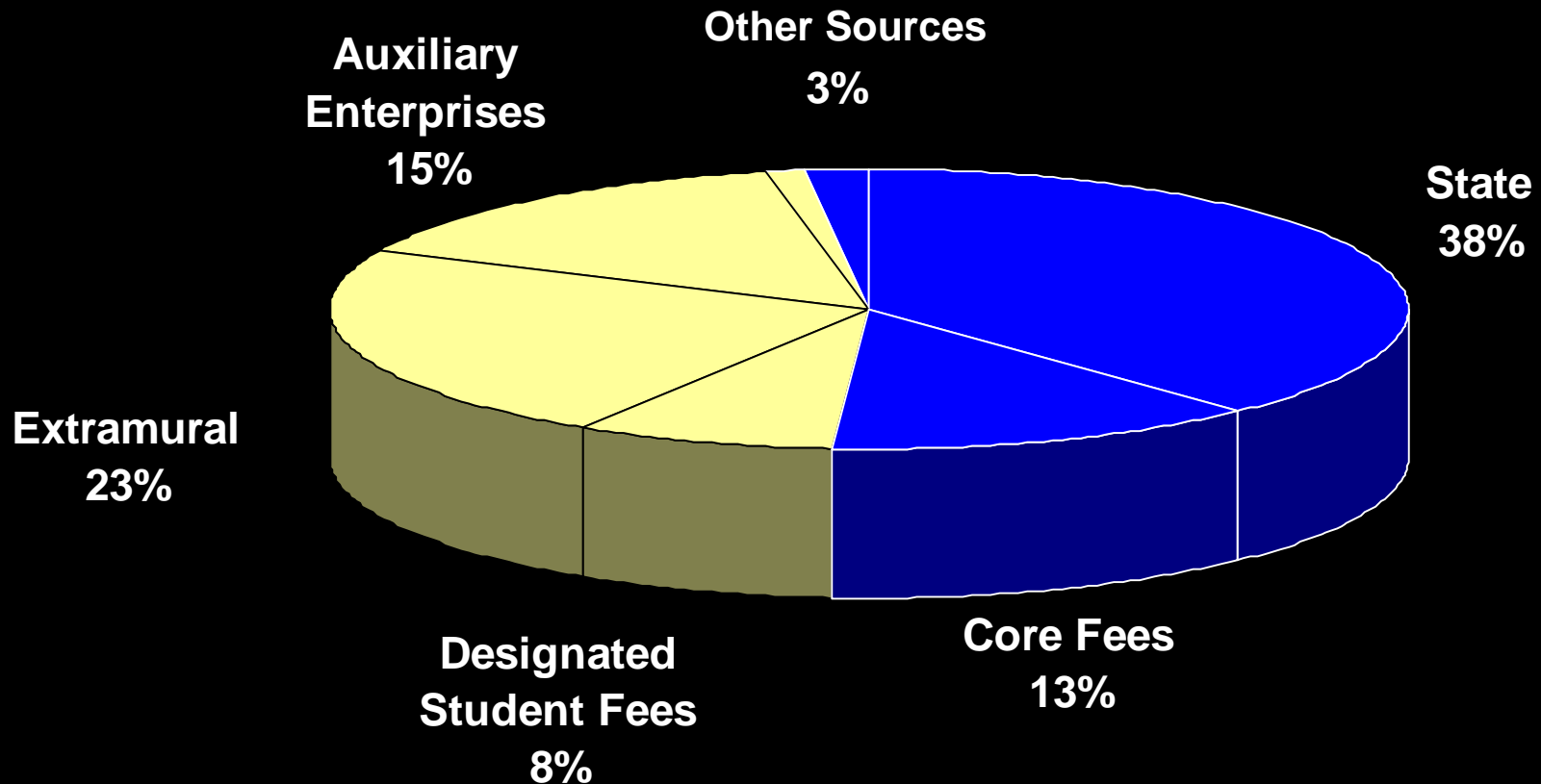
- The State budget picture...
- Regents actions ...

The context ... UCSC's budget



\$17 Billion

The big picture: 2006-07 UCSCC funds ... (\$485.3 million)



Major sources of new core funds ...

State funds ...

- Formula
- Incremental
- Programmatic

Student fees ...

- Educational fee
- Registration fee
- Campus-based fees
- Misc./course fees
- Non-resident tuition

STATE

Enrollment Funding
Adjustment to base
Targeted funds

ED. FEES*

UC GENERAL FUNDS

UCOP

UCSC

Workload (i.e., enrollment)
Faculty
Related instructional support
Institutional support
Libraries
Supplies/equipment
Teaching Assistants

Inflation adjustment
All salary/benefit increases
Nonsalary price increase

Targeted funds (examples)
Academic Preparation
Deferred maintenance
OMP

* 1/3 of new fee revenue is set aside for financial aid purposes



Registration fees

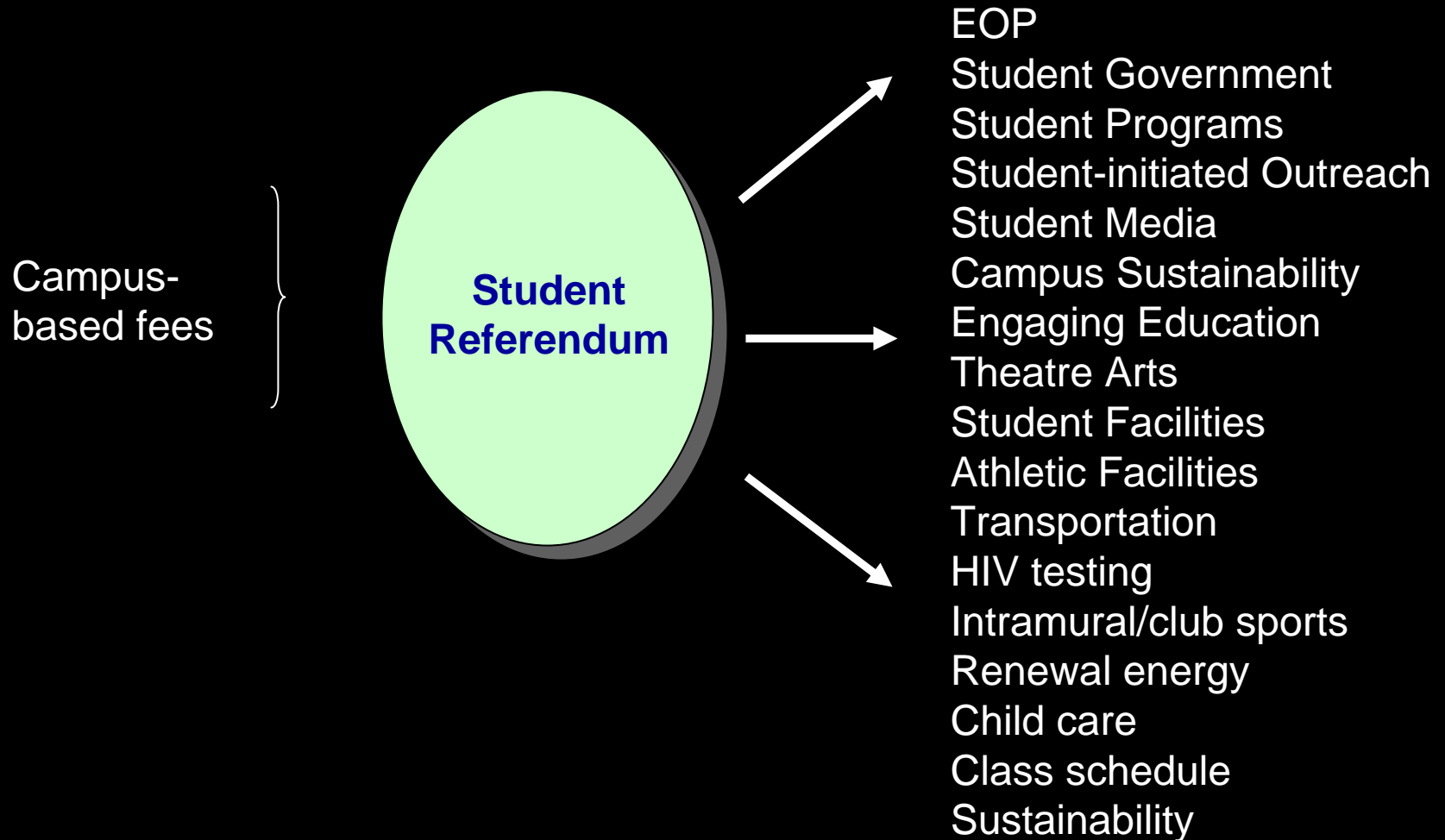
Registration
& Measure 7
Fees

**Student Fee
Advisory
Committee**

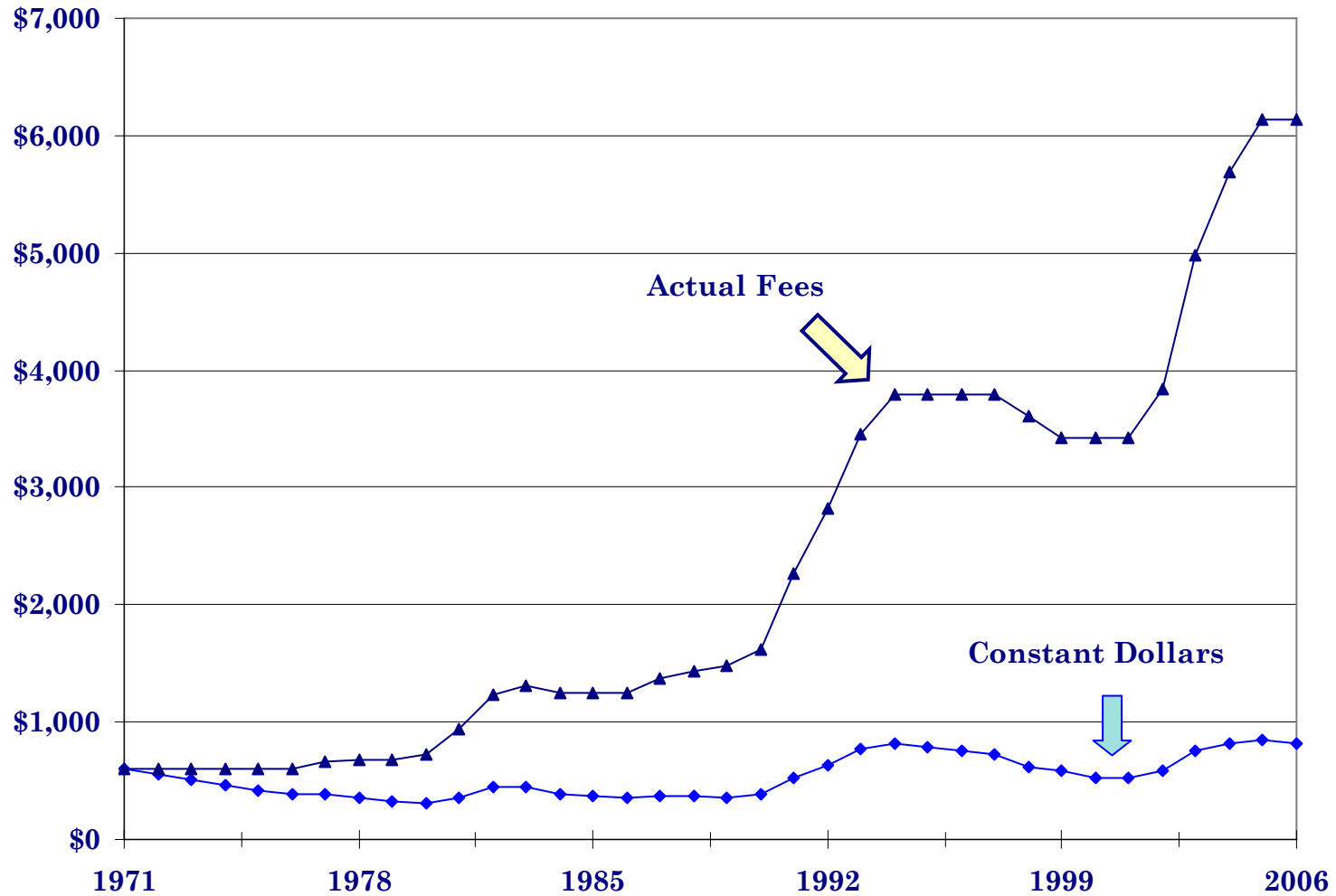
**Each college
Graduate student
College Provost**

ACE (PBSci)
AIS
Career Center
Child Care
Colleges
Counseling/Psych. Services
Housing Services
OPERS
Physical Plant
Student Health Services
Student Life (SOARS,
Resource Centers)
Student Media
Student Organizations
STARS (Re-entry program)
Women's Center

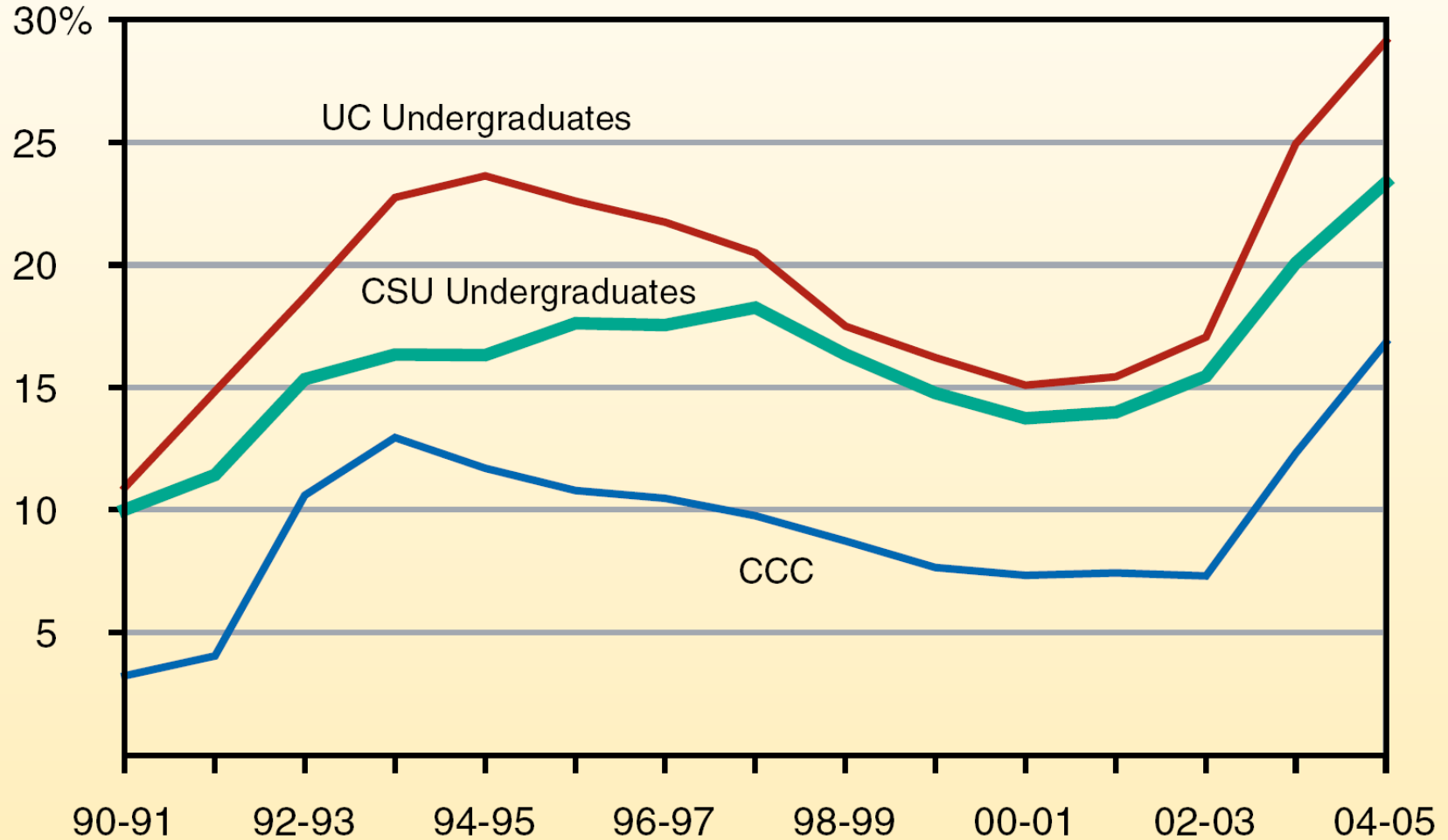
Campus-based fees



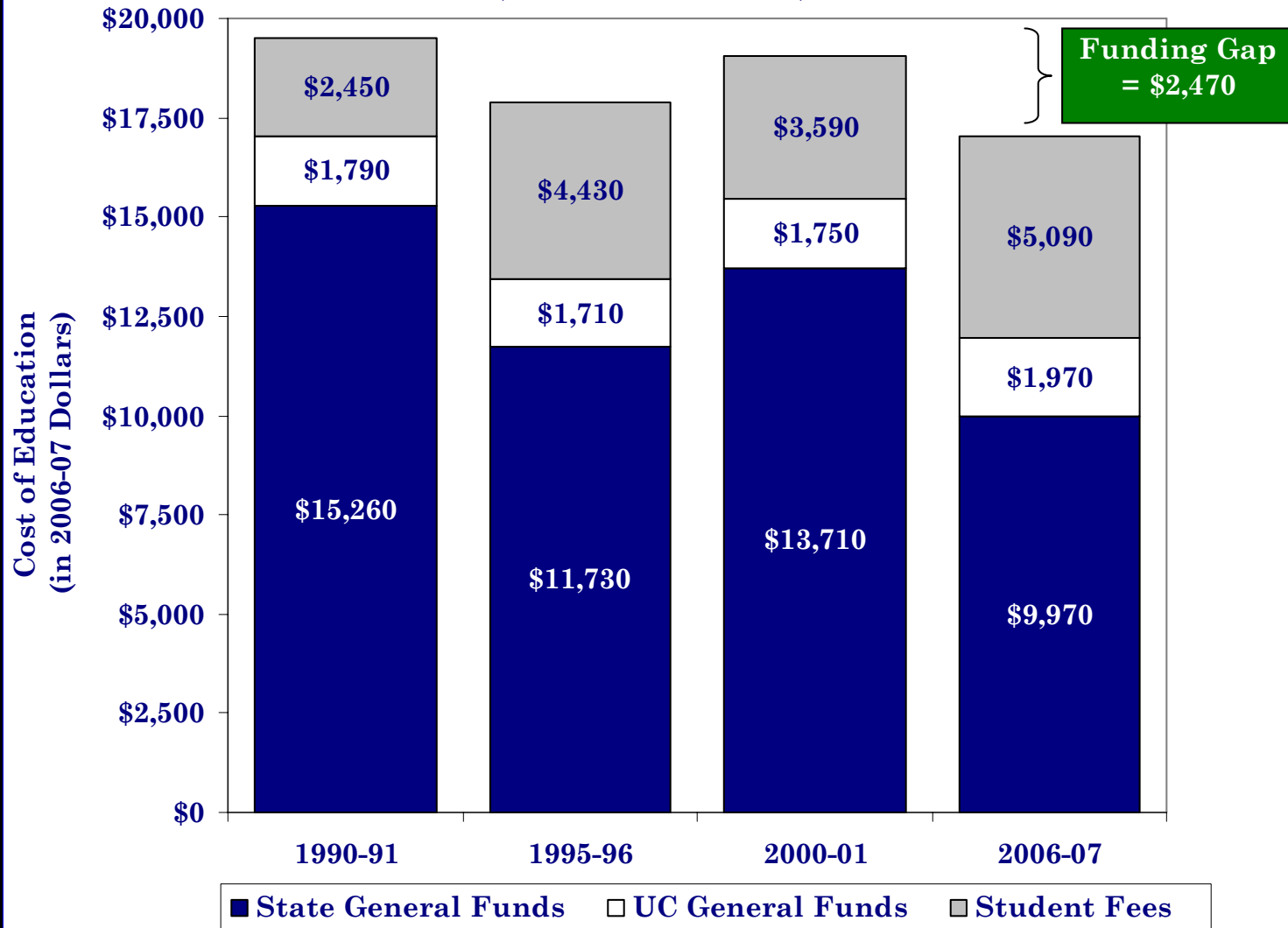
Resident Undergraduate Student Fee Levels Compared to Fees in Constant 1971 Dollars (Mandatory Systemwide Fees)



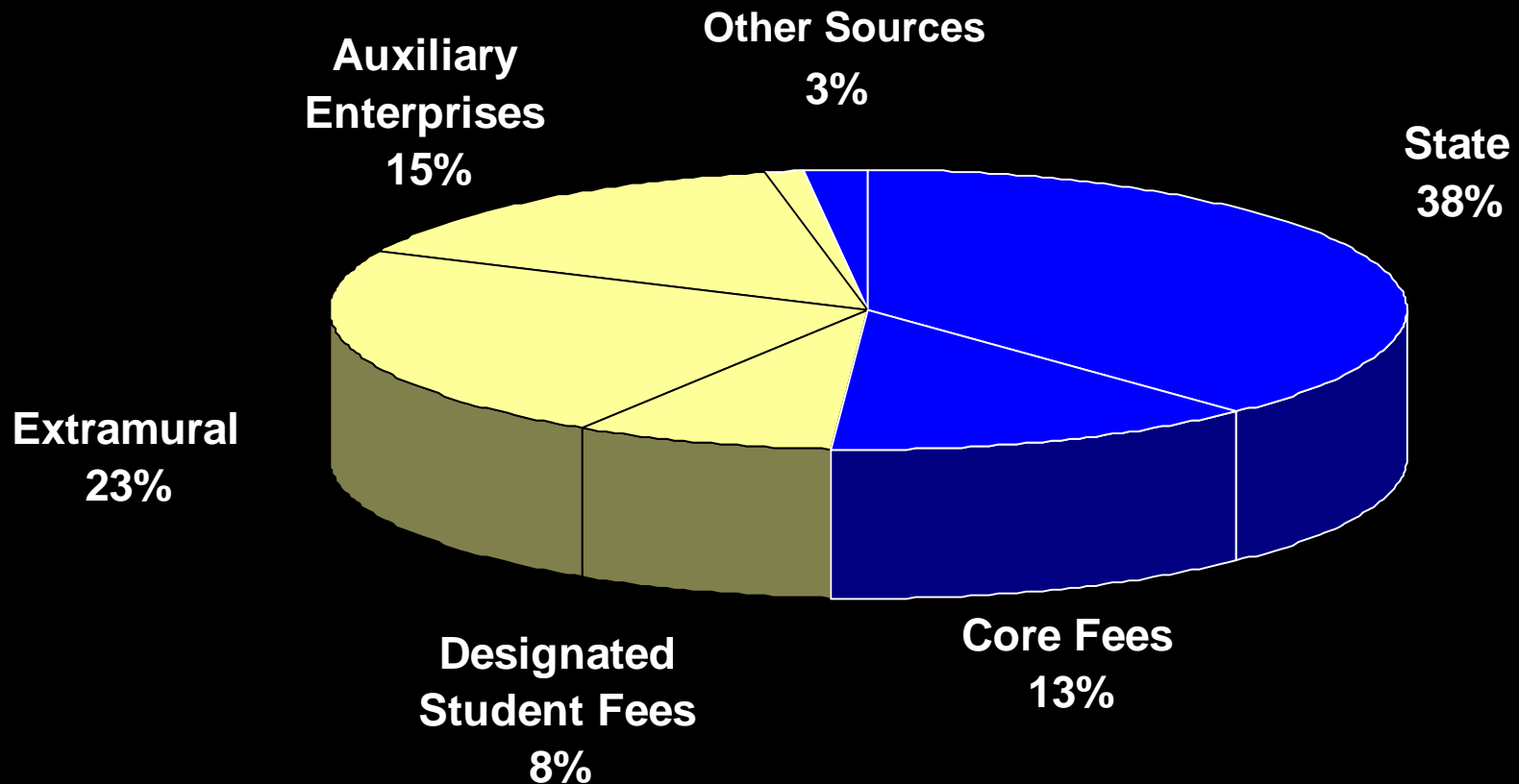
Fees cover only part of the total cost of education ...



Funding Components of the Average Cost of Education (2006-07 Dollars)

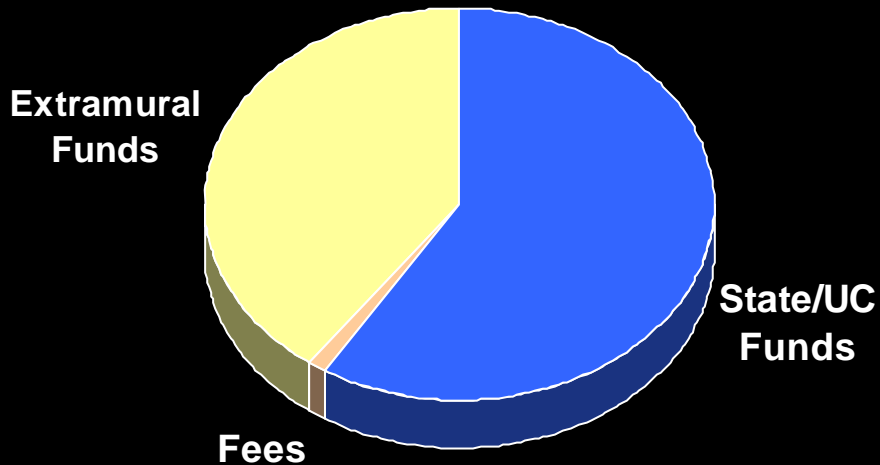


All 2006-07 UCSCC funds ... (\$ 485.3 million)

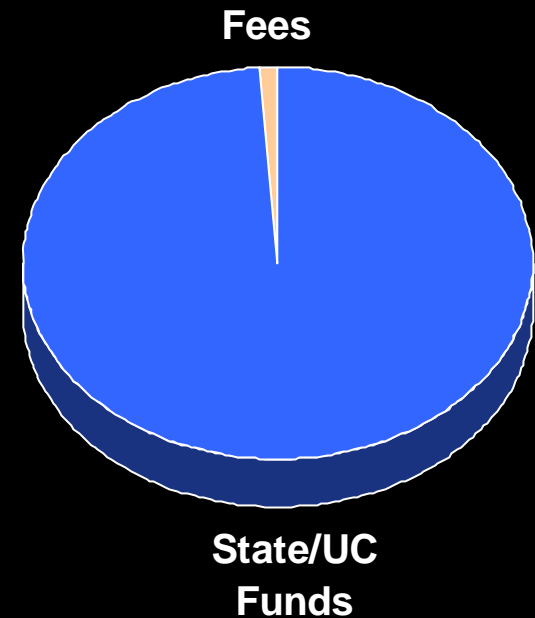


Academic Divisions — Core vs. Designated Funds

Academic Divisions
(all funds)

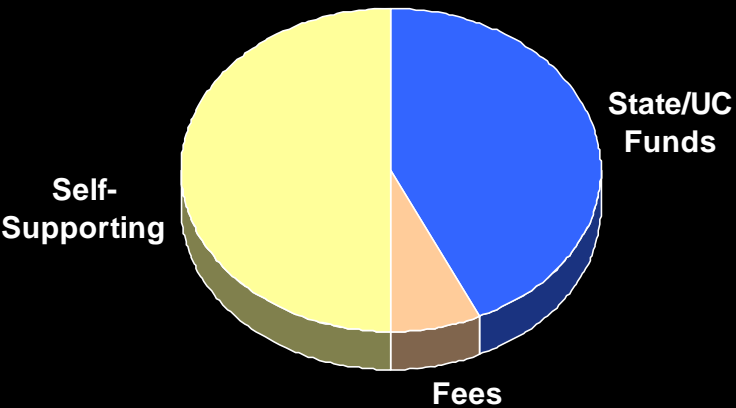


Academic Divisions
(excluding extramural activity)

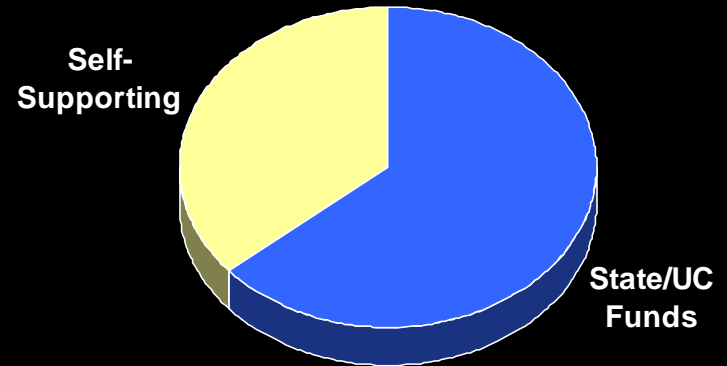


Academic Support Divisions — Core vs. Designated Funds

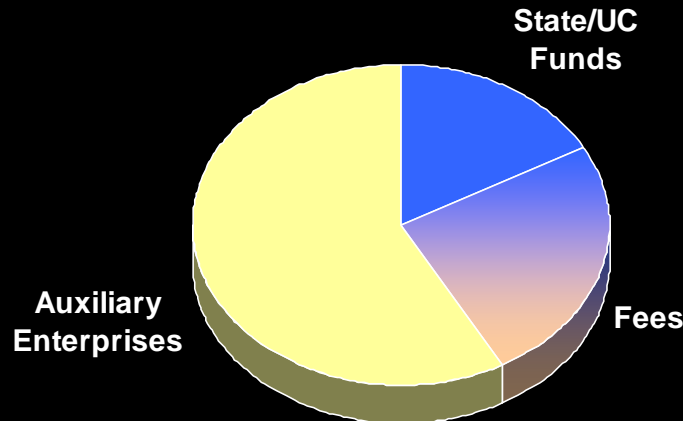
Business & Administrative Services



Information Technology Services



Student Affairs



Understanding the flows ...

State and Fee Support/Revenues



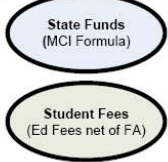
UC Santa Cruz Major Activities

Other Revenue Sources



Enrollment Growth Support

(Per Higher Education Compact, 5000 FTE/Year)



Non-Enrollment Related Support

(Per Higher Education Compact)



Components of the Cost of Instruction

100% of the cost (*based on UC averages*) for

- Faculty salaries (@ 18.7:1 ratio; Step III)
- Faculty benefits
- Teaching Assistants (@ 44:1)



Percentage of the cost (*reflecting economies of scale*) for

- Instructional support
- Library collections and staffing

Academic & Institutional Support Services

Percentage of of the cost (*reflecting economies of scale*) for

- Institutional support
- Student services

Facilities and Infrastructure

Research support

Supporting

- Faculty inquiry, post-docs, professional research staff
- Instruction, internships, graduate student support
- Application of scholarship to regional and State issues
- California Institutes for Science and Innovation (Cal ISI)

Service and Engagement

Supporting

- Undergraduate engagement, internships
- Service to local and regional community
- Service to State (e.g., UC College Prep Online, COSMOS)

Entrepreneurial and leadership efforts benefit specific (or all) components of core mission and support services

Campus Entrepreneurial and Leadership Efforts

Including

- Enhancements to instruction, research, and service mission
- Specific contracts and services
- Special projects
- Facilities



Private Support

Including

- Direct research support
- Facilities
- Indirect cost recovery
- Federal/State special allocations/earmarks



Contracts and Grants

Including

- Auxiliaries (e.g., parking, housing)
- Intra-campus (e.g., interdisciplinary programs)
- Inter-institution (e.g., MRUs)
- Public/private/government (e.g., adjunct profs at NASA, LML/ National Marine Fisheries facilities)
- Regional (e.g., Silicon Valley)



Partnerships/ Leveraging

Strategies

Including

- Reallocation of resources
- Auxiliaries contributions
- Evolution of programs
- Eliminating services and programs
- Service improvements



Reinvestment, renewal

Including

- State and other governmental agencies
- Other external constituents
- Creative and other entrepreneurial efforts



Diversified & New Revenue Sources

Looking forward ...

Principles ...

- Institutional perspective
- Invest strategically and differentially
- Be realistic about our goals

Looking forward ...

The way we budget now ...

- At the margin ...
- The base is the base ...
- Decentralization ...

Some observations ...

- About 95% of the budget is decentralized
- *Of the 5% held centrally, 65% is committed for ongoing obligations*
 - Debt service and off-campus leases
 - TA fee increases and GSHIP
 - IWF, Core Courses, and supplemental TAs
- Incremental funds are roughly 3% of the base

Challenges ...

- Maintain & Improve Infrastructure
- IT Physical Infrastructure
- Capital Campaign
- Deficits
- Increase Graduate Enrollments
- Big-Ticket Capital Expenses:
- Maintain internal controls and a safe environment

2007-08 budget process ...

- No “call” for budget proposals
- Highest priorities
- CPEVC will meet with each principal officer

Q&A