Campus Budget Overview

Winter Quarter 2010
Kelly Ratliff
Chris Carter
Budget and Institutional Analysis
Campus Facts: UC Davis Sources of Funds

2008-09
Campus Revenue by Fund Source
Totaling $2.8 Billion

- Medical Center 38%
- State 17%
- Student Fees 13%
- Services/Auxiliaries 13%
- Federal 12%
- Private/Local 7%

2008-09
Campus Revenue by Fund Source
Totaling $1.7 Billion (excluding medical center)

- State 28%
- Student Fees 20%
- Services/Auxiliaries 20%
- Federal 20%
- Private/Local 12%

- The instructional mission is supported largely with state and student fee funds.
- Many UC funds are restricted.
  - Federal funds primarily fund research.
  - Services and auxiliaries include student housing, parking, clinical activities and others.
  - Private and local funds are usually restricted to specific programs or research activities.
Over 81% of campus resources invested in personnel
- Salaries total over $1 billion
  - Academic salaries $540 million
  - Staff salaries $511 million
  - Senior Management $7 million
- Employer benefit contributions total over $285 million
  - Costs are rising (health care, retirement system contributions)

All other expenses total 19%
- Supplies and equipment $229 million
- Financial aid $51 million
- Utilities $37 million
Budget Facts: State is an Unreliable Partner

- State is largest funding source
  - $543,000 in 2000-01 (45% of total)
  - $476,000 in 2008-09 (28% of total)

- State funding has declined during a period of growth.
  - Undergraduate enrollment +19%
  - Graduate enrollment +30%
  - Faculty, research, space +15-50%

- Cost of educating students declining.
  - Total cost decreased from $20,492 to $15,817 (23%)

- Proportional shares have reversed.
  - State share almost cut in half
  - Student share almost doubled
Budget Process: Timeline

- Regents Budget Request (November)
- Legislative and Governor Final State Budget Act (July?)
- Governor's Budget Proposal (January)
- Governor's May Revision (mid-May)
- Legislative Committees Advocacy (Spring)
## Campus Budget: What? Who?

<table>
<thead>
<tr>
<th>Activity</th>
<th>Other roles, processes</th>
</tr>
</thead>
</table>
| State General Funds                          | • State Budget Act (state to UC)  
                           • President Yudof (UC to campus)  
                           • Chancellor/Provost (campus to dean/vc)  
                           • Dean/Vice Chancellor (VC) to departments |
| Mandatory Student Fees (educational fee, registration fees, professional degree fees, non-resident tuition) | • Regents set student fee and return-to-aid amounts  
                           • UC President allocates student fees to campuses  
                           • Chancellor allocates ed fees, reg fees, non-resident tuition  
                           • Deans allocate professional degree fees |
| Other student fees (referenda, safety, courses) | • Chancellor approves (following student vote for referenda)  
                           • Fees directly allocated/managed by programs |
| Staff and faculty salary, health benefits    | • President decides what increases will be provide and how costs will be split between employee and employer  
                           • Collective bargaining or campus processes (usually at department level) determine individual salaries |
| Budget reductions or allocations             | • Chancellor/Provost assigns to dean/vc  
                           • Dean/VC implements reduction plan for review by Chancellor/Provost |
| UC Retirement System                         | • Regents set retirement system policy and contributions |
Capital Budget: Frequently Asked Questions

Why does the University Continue to Build?
• **Address critical programmatic needs.**
  – Critical fire and life safety needs
  – Catch-up past growth
  – Enable revenue generation or reduce operating costs (e.g., energy, leases)
• **Some fund sources restricted to capital projects.**
• **Costs to suspend or cancel need to be considered.**

Did the University Use Student Fees to Secure Debt Financing?
• **University borrowing takes into account all funds to ensure best possible financing terms.**
• **Actual repayment tied to specific program.**
  – Each individual capital project approval names the funding source
Campus Budget: Information Sources

• Budget News
  Campus, UC system, state budget information
  – budgetnews.ucdavis.edu

• Data, analysis, reports
  – facts.ucdavis.edu/ Campus Facts
  – budget.ucdavis.edu Campus Budget Office

• Advocacy
  – www.ucforcalifornia.org

• Annual financial schedules and reports
  – www.universityofcalifornia.edu/reportingtransparency/