

Academic Affairs Fiscal Contacts Meeting

February 19, 2013

Budget and Financial Updates

- » Budget
 - Balancing Staffing
 - Self-Supporting Activities
 - UC PATH
 - Negotiated Salary Plan
 - Grad Student Growth Initiative

Budget Update

▶ 12/13 Budget

- Academic Affairs will receive funding to cover all salary increases and benefits increases
- Maintain status quo otherwise

▶ 13/14 Budget Outlook

- State does not support increases in student tuition
- Indirect cost recovery not expected to increase significantly
- Primary revenue sources may be state funds and non-resident supplemental tuition
- Any new budget model will likely depend on outcomes of the strategic planning process

Budget/Staffing

- ▶ Campus Budget Office and ACT are working together to auto-fund staff salary increases by March ledger
- ▶ Biweekly conversion created several rounding errors in staffing
 - Academic Affairs will process transfers for these in February
- ▶ New staffing contacts in Academic Affairs
 - Sub-1: Hang Phung, hphung@ucsd.edu, x49089
 - Sub-0: Denise Christensen, dechristensen@ucsd.edu, x20443

Funding for Benefits & General Liability

- ▶ In 12/13, Academic Affairs is allocating funding for benefits costs on 19900A and 20095A in instructional and academic support programs, based on actual costs
- ▶ ORA is managing benefits funding for ORUs and research administration units
- ▶ Allocations for benefits continues to be made on a monthly basis, one month in arrears

Funding for Benefits & General Liability (cont.)

- ▶ Funding is allocated for benefits costs for all permanently budgeted staff positions
- ▶ Funding is allocated for benefits costs for all academic instructional faculty (ladder-rank titles, temporary lecturers, TAs, readers, tutors – both sub-0 and sub-2)
- ▶ This process is likely to continue thru 13/14
- ▶ Use of general liabilities pool is still under review (auto-funded for 19900A, transfers one month in arrears for 20095A)

Self-Supporting Activities: Process for Approvals

- ▶ Financial Analysis Office and General Accounting are working to improve process
- ▶ Evaluating purpose of recharge rate review committee
- ▶ Planned improvement of Blink pages for approval process
- ▶ Academic Affairs will review and endorse all requests for new activities and rate change requests submitted by its units, prior to approval by Committee
- ▶ Request your feedback on process (send to kfarrelly@ucsd.edu & dechristensen@ucsd.edu)

UC PATH Update

- ▶ Go-live date for Wave 1 campuses postponed from July 2013 to April 2014
- ▶ New timelines for Wave 1 campuses being determined
- ▶ New go-live date for Wave 2 and Wave 3 campuses now being determined

UC PATH Activities

- ▶ Conversion to biweekly pay cycles for non-exempt employees by Jan 31, 2013
- ▶ Discussion of composite benefits rates – using one rate for a group of titles
- ▶ Standardization/consolidation of title codes
- ▶ Standardization of account codes
- ▶ Standardization of campus HR and payroll processes
- ▶ Review of HR processes in Academic Affairs

Proposed Negotiated Salary Plan for Faculty

- ▶ UC system lags behind many of its peer institutions in faculty compensation, and the state budget difficulties have increased the University's vulnerability
- ▶ To prevent the loss of faculty to competing offers from other universities and to recruit outstanding new faculty, the university has proposed a negotiated salary plan for faculty
- ▶ UCSD will participate in a pilot program, pending final approval by the Academic Senate

Negotiated Salary Plan (cont.)

- ▶ Similar to the Health Sciences Compensation Plan, the NSP allows Senate faculty to negotiate an increment to their salary when appropriate external funding is available
- ▶ Appropriate funds include endowment or gift income, professional degree fees, self-supporting degree fees, royalties, licensing fees, and contract and grant support
- ▶ Use of state funds or student tuition funds is not allowed

Negotiated Salary Plan (cont.)

- ▶ Faculty negotiate with department chairs
 - Faculty must meet good standing criteria
 - Faculty must continue teaching, research, and service commitments
- ▶ Departments confirm funding available for negotiated salary
- ▶ Deans review and endorse requests
- ▶ CAP reviews requests and make recommendation to EVC
- ▶ EVC has final approval

Negotiated Salary Plan (cont.)

- ▶ Planned implementation in 13/14
- ▶ Expect final Academic Senate approval of program in early March
- ▶ Currently developing request form and salary worksheet for department use
- ▶ Developing web-based tool for use in 14/15
- ▶ Will hold divisional/departmental information sessions as needed
- ▶ Developing PPS templates

Graduate Student Growth & Excellence Initiative

- ▶ Growth in the UCSD PhD program and continuous improvement in the overall quality of the graduate programs is a key priority for the campus and aligned with strategic goals
- ▶ Inadequate funding to support the recruitment and retention of excellent PhD candidates is a key reason the PhD population is lower than competitive schools.
- ▶ The Graduate Student Growth and Excellence Initiative is being sponsored by the Chancellor and the EVC/OGS to provide new resources to departments that will increase the competitiveness of all PhD programs at UCSD.

Graduate Student Growth & Excellence Initiative (cont.)

- ▶ Funding for this program will come from fee revenue paid by and for PhD students as an investment in the continuous improvement of the PhD programs at UCSD.
- ▶ Departments will be allocated funding annually in addition to existing core support of graduate students (e.g. Block Grant and TA funding) that will allow for new and competitive support packages to the best candidates
- ▶ Allocations will be based on enrollments and Departments will be able to predict their allocation to most effectively plan their recruitment strategy and support offers to incoming PhD students.

Graduate Student Growth & Excellence Initiative (cont.)

- ▶ The Chancellor and EVC have committed a base of \$5.7M for this program in 2013/14. This commitment will grow to \$9.8M by 2015/16 and will be augmented with new funding as the impacts of this program result in increased PhD enrollments.
- ▶ Allocations will grow beyond this base depending on the overall growth in the PhD programs, dependent on the growth of fee revenue.

Graduate Student Growth & Excellence Initiative (cont.)

- ▶ In the Fall of 2013, allocations will be committed to Departments equal to the Non Resident Supplemental Tuition (NRST) revenue generated by their program's 1st year PhD students.
- ▶ Starting in the Fall of 2014, the allocation will be equal to the NRST revenue generated by the program's 1st and 2nd year PhD students.
- ▶ Starting in the Fall of 2015 and then in subsequent years, the allocation will be equal to the NRST revenue generated by the program's 1st, 2nd, and 3rd year PhD students.

Graduate Student Growth & Excellence Initiative (cont.)

- ▶ Departments will be provided information regarding total NRST revenue generated and GSRTF paid from sponsored funding, as well as a minimum amount of the funding that must be allocated to faculty who have paid fees from their grants.
- ▶ Department Chairs will consult with faculty to determine their department's policy on the allocation of funds to specific faculty who have supported PhD students on grants.

Graduate Student Growth & Excellence Initiative (cont.)

- ▶ Funding under this program is restricted to use that directly supports PhD students, primarily stipend and fee support.
- ▶ Funds may not be used to support administration or other infrastructure costs of departments
- ▶ The fee mitigation program sponsored by the Chancellor starting in 2011/12 will be eliminated in anticipation of this initiative.
- ▶ The current non-resident growth incentive program will be modified to eliminate the incentive related to PhD students but will continue for growth in the NR Master's programs.

Graduate Student Growth & Excellence Initiative (cont.)

- ▶ The outcomes expected include measurable increases in quality but may vary by department. Increased levels of support packages, increased numbers of first year students, and measures of quality yield increases will be determined and measured annually.
- ▶ Processes to report these outcomes annually will be determined in consultation with the Deans and Department Chairs. During the third year of the program discussions will occur with departments who have not demonstrated positive outcomes in their PhD programs. These discussions may result in some change to the commitment made under this program.

Graduate Student Growth & Excellence Initiative (cont.)

- ▶ First allocation of graduate funding will be made by December 2013 based on fall quarter statistics
 - ▶ Additional allocations will be made quarterly
 - ▶ Allocations will be based on student home department/program
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