



FY2020-2021 Budget Summary Data

Send Feedback to budgetadvisory@ucr.edu

Online Survey: [Budget Reduction Survey](#)

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Budget Reduction Planning Process – FY21 Budget and Potentially Beyond

1. Use the UCR Values and Priorities to Drive the Direction and Decisions on Budget Reductions (see attached)
2. The BAC will make recommendations to the Provost and Chancellor regarding budget challenges associated with responses to the COVID-19 crisis, with specific focus on the Core budget.
3. It would be important for the BAC to develop recommendations for consideration, which may include the following:
 - a. Provide recommendations for the structure and allocation of any budget response targets to reductions in budgets.
 - b. Gather input for recommendations on what UCR might do differently/eliminate/reduce/expand/create going forward to meet the values and goals established. This would be a particularly important issue to consider and focus on.
4. Some BAC meetings would focus on internal discussions of specific matters, but some may be focused on gathering input. Share the UCR Values and Priorities document and get input on plans/actions the BAC should consider when making recommendations. Consistent with past practices, BAC members will rotate to host/facilitate these discussions to help assure a thorough and complete discussion. Some of the potential targets for input could include the following (in addition to regular updates with existing groups, like CFAO's, etc.):
 - a. Planning and Budget Committee (note our comment from the next page about working very closely with this group on a regular basis, sharing thoughts and ideas, although we recognize they will submit their own report and set of recommendations)
 - b. Deans
 - c. Represented Staff
 - d. Staff Assembly
 - e. UG and Graduate Student leadership
 - f. Other members of Chancellor's Cabinet not on the BAC
 - g. Town Hall Meetings (more than one) open for campus input
 - h. An email address (budgetadvisory@ucr.edu already exists) to receive feedback for BAC discussion
 - i. A qualtrics survey to gather input

The goal would be to complete the initial round of input, at least, by the end of July.

5. Review and provide a recommendation on all budget responses to the COVID-19, to include all funding sources (state, tuition, student fees, CARES funds, FEMA, etc.).

Note: BAC may Review the materials from last Budget Reduction process for any insights and provide this information broadly to the campus, so they would have it prior to providing their input.

UCR Values and Priorities to Drive Directions and Decisions on Potential Budget Reductions

Note: These are overall guidelines/principles for campus decisions, but the focus for budget reduction recommendations would likely be on the Core budget. Each auxiliary/self-supporting budget would need to adjust appropriately to their specific circumstance. It is assumed this document will initiate discussions on how to handle the budget challenges and it will evolve over time as needed to support the overall best interests of the university.

Background:

Our basic assumption is that UCOP will provide guidance on labor/staffing/employee salary and benefit issues (e.g. FY21 planned salary increases; general salary reductions; furloughs; layoffs; etc.) to reduce expenses, but that there is a need above and beyond that to balance the UCR FY21 budget with “permanent” base budget reductions. This document will be developed as a recommendation to the Provost and Chancellor as to how to manage a budget reduction process for the campus, and there will be collaboration with Deans and Vice Chancellors throughout. We also assume that a close working relationship with the Senate Planning and Budget Committee would be important as we move through these economic challenges.

Past Practices for UCR in Budget Reductions.

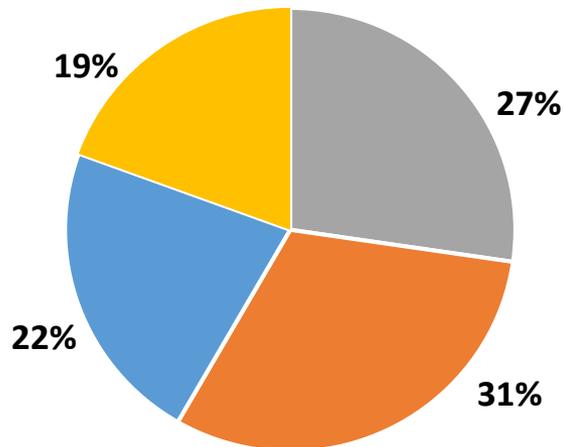
This information is provided as background and input for the review of a campus process for budget reductions, and specifics of how UCR has handled base budget reductions in the past. The most recent budget reduction occurred in FY10 through FY12. These past methods for budget reduction approaches should be discussed in case there is interest in applying any of them to the upcoming budget challenge. In the past the campus has looked at the core budget of units and then taken out the salary and benefits for filled faculty positions, utility costs and library materials, assuming those could not really be part of a cut target, and then looked at cut targets after these adjustments (there is some interest in looking at other potential set-asides and the BAC will review options in this regard). Note: in the past on-going commitments (de facto base) funded by the campus have been added into unit base budgets for reduction scenario planning. Additionally, core funds have included professional school supplemental tuition as these fees have historically been increased to offset State funding reductions. Additionally, funding related to tuition increases approved by the Regents, after netting required financial aid set-asides has been used to reduce reductions applied to the units.

DRAFT Principles and Values to Drive Budget Challenges:

UCR is a highly diverse world class teaching and research institution and has programs and activities that will need to be protected through this financial downturn. Reductions should be strategic and focused on preserving what makes UCR special and different from other Higher Education institutions, specifically those in California, and in alignment to the values of the campus's strategic plan. Additionally, the focus needs to include undergraduate student success, world class research, graduate training, and the integration of research in the delivery of instruction to undergraduates through peer teaching (graduate student TA's) and undergraduate research opportunities and our success in promoting upward social mobility for our students. It is important that the strategy of the budget cuts should be one where UCR emerges with our research mission as intact as possible

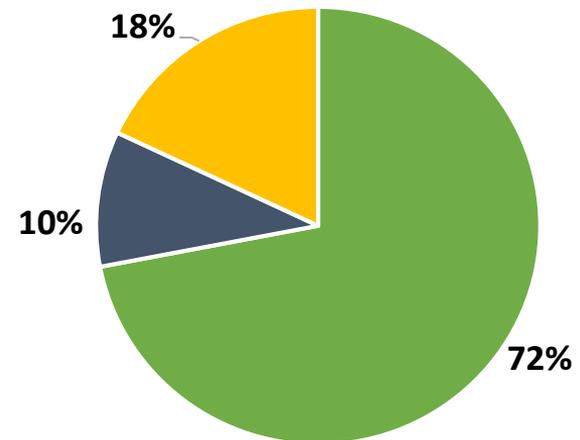
1. It is assumed that the campus would not have uniform across the board core budget reductions. However, there will need to be shared sacrifices across the campus.
2. It will be important to understand all the budget adjustment proposals in context, as there are important interrelationships between adjustments in one unit that may have significant impacts in other units. For example service providers eliminating activities/moving them to recharge, academic units limiting service courses, reductions in TA budgets may increase faculty workload in courses/course sizes, etc. The BAC would assume some level of presentation of the core budget reduction plan would be provided to them so as to understand the impacts of the proposals on other units and overall campus operations.
3. Focus on efficiencies that would reduce campus or unit costs, including eliminating, merging and sharing activities across the campus. Each unit should work to identify such opportunities.
4. Consider sunseting initiatives that are not self-sufficient and have not lived up to their initial promise. While there are many important programs and services offered on campus, not all can be at the same high a priority level when compared other campus programs and services. Campus wide and unit specific processes will need to be developed to identify these reductions and obtain input before making hard decisions.
5. This will be the first time the campus will implement budget reductions under the new campus budget model. We will need to look closely at what is incentivized in the current budget system and whether this will help us meet our campus strategic goals.
6. Data shows that staffing levels are already very low at UCR (on average, and this does not apply to each program/unit), compared to other institutions. Balancing the budget through administrative cuts alone could produce an untenable outcome with too few people left to perform necessary functions in some areas. It will be important to consider these staffing facts when developing our plans and recommendations.

All Revenue: ~\$975M (FY 19)



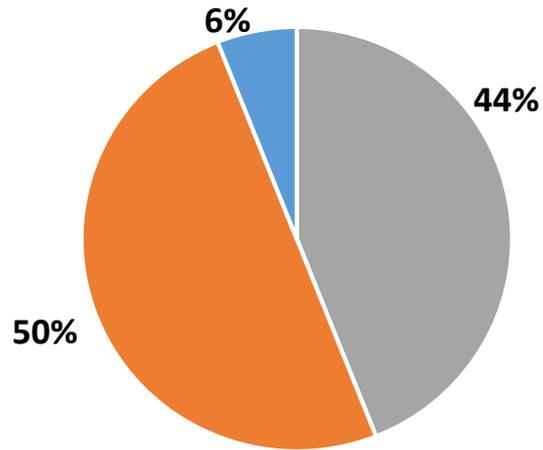
- CA State General Funds (State & UC)
- Student Tuition and Fees
- Grants & Contracts (includes Pell)
- Auxiliary/Other

All Expenditures: ~\$975M (FY 19)



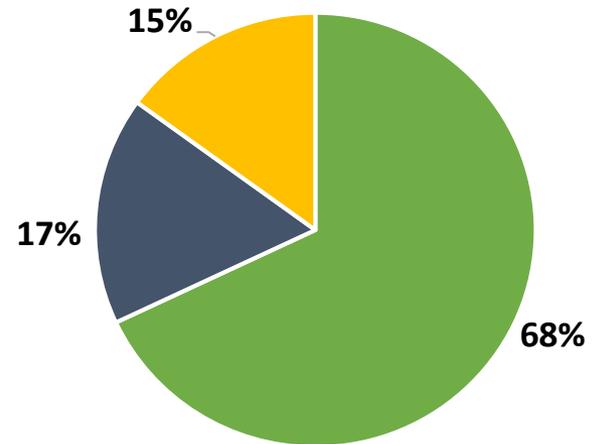
- Total Salaries and Benefits
- Financial Aid
- Other Expenses

Core Revenue: ~\$575M (FY 19)



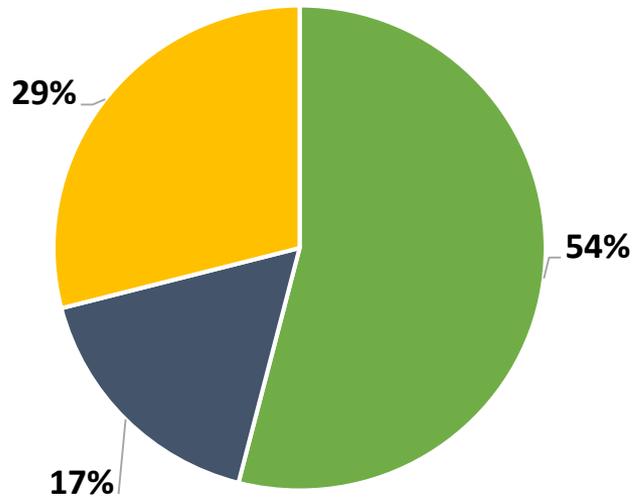
- CA State General Funds (State & UC)
- Student Tuition and Fees
- Non-Resident Student Supplemental Tuition

Core Expenditures: ~\$575M (FY 19)



- Total Salaries and Benefits
- Financial Aid
- Other Expenses

Core Expenditures: ~\$575M (FY 19)



■ Academic Units ■ Financial Aid ■ Non-Academic Units

Academic Units

- Colleges and Schools
- Graduate Division
- Undergraduate Education
- University Library
- Research & Economic Development
- Academic Senate

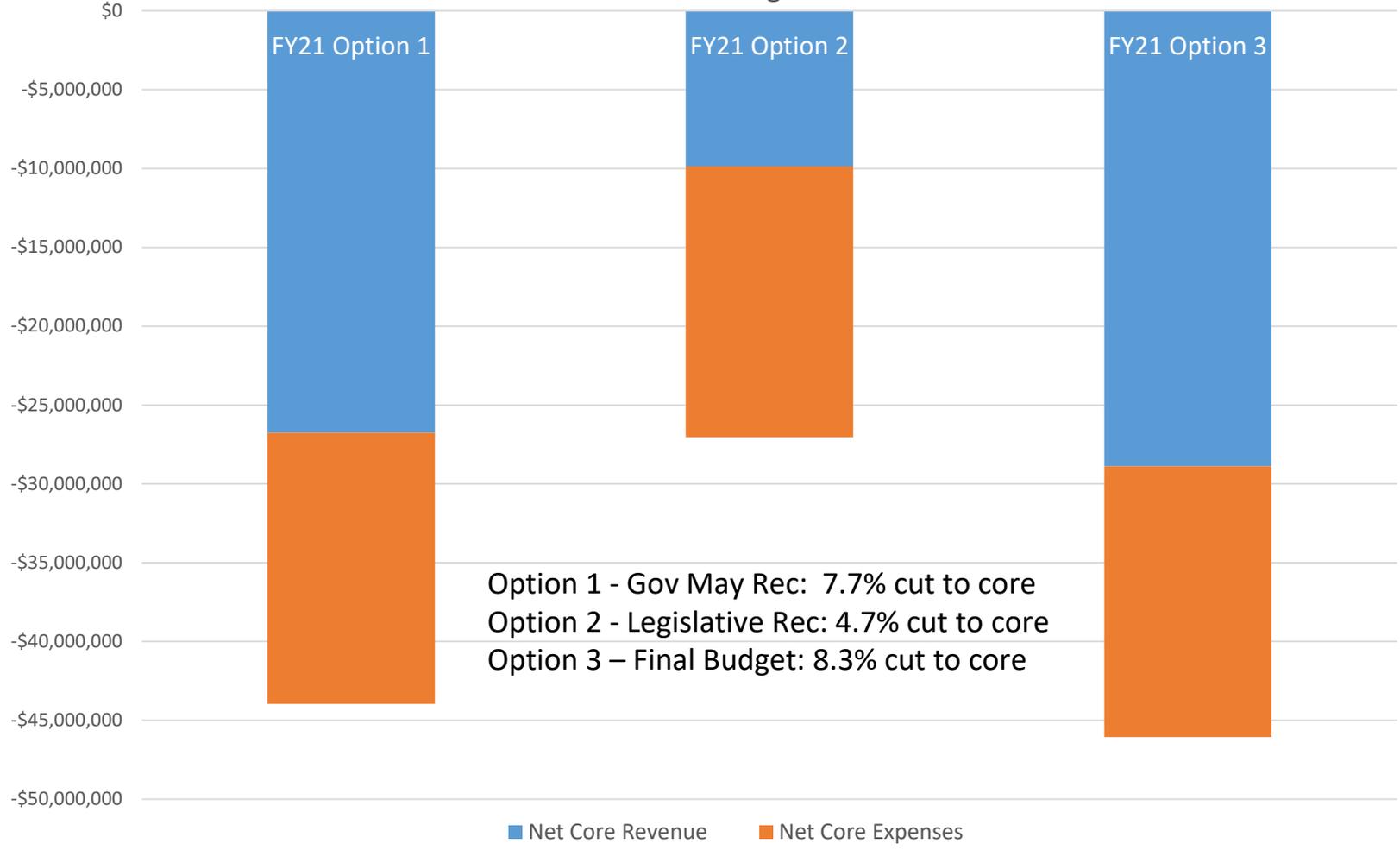
Non-Academic Units

- Chancellor, Provost
- ITS, PB&A, FPDC
- Student Affairs, Enrollment Services
- Athletics, Palm Desert
- University Advancement

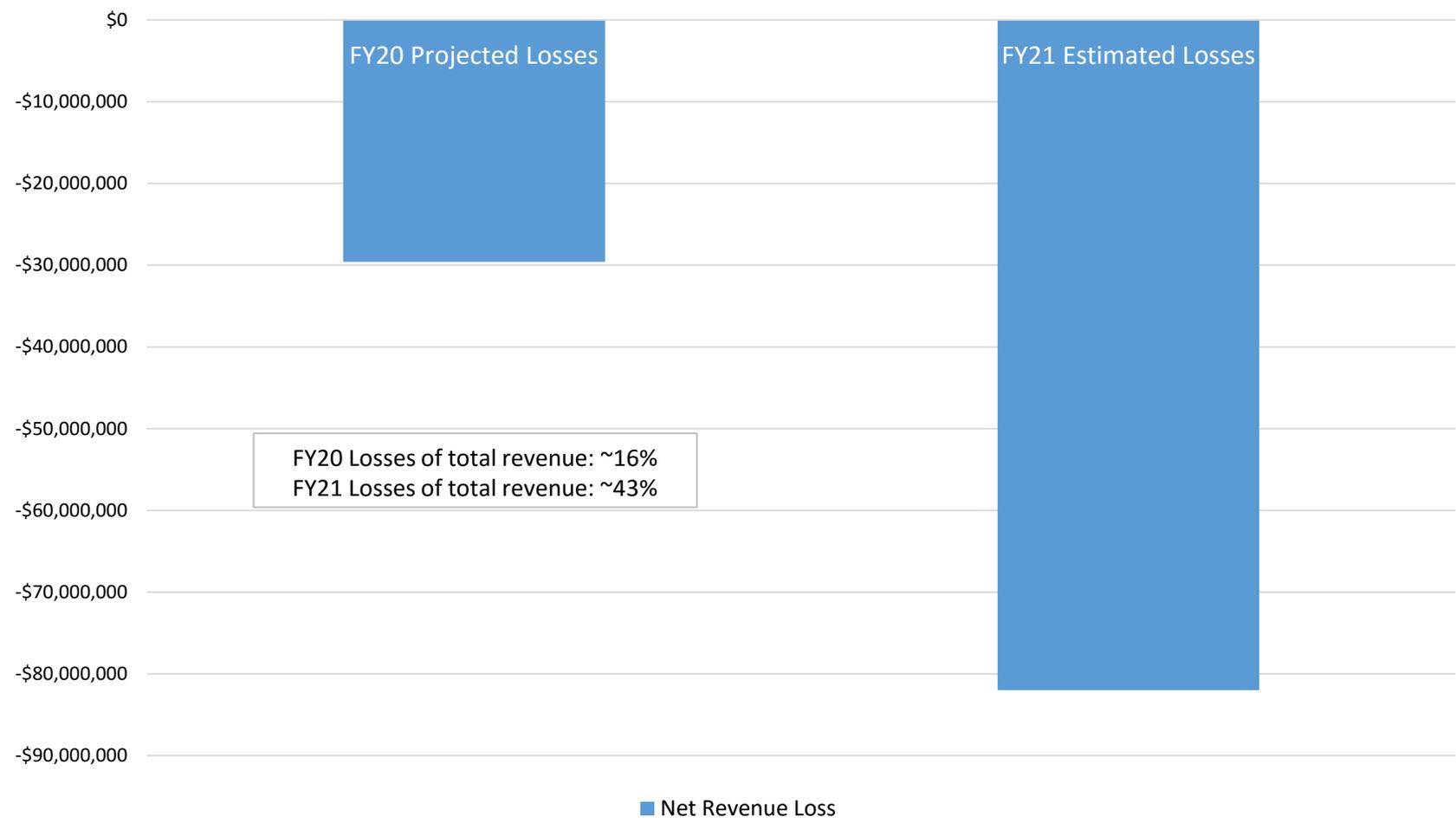
UCR Operating Budget



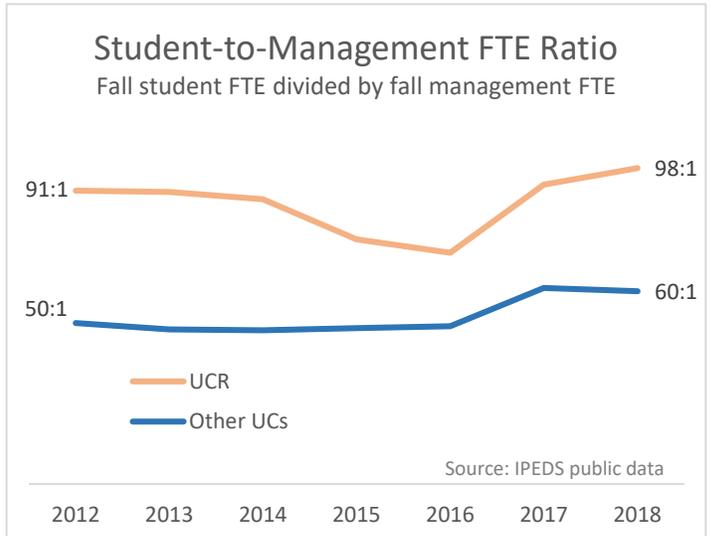
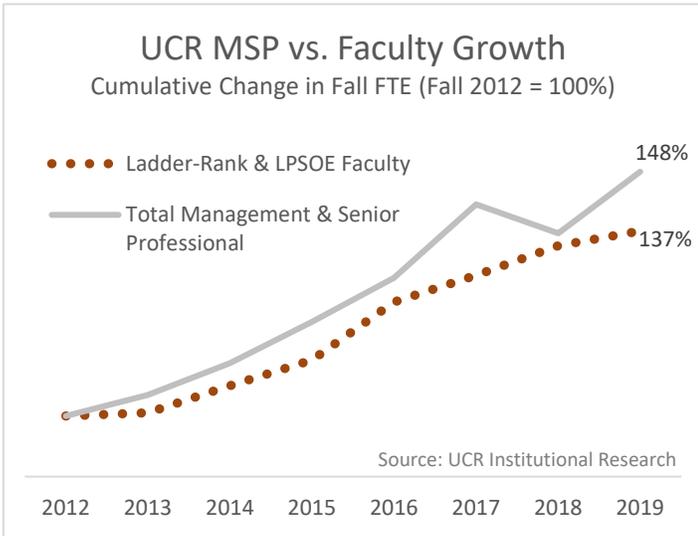
FY21 UCR Core Budget Models



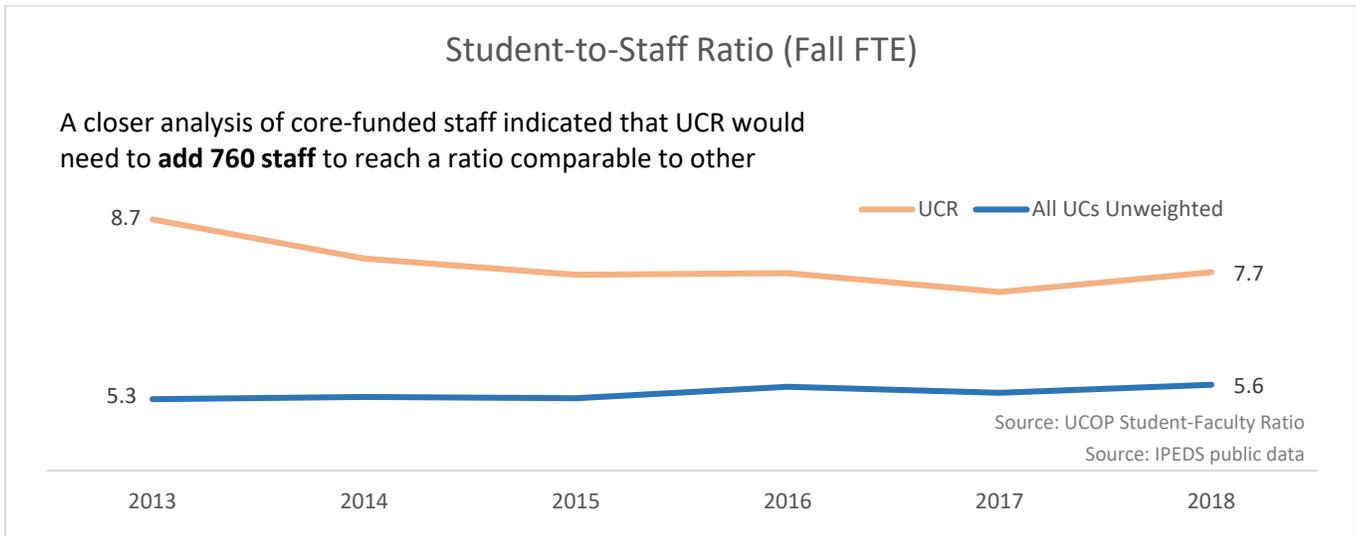
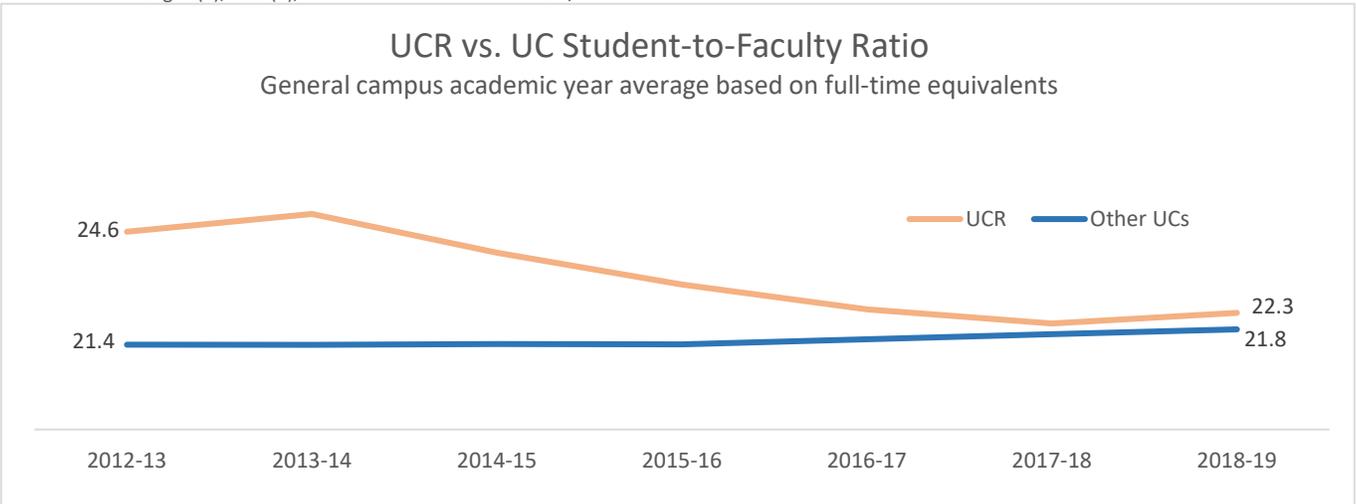
Net Revenue Impacts to Auxiliary/Self-Supporting Operations (Non-core)



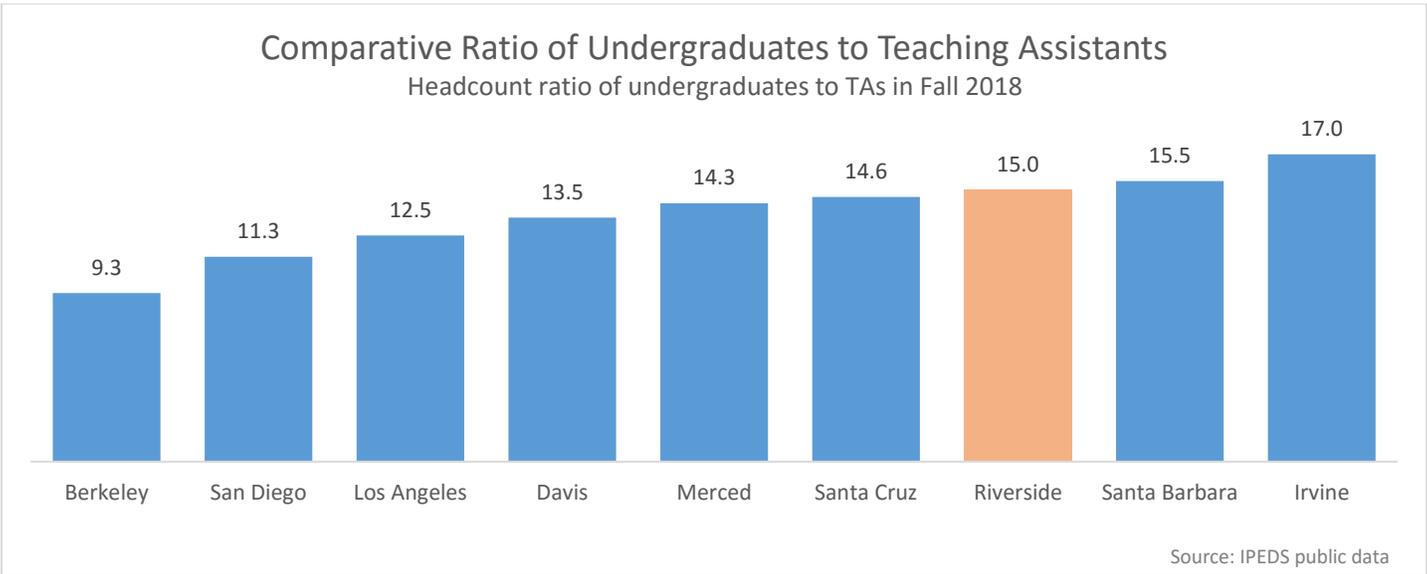
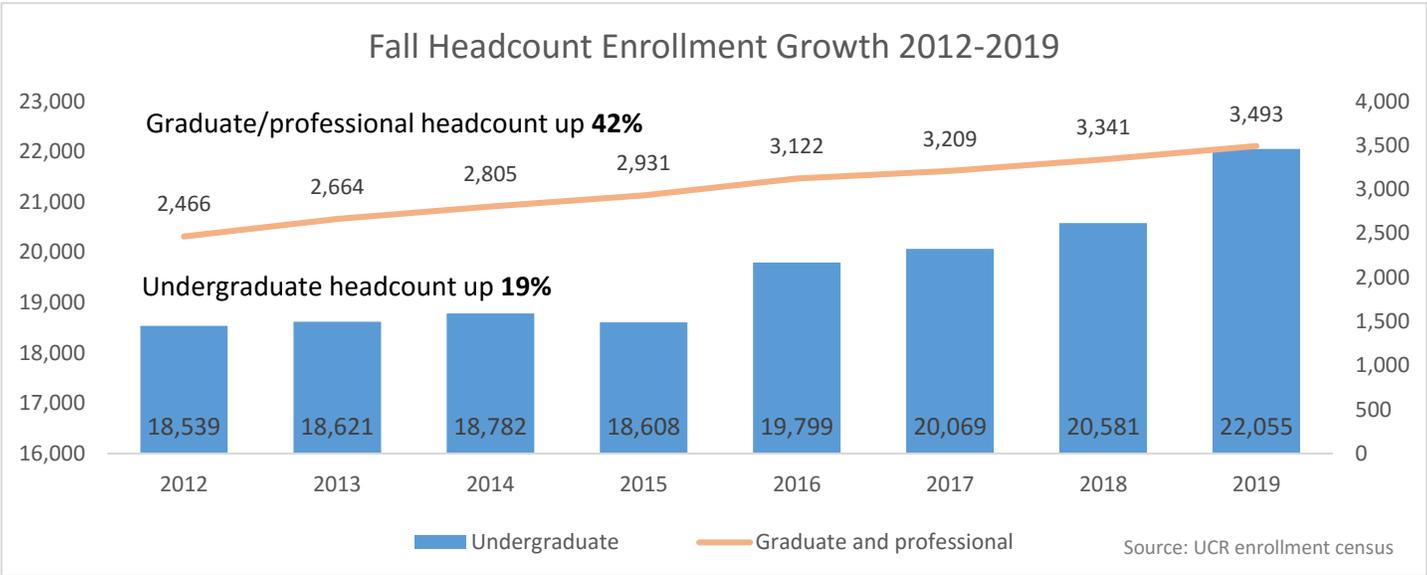
UCR Faculty, Staff, and Enrollment Trends



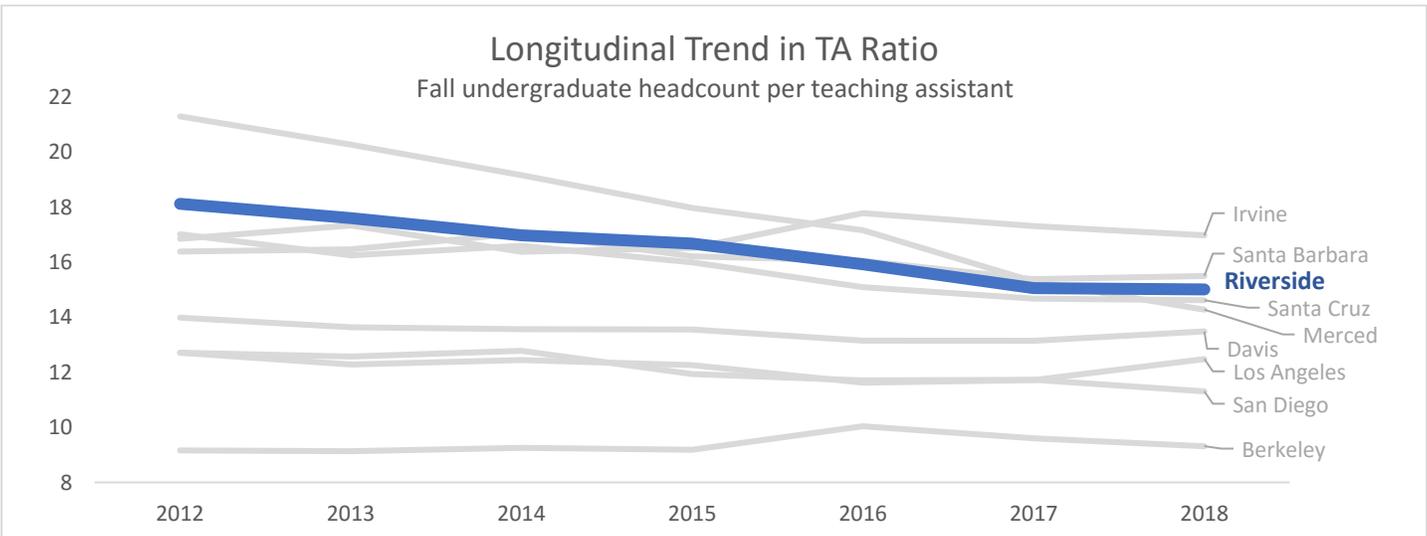
UCR MSP growth to 369 was driven by reclassification of current positions (35 due to career tracks implementation); SOM establishment (14); ITS (15) and Advancement (13), other school and colleges (7), RED (6), and 30 distributed across units/title codes.



Source: UCR enrollment census
Source: IPEDS public data



Undergraduates are FTE (full-time equivalents) and TAs are Headcount which is consistent with the reporting across all UC's.



UC RIVERSIDE REDUCTIONS NOTES FROM FY 08-09 THROUGH FY 12-13

Reduction History:

From FY 08/09, UCR received \$78,911,000 in Permanent Reductions in 6 separate State actions over a period of 5 years	\$	78,911,000
UCR's FY 08-09 Permanent State Budget was \$274,958,534	\$	274,958,534
The Permanent Reduction Represented ~ 29% of UCR's State Budget		29%

These Reductions were Partially Offset by the Following Additional Revenues:

	Amount	% of Reduction
Tuition Increases Totaling	\$ 32,482,000	41.16%
Additional Tuition Related to UG Enrollments Increases	\$ 4,843,000	6.14%
State Enrollment Growth Funding	\$ 8,320,000	10.54%
Total New Funding	\$ 45,645,000	57.84%

Net Reduction \$ 33,266,000 **12.10%** <---- to the state budget

During this Time Period, Academic Organizations took Reductions Totaling \$12,667,000 or 7.96% of their July 1, 2008 Core Budgets, with Reductions Ranging from 7% to 10.4%. \$ 12,667,000 7.96%

During this Time Period, Administrative and Support Organizations took Reductions Totaling \$22,805,000 or 20.94% of their July 1, 2008 Core Budgets, with Reductions Ranging from 13% to 37%. \$ 22,805,000 20.94%

Note: With all new funding was being used to offset reductions, while costs continued to rise and the campus had to identify other source to fund fixed cost increases including retirement, instructional cost increases, etc.

Recommendation of the Ad Hoc Committee on Credit Hour Weights

March 13, 2020

UCR, Delaware, and Hybrid UCR Weights Relative to CHASS For 5-Year Period 2014-15 – 2018-19

(Table 2 from the original report)

College	UCR Weights Relative to CHASS	Delaware Weights Relative to CHASS	Hybrid UCR Weights (Committee Recommendation)
BCOE	1.9	1.3	1.6
CHASS	1.0	1.0	1.0
CNAS	1.8	1.2	1.5
GSOE	1.7	1.3	1.5
Business	0.8	1.0	0.9
SPP	0.8	1.0	0.9