

Academic Senate Planning & Budget Committee Faculty Forum

May 18, 2022

UCR's budget model and how we got here

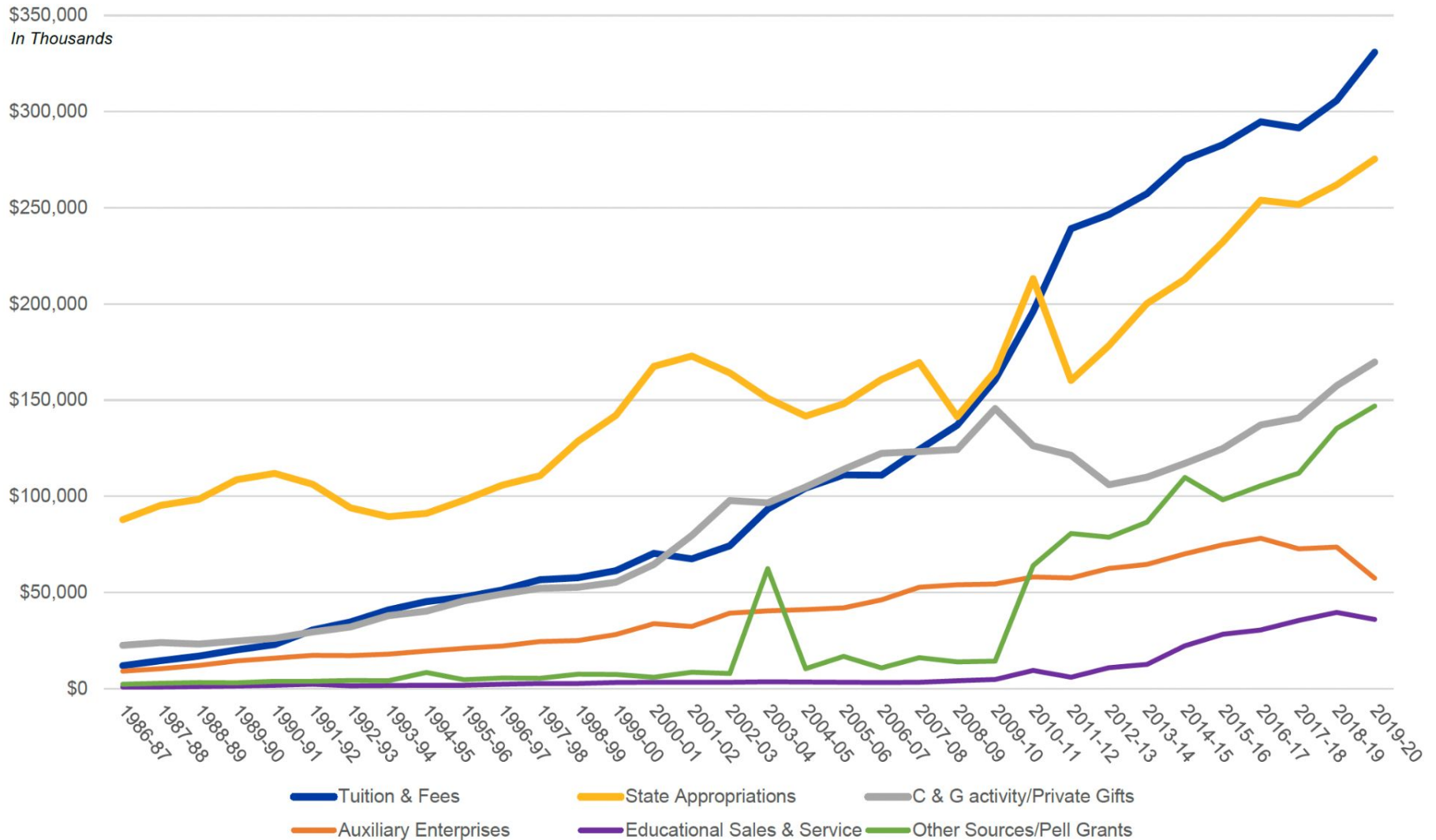


Shared governance

Academic integrity

Sustainability

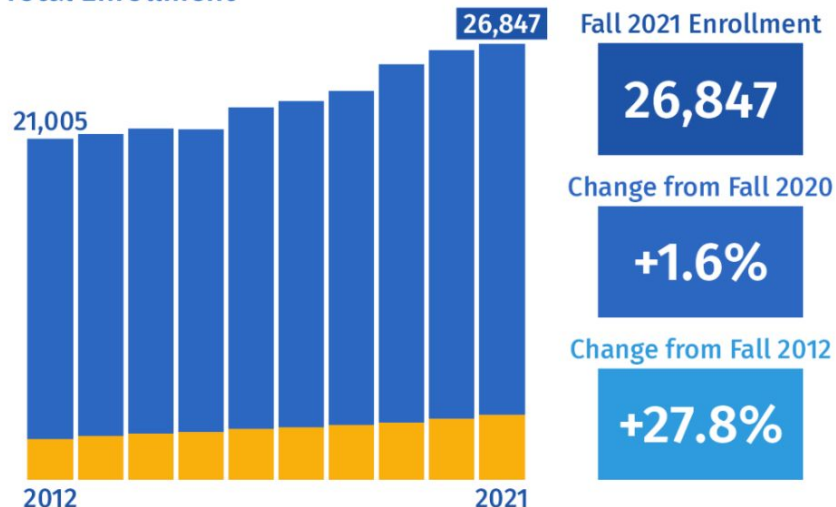
UCR Major Revenue Streams over time



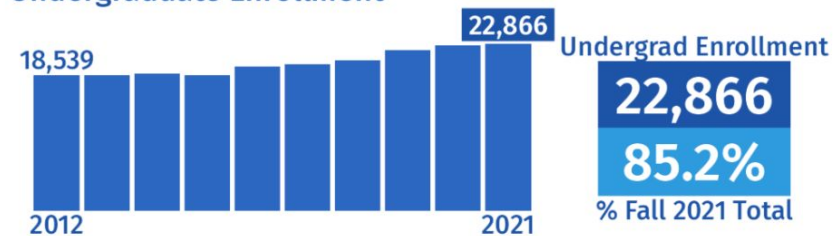
Enrollment

Fall 2021

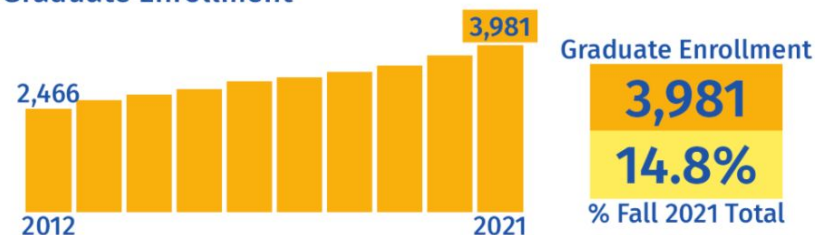
Total Enrollment



Undergraduate Enrollment



Graduate Enrollment



Counts represent distinct students who are enrolled in credit-bearing classes as of the fall third-week census.



From Genomics to Harvest: The Basic Science, Cultivation, and Production of Plants and Food

- + Basic and Applied Pollination Research
- + Citrus
- + Food, Guts, Bugs, Brains, and Behavior
- + Insect Vecteded Diseases & Mosquito Ecology
- + Translational Plant Sciences

Next Generation Technologies: New Materials, Phenomena and Devices

- + Autonomous and Intelligent Embedded Systems
- + Coherent Optical Control of Materials
- + Computational Materials
- + Phonon/Magnon Engineered Materials and Devices

Mind and Body: Advances in the Study of Human Health and Well-Being

- + Genome Stability and Human Health
- + Human Neuroimaging
- + An Integrated Approach to Improve Aging and Lifespan
- + Metabolomics
- + Methodology Core for Community Translational Health
- + Modeling of Complex Bio-Systems
- + The Malleable Nervous System: From Molecule to Circuit to Behavior
- + Pathophysiology and Systems Biology of Host-Microbe Interactions

Renewable Nature: Environment, Energy, and Sustainable Development

- + BREATHE: Bridging Regional Ecology and Aerosolized Toxins to understand Health Effects
- + Environmental Toxicology
- + Multiphase Atmospheric Chemical Transformations

Revitalizing Communities: Impact in Education and Social Policy

- + African American Disparities: Axes of Disempowerment
- + Indigenous Studies
- + Greater Mexico and U.S. Latinx Perspectives
- + Race, Immigration, and Integration: Empirical and Applied Approaches
- + STEM Teaching and Learning

New Voices and Visions: The Global Studio of the Creative and Performing Arts

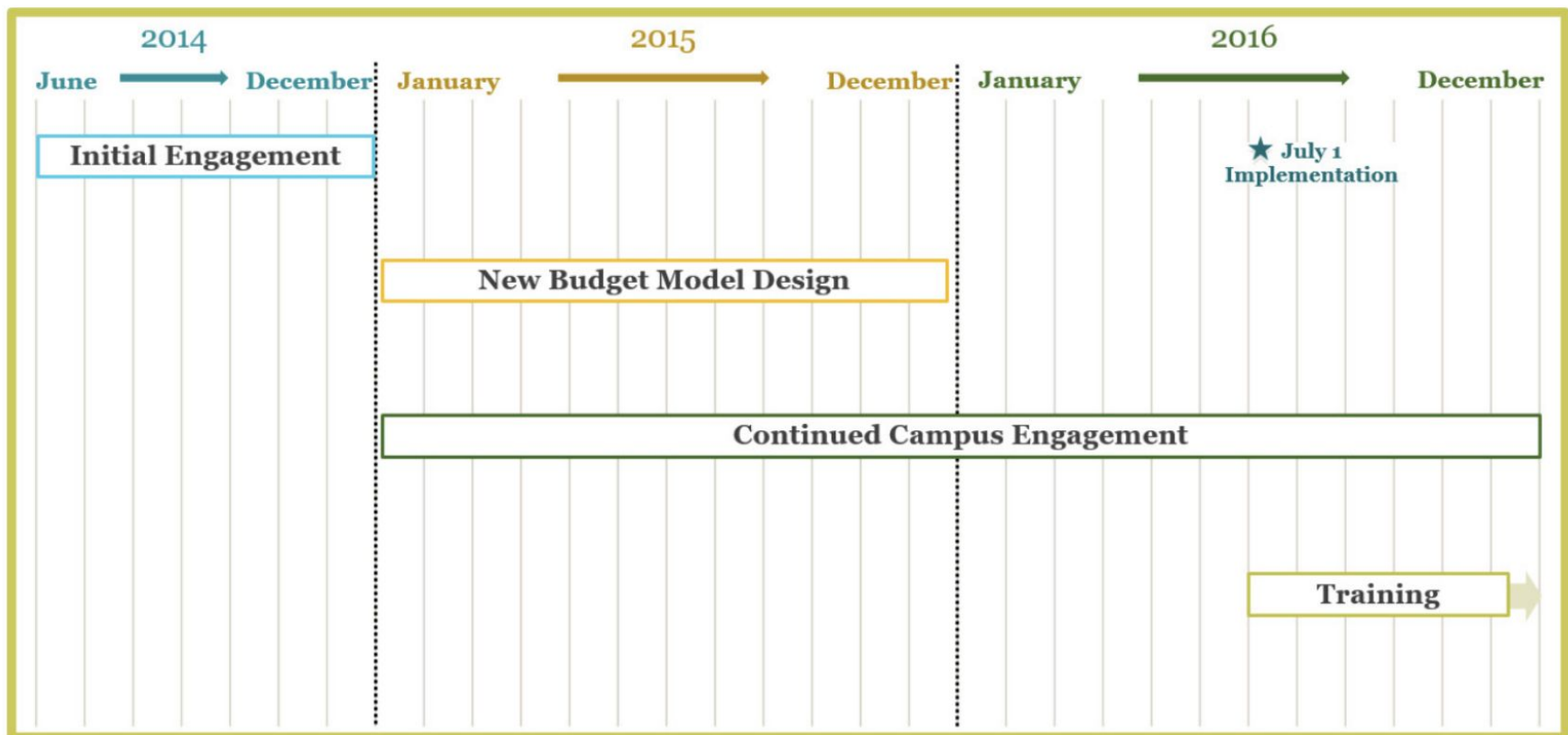
- + Critical Dance Studies and Experimental Choreography
- + Global Arts

Innovation Incubator

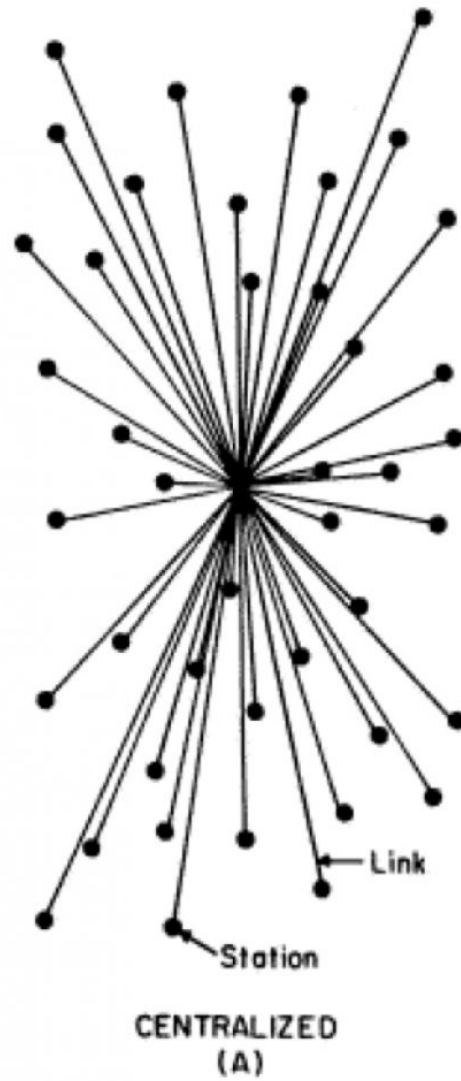
- + Business Analytics Research
- + Center of Excellence in Cyber-Security at UCR

Changing the budget model was about changing mind-sets, incentives, and behaviors—not just about the numbers.

Figure 2 **UCR's Budget Model Redesign Process**



'Hybrid RCM' budget model



Each school or college receives a share of tuition revenue based on its enrollment, a share of its faculty's contracts and grant revenue, and a share of state general funds ('subvention').

- The share of *tuition revenue* is set by formula: 75% workload and 25% major headcount.
- The share of *contracts and grants* revenue (after UCOP takes its part) is set at 25%.
- The share of state general funds (*subvention*) is based on the school/ college's budget in 2015-2016, adjusted to cover increased salary and benefits, merits and promotions.

incomes

expenses

tuition et al.

grants et al.

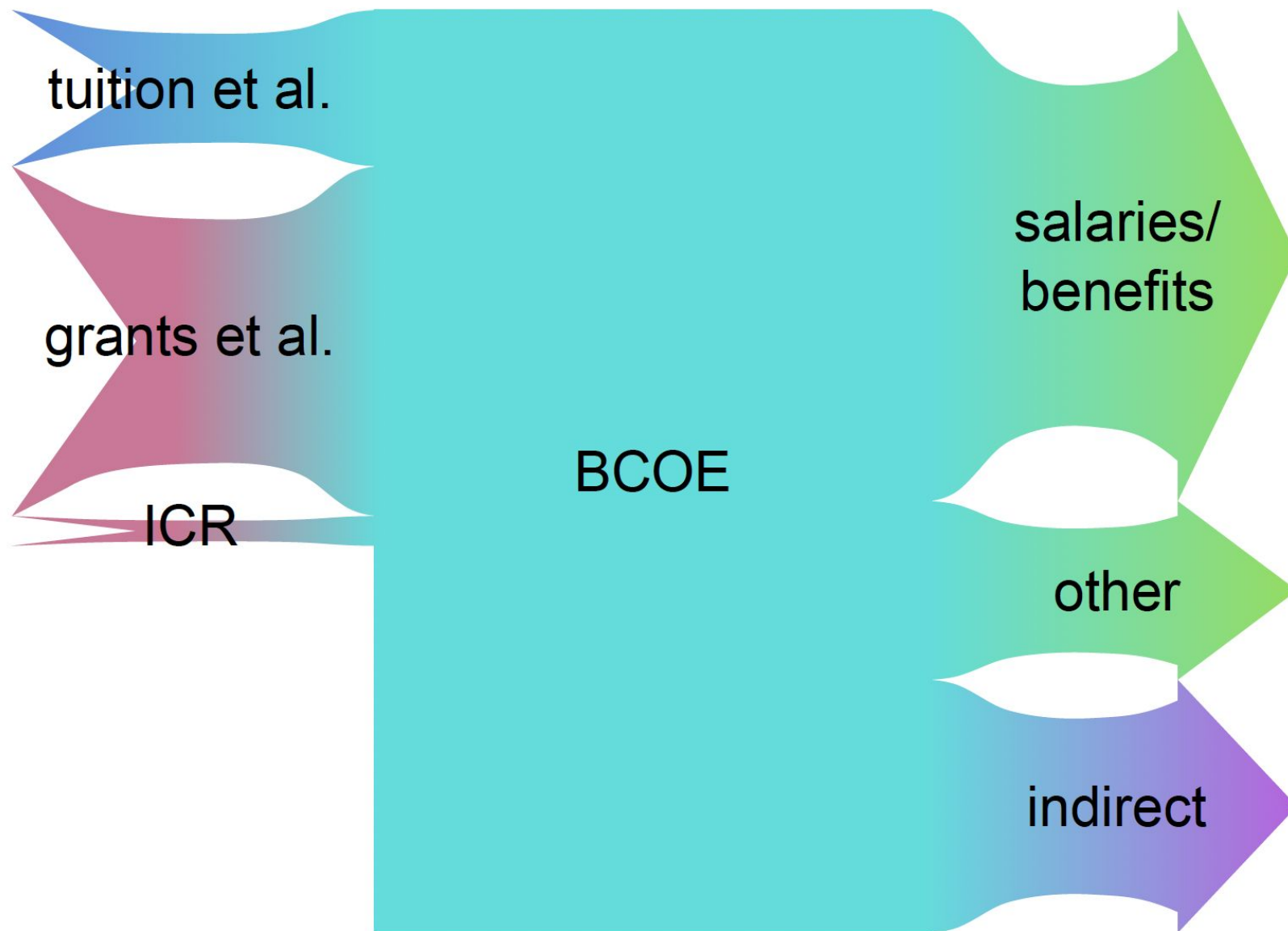
ICR

BCOE

salaries/
benefits

other

indirect



incomes

expenses

tuition et al.

grants et al.

ICR

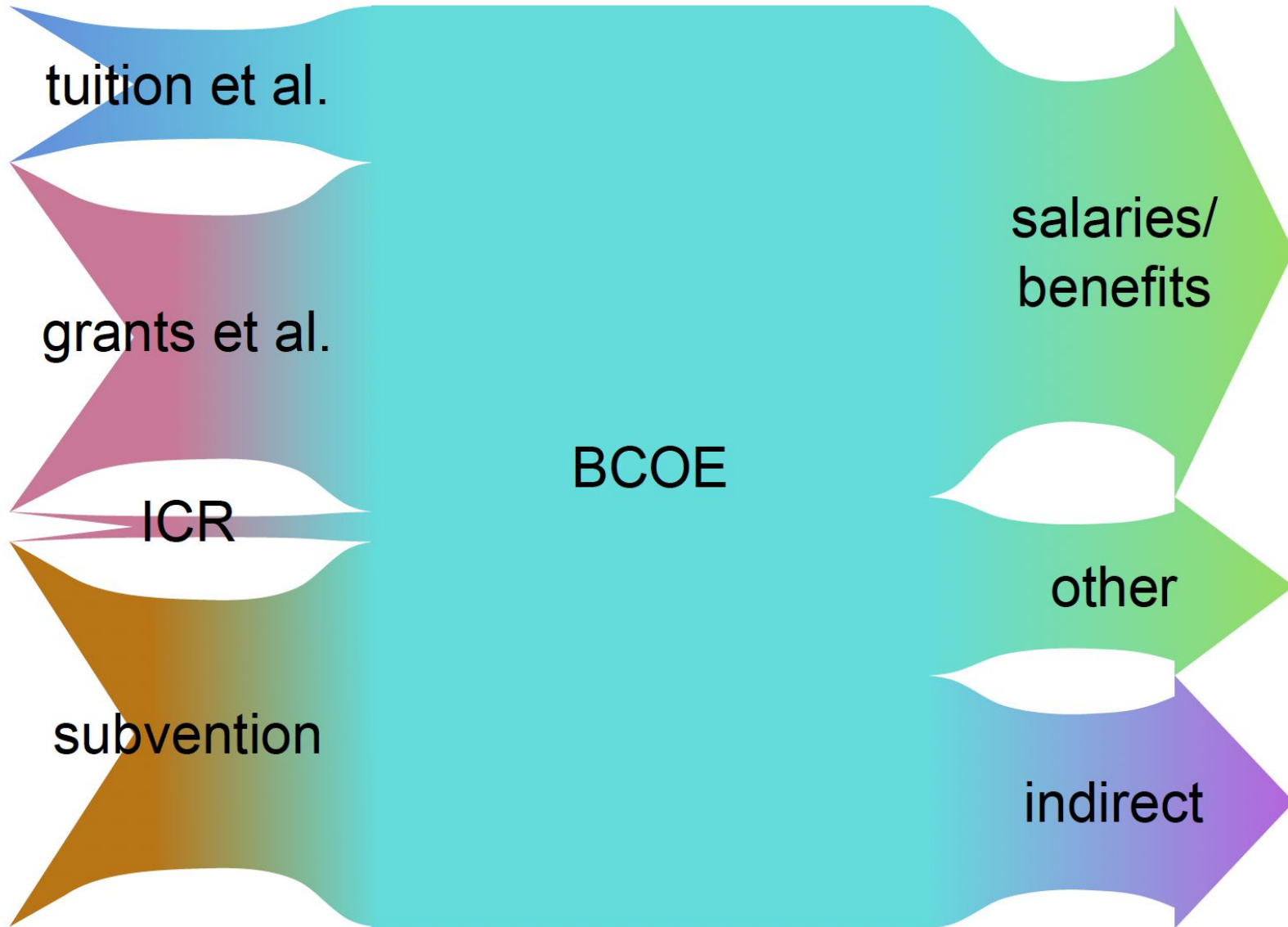
subvention

BCOE

salaries/
benefits

other

indirect



Governance



Ambrogio Lorenzetti, "Effects of Good Government on the City Life" (detail, 1338-1340)

“The colleges/schools are given the full power to manage their budget and make decisions around their budget.”

“Central Administration... has been passing off more and more duties to colleges without any funds also flowing to be able to manage these tasks.”

“I am not aware of any efforts to provide transparency and accountability in the way units have used their budget allocations.”

“[The budget model] represents misguided efforts to mechanize good decisions through manipulation of incentives, which is very likely to turn bad.”

“Creates a hunger games situation where each unit is fighting every other unit desperately for scraps.”

Recommendations:

- Set campus-wide strategic goals and shape the budget/ budget model to support those goals.
- Establish a standard expectation and culture of budget transparency from departments, schools/colleges and central administration.
- Create a website with easily readable financial information. Achieve a level of transparency on par with peer UC campuses, or better.
- Build up Faculty Executive Committees' capacity to play an active role in shared governance around schools' and colleges' budgets.

The Common Good



Ambrogio Lorenzetti, "Effects of Good Government on the Countryside" (detail, 1338-1340)

“[The budget model] leads the campus to under-invest in common goods such as Grad Division, the library etc.”

“If the budget model is decentralized, how are campus-level strategic decisions implemented?”

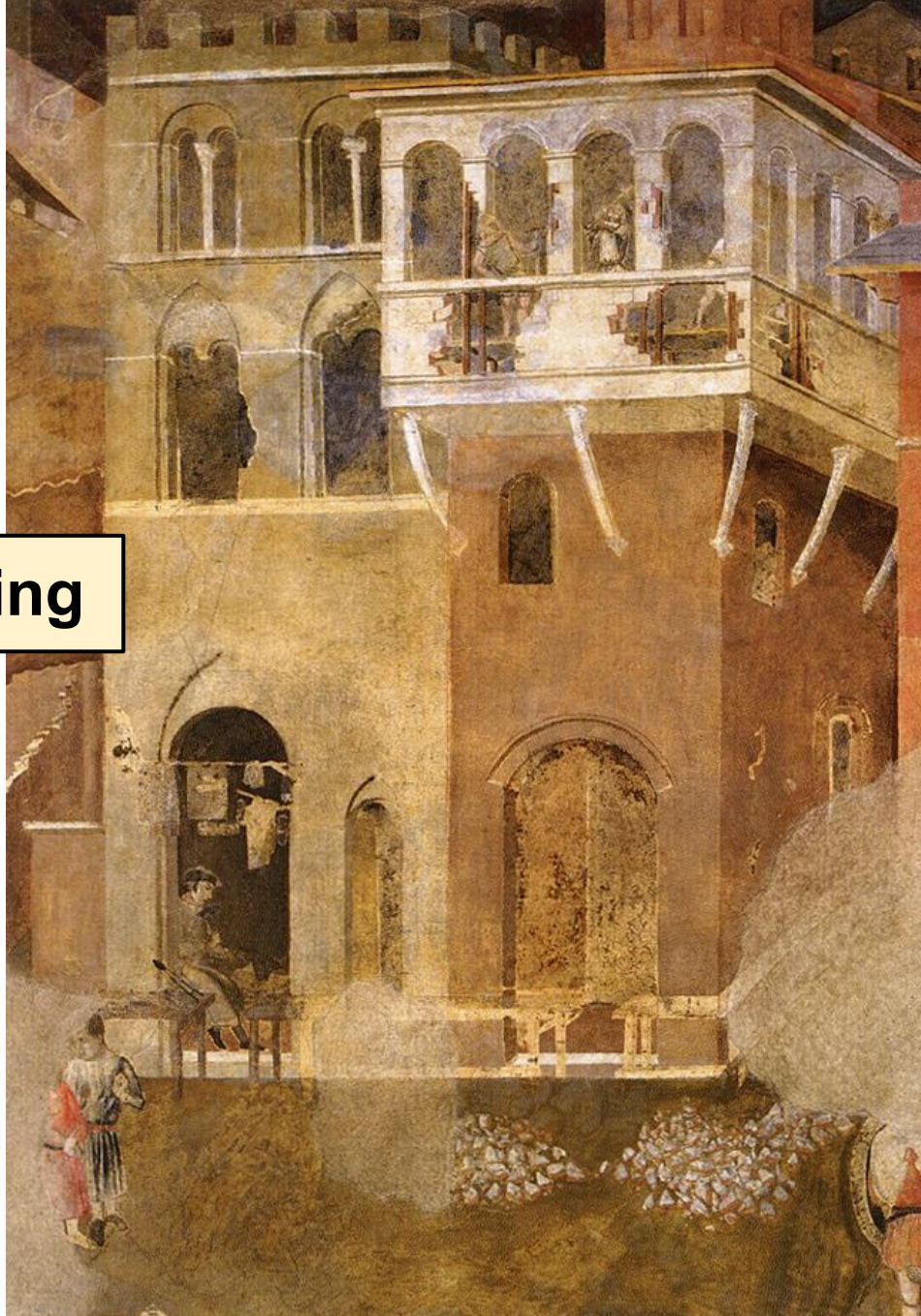
“Diversity initiatives and interdisciplinary graduate programs ...are two areas that would directly benefit the university but that I have seen fall apart because of the lack of centralized funding to support [them] across units.”

“This budget model is a hindrance to interdepartmental and especially inter-college efforts, particularly for new efforts in sustainability.”

Recommendations:

- Build up a central Strategic Investment Fund for staff, research and PhD growth. Set campus-wide strategic priorities for areas of investment.
- Return responsibility for a portion of faculty recruitment and retention costs to central administration, in line with campus-wide strategic goals.
- Incentivize interdisciplinary initiatives.

PhD Funding



Ambrogio Lorenzetti, "Effects of Bad Government on the City Life" (detail, 1338-1340)

“My main concern with the budget model is that it doesn't provide any source of funding for graduate students, which seems a critical oversight for an R1 institution.”

“TA resources are diminishing. UG admissions are going up. Funding for Ph.D. students is not keeping up with increase in cost of living.”

“Our [PhD] students have the most abysmal funding and it hurts us continuously.”

“There is now more emphasis on undergraduate enrollment and masters programs because they generate the highest revenue.”

Recommendations:

- Coordinate decision making on undergraduate enrollment, projected TA needs and first-year graduate funding.
- Create a graduate funding model that incentivizes schools/colleges to support both Masters and PhD students.
- Increase first-year stipends and DYP/ out-year funding for existing PhD enrollment prior to any PhD enrollment increase.
- Establish multi-year guarantees.
- Pursue acquisition of family and graduate housing stock.

Growth and sustainability



Ambrogio Lorenzetti, "Effects of Good Government on the City Life" (detail, 1338-1340)

“[The budget model] has made the funding allocation to colleges more in line with enrollment numbers.”

“The cost of educating our current enrollment of undergraduates is not being adequately covered by central campus.”

“How does the university plan to address the growth trap? Since only a small part of the college budget is tied to enrollment, expanding students within the college puts a squeeze on funding per student.”

“[In] recent faculty recruitments, ...strong research areas are passed over for other areas that will increase undergrad enrollment.”

Recommendations:

- Plan how to replace declining state revenue in a way that is consistent with UCR values.
- Invest in Summer Session.
- Create a plan to achieve greater budgetary stability and predictability (e.g., allocating enrollment-based funding on a rolling two-year average).
- Report on the actual cost of educating an UG student vs. enrollment revenue, and adjust policy accordingly.

What is your experience of the budget model?

Planning & Budget is seeking faculty feedback to include in our annual report.