Office of the President

TO MEMBERS OF THE COMMITTEE ON LONG RANGE PLANNING:

<u>**DISCUSSION ITEM**</u>

For Meeting of January 20, 2015

STATUS REPORT ON RECOMMENDATIONS OF THE UC COMMISSION ON THE FUTURE

EXECUTIVE SUMMARY

In December 2010, the Regents endorsed the report (attached) of the UC Commission on the Future (COTF), co-chaired by then-Chair of the Board of Regents Russell Gould and President Mark Yudof. Formed to consider and chart possible directions for the University in the face of long-term State disinvestment and increasing external challenges to higher education, the Commission's work spanned the full range of UC's academic and administrative operations.

The fiscal context to which the Commission was responding was characterized by forces we recognize today: rising costs driven by mandatory increases in pension and health benefits; the need to fund continued excellence and address rising enrollment demand and a chronic shortage in the number of college graduates necessary to support California's economic growth; and steady deterioration in per-student funding from the State and in the share of the State's budget dedicated to UC. All of these challenges have deepened since the Commission completed its work. In 2011-12, UC received an additional cut of $750 million, leaving UC with a billion dollars less in State support than it received in 2007-08. Even with new funding under the Governor's multi-year funding plan, State support to the University remains nearly a half billion dollars less than it was before the fiscal crisis began.

The work of the Commission served as a blueprint to guide significant change in UC's operations over the past four years and helped the University weather the additional budget reductions that occurred after its work was complete. Consistent with, and guided by, recommendations and principles endorsed by the Commission on the Future,

- Time-to-degree for UC undergraduates continues to improve even as the proportion who are first-generation college students or from low-income families —factors known to be associated with slower time-to-degree — has grown. (Recommendation 1)

- UC continues to prioritize the enhancement of the community college transfer function, creating new major preparation pathways for our most popular programs and embarking on

     a complete redesign and upgrade of the ASSIST database that guides course articulation for all three of California's higher education segments. (Recommendations 2 and 3)

- Growth in new programs has slowed and campuses have eliminated some programs and consolidated others. (Recommendation 4)

- UC has continued to honor the Master Plan guarantee of access for all eligible undergraduates and to provide robust financial aid for undergraduates with financial need. (Recommendations 5 and 7)

- UC has significantly expanded the role of online education in a manner consistent with its mission, its commitment to academic excellence, and the academic interests of its students; UC online programs have been ranked the best in the nation. (Recommendation 6)

- UC has negotiated increases in federal indirect cost recovery rates and continues to explore new collaborations and opportunities in the areas of multi-campus research, doctoral and post-doctoral education, and training opportunities beyond academia (Recommendations 9-11)

- Significant operating efficiencies and new revenues have been created both systemwide and on individual campuses, saving hundreds of millions of dollars. (Recommendations 14-16)

- Major reforms have been implemented in the way funds are allocated and distributed between the Office of the President and the campuses. (Recommendation 17)

At the same time, progress in some areas has proven illusive or has brought new challenges. Desired growth in the proportion of community college transfers and graduate academic students has been affected by funding constraints in the community colleges as well as on UC campuses. Enrollment of nonresident undergraduates, identified as a potential growth area by the Commission, has indeed increased but the University must now grapple with new questions about how to ensure the "right" proportion of nonresidents across the nine undergraduate campuses. Reductions in federally financed research and stalled progress on efforts to increase federal support have muted efforts to seek increases in funding from non-State sources.

This item summarizes the current status of all twenty of the Commissions recommendations, identifying those whose implementation is essentially complete, those where the University has made substantial progress but more work remains, and those on which progress has been slow or stalled. As it demonstrates, despite continuing challenges, the University continues to move forward on implementing the COTF recommendations and to seek out new and innovate ways to achieve efficiencies while maintaining its commitment to provide the high quality instruction and research consistent with our status as the best public research university in the nation and the world.
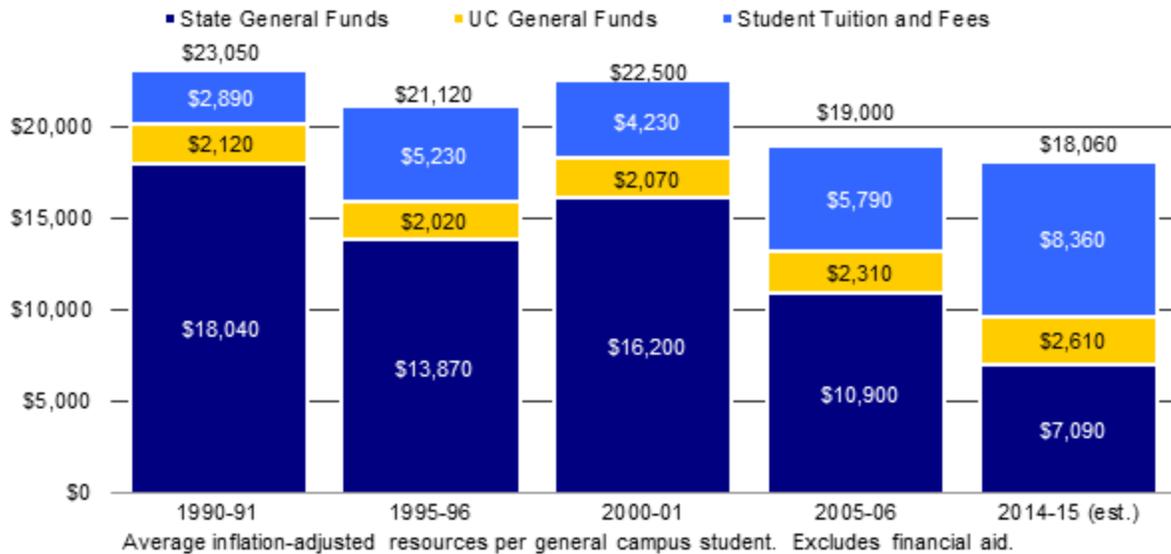
BACKGROUND

Fiscal Context for the Work of the Commission on the Future and Subsequent Implementation Efforts

In the fall of 2007, when the University developed its budget plan for 2008-09, the State's ongoing structural deficit was estimated to be about $6 billion. That projected deficit grew to about $14.5 billion by the time the Governor and the Legislature negotiated a final spending plan in September 2008. That budget provided UC with essentially flat funding compared to 2007-08. During the 2008-09 fiscal year, the State's fiscal situation deteriorated significantly, and the Governor convened a special session of the Legislature to deal with the State's growing fiscal crisis. By the summer of 2009, the Legislature adopted its third budget for 2008-09 (after the fiscal year had ended), as the State's budget deficit grew to an estimated $24 billion. Over the next several years, the State's fiscal situation continued to deteriorate and the University faced substantial additional cuts. After modest restoration of funding in 2010-11, UC was cut an additional $750 million in 2011-12, leaving the University with State support nearly a billion dollars less than it was in 2007-08, even while enrollment had increased by nearly 16,000 students. Though substantial, tuition increases (net of financial aid) over the following four years offset only about one-third of the combination of State cuts and increased mandatory costs faced by the University, including employer contributions to UC's retirement system.

Since 2012-13, the University has received modest increases in State support, including a deferred 2012-13 tuition buyout in 2013-14. In 2013-14 and 2014-15, the University received 5 percent base budget adjustments, which equate to about a 2 percent increase to the University's core educational budget, consistent with the Governor's proposed multi-year funding plan for the University. With limited new State funding and no tuition increases, the University has not had sufficient new funding to cover its basic mandatory and high priority costs. As a result, UC's average per-student cost for education has continued to decline (see Figure 1, below).

Figure 1. Per-Student Average Expenditures for Education (2013-14 Dollars)

Commission Organization and Areas of Focus

Recognizing that the University's fiscal situation called for serious and comprehensive action, then-Chair of the Board of Regents Russell Gould launched the UC Commission on the Future in July 2009. The Commission's goal was to shape a far-reaching vision to ensure excellence and access to UC in the future while addressing acute financial challenges resulting from the State's fiscal crisis. Co-chaired by Chairman Gould and then-President Yudof, the Commission was composed of members from across UC and outside of the University. Among those appointed to the Commission were Regents, Chancellors, Academic Senate leaders and faculty members, the Regents' staff advisor, the UC Student Association president, and representatives from California's labor and business sectors. In addition, the Commission conducted extensive public engagement, including listening sessions on every campus, several public hearings, and consideration of more than 700 comments submitted via a public website.

The Commission established topic-specific working groups to reach out to the entire UC community and invited an array of experts inside and outside the system to re-examine key questions, including:

- Education and Curriculum: What educational delivery models will both maintain quality and improve efficiency for the University's future?

- Access and Affordability: How can UC best meet the needs of California and at the same time maintain access, quality, and affordability in a time of diminishing resources?

- Size and Shape: What is the appropriate size and shape of the University going forward?

- Funding Strategies: How can traditional and alternative revenue streams be maximized in support of UC's mission?

- Research Strategies: How can UC best utilize new models for research practices and collaboration, both within and outside the system?

Recommendations

Each of the individual working groups made recommendations that were in turn considered by the full Commission, along with additional recommendations submitted by other groups including the Academic Senate. Many of the working groups' recommendations were incorporated into recommendations in the Commission's final report, which the Board of Regents endorsed in December 2010. The final 20 recommendations covered five broad categories:

- Preserving and Enhancing Excellence in Teaching and Curriculum
- Undergraduate Enrollment and Access Strategy
- Sustaining Research and Graduate Education
- Management: Fiscal Discipline and Administrative Reform
- Advocacy and Other Measures

In addition to the 20 recommendations endorsed, the Commission also deliberated several ideas that they did not endorse at the time but identified as worthy of additional study or as contingency items that might need to be advanced should the fiscal situation worsen. Several of these have been implemented or are currently under serious consideration; this report also discusses these.

This item summarizes the current status of all 20 of the Commission's recommendations, identifying those whose implementation is essentially complete, those where the University has made substantial progress but more work remains, and those on which progress been slow or stalled. At the January meeting, Provost and Executive Vice President – Academic Affairs Dorr and Chief Financial Officer Brostrom will discuss several of these in more detail and answer any questions the Board may have.

Preserving and Enhancing Excellence in Teaching and Curriculum

Recommendation 1: Adopt Strategies for Reducing Time-to-Degree

This recommendation identified potential strategies for freeing up capacity to enroll more students and reduce students' costs by reducing time-to-degree. These included:

- curricular reforms that would improve undergraduate education by reducing and clarifying requirements and removing policy or procedural barriers that impede progress to degree

- increased course enrollment opportunities and optional pathways for undergraduate students to complete degrees in selected majors in three years, or to complete joint bachelor's/master's degrees in five years.

Implementation status:

UC has historically had very positive time-to-degree and completion rates. Systemwide, more than 63 percent of incoming freshmen complete their degrees in four years and roughly 80 percent graduate in five years, with comparable two- and three-year completion rates for transfer entrants. These rates compare favorably with time-to-degree rates for virtually every public institution in the country, including many whose student bodies are far more homogenous and affluent than UC's.

Figure 2: Freshman and transfer graduation rates are high and improving, especially at 4 and 2 year rates respectively.

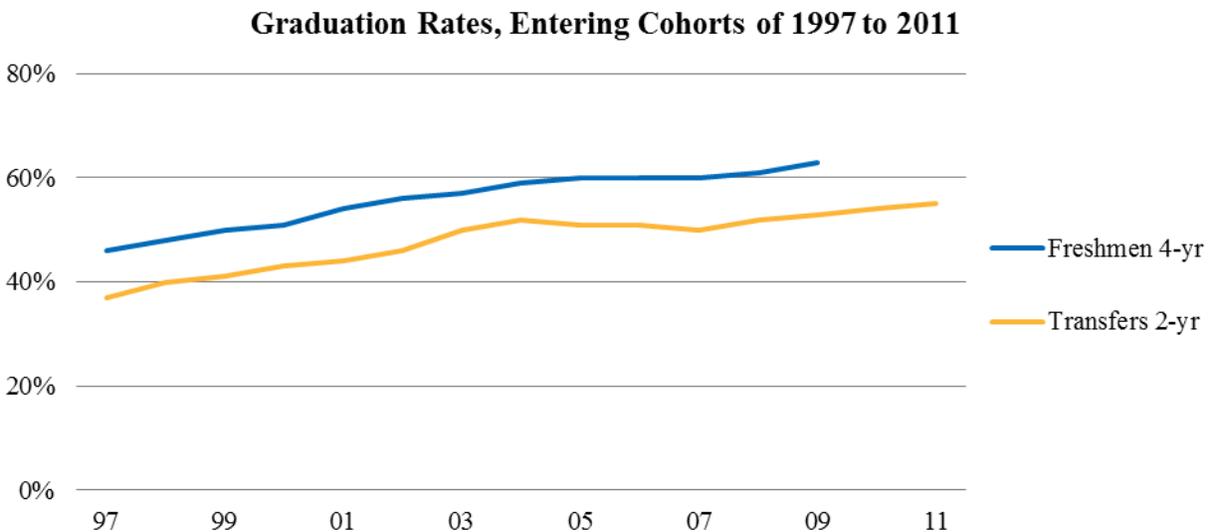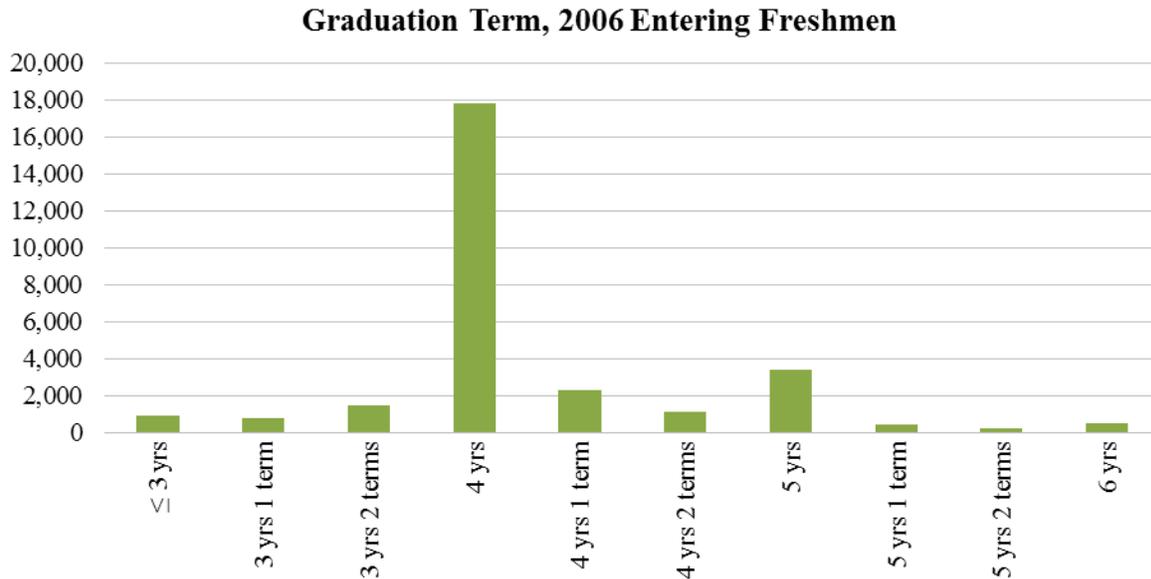Graduation Rates, Entering Cohorts of 1997 to 2011

Figure 3, below, shows that the vast majority of students who enter as freshmen graduate in four years, with only a small proportion graduating either earlier or later than four years.

Figure 3: Graduates by term for freshman cohort entering 2006.

Note: 4, 5, and 6-years bars include students who graduate in the following summer. The two-term figures in this table do not include any students from UCB or UCM because they are semester campuses.

UC policies permit graduation in less than four years and alternative routes, including increased summer enrollment and online courses, facilitate this option for those who want it. While possible, these pathways are not at present highly popular with students. For the freshman cohort that entered in Fall 2006, 2.6 percent chose to graduate in three years and just under 9 percent graduated in less than four years.

Since the COTF report was issued, UC has continued to explore both the factors that contribute to time-to-degree and opportunities for improving graduation rates and time-to-degree. In May 2013, Provost Dorr presented to the Board findings on normative graduation rates (four years for freshmen and two years for transfers) and time-to-degree based on research conducted in the Office of the President over the past two years. This research showed that three factors correlate highly with reduced graduation rates and time-to-degree: Pell Grant status, coming from a family where neither parent had earned a BA ("first-generation college"), and graduation from a high school with a lower Academic Performance Index score. Students falling into any one of these categories had lower normative graduation rates and the factors are additive: that is, students with more than one of these characteristics are less likely to graduate in four years than those with just one or none and students with all three factors are the least likely to graduate in four years. On the positive side, the research also shows that although low-income and first-generation college students often take longer to graduate at UC, they do eventually graduate at the same rates as other students. While the four-year graduation rates of Pell students are lower than the rates for the non-Pell students (57 percent compared to 68 percent), by the end of six

years, the Pell students have caught up with the non-Pell group (82 percent compared to 84 percent).

This research has important implications for UC's progress on reducing time-to-degree. First, it suggests that numerical evidence of improvement in overall time-to-degree is likely to be moderated by the steady increases we have achieved in the proportion of UC undergraduates who are low-income or first-generation college students—increases that are strongly driven by UC's public mission and commitment to providing social mobility.

Second, it suggests that efforts to improve overall time-to-degree can be most effective when focused on student success efforts—including first-year retention efforts—for low-income and first-generation college students. To this end, several campuses have established new programs to identify students who are most at risk for academic difficulty and provide a variety of support services for them. These include state-of-the art approaches such as leveraging student data available to campuses to identify at-risk students ("predictive analytics") and the creation of cohort- or "posse" networks to enhance student confidence and support, as well as more traditional approaches (e.g., Summer Bridge and targeted supplemental academic work). On January 8-9, 2015, the Office of the President hosted a University-wide conference bringing together faculty and staff from all nine undergraduate campuses to identify best practices for increasing student success and reducing time-to-degree.

In addition to programs targeted at those students where the opportunities for improvement in graduation rates and time to degree are greatest, every campus regularly reviews its requirements for undergraduate programs and several campuses have undertaken systematic efforts to streamline requirements and reduce bottlenecks. Examples include:

- UCLA's Challenge 45 Program. UCLA's College of Letters and Sciences asked academic departments to review requirements for all of the College's 107 undergraduate majors, with the goal of pruning excess and outdated requirements and reducing major requirements to around 45 units. About half of the majors were able to trim the number of required units and another 20 percent already had requirements near 45 units. This initiative was driven not only by a desire to eliminate excess requirements but also by a concern that excessive major requirements were limiting undergraduates' ability to take courses outside their majors that contribute to academic breadth.

- UC Berkeley's "Common Good" program directed nonresident tuition revenues to removing bottlenecks by increasing the number of course sections offered in critical lower-division courses. Since the start of the initiative, the campus has invested over $24 million to add 2,150 class sections to these key areas of the curriculum—such as required lower-division writing courses—to improve student access and time to degree. As of Spring 2013, the backlog of upper-division students who still had not satisfied the lower-division writing requirement was cleared, a major initiative milestone. Investment in the lower-division curriculum continues at the level necessary to ensure that all students are able to complete the

writing requirement by the end of their sophomore year. A number of other campuses also hold back central funds and distribute them to cover unmet course needs identified during registration, typically adding sections of high-demand general education and "gateway" courses students need to maintain academic progress.

- Several campuses have added academic advisors or created new programs to ensure students avoid unnecessary course work and can move expeditiously through their programs.

Despite these efforts, resource constraints pose serious limitations on how much progress can be made in this area. One of the contingency actions considered by the Commission in the event that funding remained insufficient was to downsize the University's workforce, including limiting the replacement of faculty lost due to retirements, terminations, and other separations. Many campuses have been forced, as a result of persistent underfunding, to move in this direction—slowing the replacement of ladder-rank faculty and reducing the number of lecturers and teaching assistants, even as undergraduate enrollments and demand from potential students continue to increase.

Some campuses report concerns that improvements in time-to-degree may have plateaued as a result of underfunding of academic advising and deferred faculty hiring, which in turn reduces course offerings. To avoid such impacts and maintain the academic quality that is the bedrock of the University's undergraduate programs, the University's Long-Term Stability Plan for Tuition and Financial Aid, as well as its 2015-16 budget, both adopted by the Regents at the November 2014 meeting, allocate $60 million annually to new investments in academic quality.

Recommendation 2: Create Lower-Division Transfer "Pathways" to Assist Community College Students Planning their Academic Programs

This recommendation cited long-standing concerns about the complexity of the University's lower-division requirements for major preparation and acknowledged legislative efforts underway at the time to increase consistency in lower-division courses required by different campuses. It recommended that the Academic Senate expand efforts under way at the time to identify common pathways for students attempting to transfer to high-demand majors at each campus and asked the Senate to submit a plan and timeline for this work to the President by January 31, 2011.

Implementation status:

UC has worked steadily both before and since the Commission's recommendations to simplify and clarify transfer preparation. The University's basic requirements for transfer eligibility and the statewide Intersegmental General Education Transfer Curriculum are well publicized and consistent across all campuses and all majors.

In the area of common and consistent preparation for specific majors, much progress has been made, but more remains to be done. In recognition of this, President Napolitano in November 2013 established the Transfer Action Team and charged it with identifying specific actions UC can take to smooth and clarify major preparation. In addition, she established as a new goal to broaden the number and diversity of community colleges from which UC draws it upper-division transfer students. The recommendations of the Transfer Action Team build on and amplify those of the Commission on the Future. Accomplishments to date include:

- As a step toward developing more uniform lower division requirements, the Academic Senate and UCOP publicized common major preparation requirements for the most popular eighteen majors across the UC system. These "major preparation pathways" were completed in 2012 and can be found online at http://admission.universityofcalifornia.edu/transfer/preparation-paths/index.html.

- Also in 2012 UC launched the Transfer Admission Planner (UC TAP), which allows students to record their coursework, receive automated feedback on their eligibility for transfer, and populate a UC application for admission. For the fall 2015 admissions cycle, 12,878 of the total 35,711 transfer applicants to UC (36 percent) used their UC TAP account to pre-populate their UC application for admission. UC TAP is currently being upgraded and redesigned. UC is working collaboratively with the California Community College (CCC) Chancellor's Office to link UC's transfer planner with the CCC academic planner.

- Following adoption by the Legislature of SB 1440, which mandated that the CCCs and CSU create an Associate Degree for Transfer (AD-T) in specific fields and guarantee admissibility to those fields at CSU, UC's Academic Senate revised its transfer admissions policy, guaranteeing students who complete the AD-T a comprehensive review of their application and identifying completion of this degree as a positive factor in the admissions process.

- In 2013, the UC Academic Senate and the Intersegmental Committee of the Academic Senates (ICAS) approved a new general education pattern for STEM majors. This initiative, called "IGETC for STEM," allows transfer students who pursue degrees in high-unit STEM fields to devote more of their time to major preparation and less on general education. This initiative builds upon previous faculty-driven efforts to create the common general education curriculum for California called the Intersegmental General Education Transfer Curriculum (IGETC).

- In response to a Transfer Action Team recommendation, UC is further streamlining its major preparation pathways. A pilot program is identifying a single set of lower-division course requirements that will make a student competitive for admission as a junior-level transfer in a subset of majors across all UC campuses. Five pilot majors, drawn from the 20 most popular disciplines, are under initial review in the next several months. An additional 15 majors are ready for review, which is scheduled for later this year.

Recommendation 3: Enhance the ASSIST Website to Improve the Student Transfer Function

ASSIST is an intersegmental initiative, funded by the three public higher education segments and managed by UC, that provides detailed information on how credits earned in California Community College courses can be used for admission and degree completion at any of the state's public university campuses. The Commission recommended that a planned upgrade of ASSIST be accelerated. This recommendation was reaffirmed and updated in the Transfer Action Team report.

Implementation status:

The redesign of ASSIST is well under way, using a vendor-hosted solution collaboratively managed with UC's partners at CSU and the CCCs. Input from all three segments as well as transfer students has guided its development. "ASSIST Next Generation" is expected to be available for colleges and universities in late 2015 to update their information and available to the public in 2016.

ASSIST Next Generation improves the interface for students and counselors, allowing them to download articulation agreements into familiar formats like Excel, Word, and PDF. More importantly, the new ASSIST will use a data-driven format, which will serve as the backbone for academic planning tools statewide, including UC TAP (see Recommendation 2 above). Currently, UC TAP uses ASSIST data to help students track their transferrable coursework and GPA. The updated UC TAP tool will better integrate with the redesigned ASSIST to offer students more personalized and comprehensive advice.

Recommendation 4: Strengthen the Campus Academic Program Review Process by Identifying Best Practices for Consolidating or Reformulating Programs to Reflect Academic and Budget Priorities and Strategy of Each Campus

This recommendation discussed the need to reduce the number of new programs, consider closing under-utilized or obsolete programs, and explore cross-campus collaboration opportunities in the development of new programs, and recommended that the Academic Program Review process, which governs the development of new programs, be strengthened.

Implementation Status:

- The number of new State-supported degree programs proposed in recent years has declined by more than 40 percent.

- Campuses have discontinued or closed 15 degree programs since 2011. Twenty more are proposed for discontinuance over the next five years.

- In an effort to have campuses examine degree programs that may be obsolete or no longer in high demand from students, UCOP recently sent each campus a list of all degree programs that have had very low enrollments over the last five years. This is expected to lead to additional program eliminations.

- In 2015, the UC Academic Planning Council will be examining campus five-year planning perspectives that were submitted in 2014 and considering ways in which the process can be most useful to the campuses as they consider the future establishment and disestablishment of academic programs. The five-year planning perspectives of each campus are shared with all of the campuses so that campus academic leaders have the opportunity to see what programs other campuses are proposing. The goal is to reduce duplication and foster collaboration.

- To reduce administrative duplication, many campuses have combined administrative support for academic departments and programs, reducing the cost associated with multiple programs in similar or related fields.

- The cross-campus enrollment infrastructure created as part of the UC Online Education initiative simplifies and facilitates enrollment by students in online courses offered on another campus. Over time, easing the ability of students to register in and receive credit for courses taken on other campuses should contribute significantly to increased efficiency and collaboration as well as to potential reductions in highly specialized or under-utilized programs, while at the same time enhancing student enrollment opportunities.

Undergraduate Enrollment and Access Strategy

Recommendation 5: Reaffirm the University's Commitment to Achieving Master Plan Targets for Freshman and Transfer Students

This recommendation focused on challenges involved in continuing to honor the Master Plan access guarantee for California public high school graduates despite the absence of enrollment funding and affirmed that this should continue to be a goal, provided that adequate resources are available to support enrollment. With regard to transfer, the COTF recommended interpreting the Master Plan guideline that UC's enrollment remain at least 60 percent upper-division and no more than 40 percent lower-division as a directive to admit one new transfer student for every two freshmen—in other words, UC should aim for enrolling one third of its new undergraduates as transfer students. This goal was reaffirmed by the Transfer Action Team, for both the UC system and each undergraduate campus.

Implementation Status:

- Despite the lack of enrollment funding, UC has continued to offer a space to every UC-eligible California undergraduate applicant, and is currently enrolls more than 7,000 undergraduates for whom it receives no State funding.

- At the transfer level, progress was made on the goal of increasing the percentage of undergraduates who enter as transfers, with new transfers peaking at 31 percent of new undergraduates in 2011. But this progress stalled due to lack of funding for enrollment growth and declines in transfer applications.   In working with the CCC Chancellor's Office, the Transfer Action Team concluded that the drop in applications was due to constrained course availability at the community colleges during the budget crisis, not to reduced interest in transfer to UC. Indeed, transfer applications for Fall 2015 are once again up and the President has committed to increasing both the number and proportion of transfer applicants if adequate revenues are provided either by increased State funding or increases in tuition.

Without adequate resources, UC will be challenged in continuing to meet its Master Plan commitments and its goals for growth in California resident freshmen and transfers.

Recommendation 6: Continue Timely Exploration of Online Instruction for Undergraduates, as well as for Self-Supporting Programs and in University Extension

This recommendation acknowledged concerns about quality and cost in online education as well as the opportunities online education could provide for increasing access in an era of reduced resources. It recognized that courses and curricula are the responsibility of the faculty and identified several different ways in which online instruction could be a valuable part of UC's educational offerings.

Implementation status:

UC continues to expand online education opportunities to support and enhance quality teaching and learning. Today, approximately 3,500 online courses are offered at UC and many more are in development. There are also innumerable (probably uncountable) uses of online instruction as part of "regular" instruction. Comfort with and use of online instruction has increased throughout the UC system.

When the Regents endorsed the Commission on the Future report in December 2010, the Office of the President had just recently begun a Pilot Project to collaborate with faculty and campuses to develop and offer fully online undergraduate instruction during the academic year for degree credit. At that time, for-credit online undergraduate courses were being offered by the campuses but almost exclusively during the summer. To ensure rapid and meaningful progress, this effort was funded with more than $6 million from Office of the President funds.

Much of UC's effort at the Office of the President level has been focused on increasing the system's capacity to offer credit-bearing, fully online, undergraduate courses that are available to students on multiple campuses during the academic year. The first course developed in the Pilot Project was offered Spring Semester 2012 and five more courses were offered Spring Quarter 2012. For fiscal year, 2013-14, funding at each of the three public higher education systems was directed to help support increased use of online education, particularly for undergraduates and large-enrollment, gateway courses. UC's accomplishments in providing high quality, credit-bearing online **undergraduate** courses include the following:

- A more than 300% (at least 95 courses) one-year increase in online, for-credit course offerings during the academic year—from fewer than 25 courses in academic year 2011-12 to 120 courses in academic year 2012-13. More than 11,100 UC undergraduates took these online courses in academic year 2012-13.

- A 16% (14 courses) two-year increase in online, for-credit courses offered during the summer – from 87 courses in summer 2012 to 101 in summer 2014.

- Specification in Academic Senate regulations that UC students who successfully complete any of these academic year or summer online courses will automatically receive unit credit toward graduation.

- Efforts under way to ensure that students can also receive general education, pre-major, or major credit for these courses and to establish more streamlined and online processes for granting and receiving credit. This is an area in which substantial progress has yet to be achieved and is much needed.

- A systemwide catalog of credit-bearing, online courses available to all students on all undergraduate campuses, allowing students to search for and enroll in courses. A more robust and flexible system is being designed with systemwide and campus collaboration.

- The creation of infrastructure to support online cross-campus course registration and grade reporting. A more robust and flexible system is being designed and will soon go out to bid.

Progress in online education for UC **graduate** students and **Extension** students includes the following:

- The number of fully online graduate professional degree programs has nearly doubled—from four in 2011-12 to seven now. These include a fully online Master of Public Health and a Master of Advanced Studies in Integrated Circuits at UC Berkeley, Master of Science in Engineering degrees at UCLA and UC Riverside, Master of Advanced Studies in Criminology at UC Irvine, Master of Science Healthcare Administration and Interprofessional Leadership at UCSF, and a fully employed Master of Business Administration at UCLA.

- UC's online graduate professional degree programs set a national standard for quality. In the most recent ranking of such programs by *U.S. News and World Report*, UC Irvine and UCLA were ranked #1 nationally in online graduate programs in Criminal Justice and Engineering, respectively.

- In 2012-13, more than 63 for-credit graduate level courses were offered with about 1,100 students enrolled.

- For UC Extension, fully online course offerings have more than doubled in three years— from about 1,250 in 2009-10 to about 3,300 in 2012-13, and the number of students enrolled in these courses has increased from about 55,000 in 2009-10 to about 84,000 in 2012-13. Online courses and certificates offered through Extension provide professional and educational advancement in areas such as art and design; behavioral health sciences; construction and environmental management; education; English as a second language; legal; real estate; sciences, mathematics and biotechnology; and writing, editing and technical communication.

Other notable achievements involving online contributions to education include the following:

- The California Digital Library, established in 1997, provides a range of library services, all of which are used by at least six campuses at a cost that is 75 percent less than implementing services on each campus. For example, a recent analysis demonstrated an annual cost avoidance of $8.8M for four key services. CDL also achieves savings for the UC system on annual purchasing of thousands of digital library resources (scholarly journals, ebooks and databases) on behalf of the ten campus libraries. In the past four years, CDL has negotiated agreements that increased cost avoidance from $57.7 to $61.5 million annually for 7,447 scholarly journals from 49 publishers.

- UC recently held the UCeNGAGE Summit in October 2014, bringing together students, educators, University administration and external partners to identify the technologies that will have an impact on teaching and learning at UC, UC's current capabilities, and to define a path for the future use of technology at the University. The summit generated constructive conversations to help guide UC as it transforms ideas into a roadmap for technological infrastructure and institutional changes.

- UC continues to offer a broad range of high-quality online courses that meet the University's 'a-g' requirements to high school students who do not have access in their own schools and communities to high quality college preparatory curriculum.

- UC campuses have offered law certificate programs that can be customized and delivered fully online or online in combination with in-person instruction. UC Berkeley and UC Davis are developing proposals for online law certificate programs focusing on Mexico's historic energy reform.

Recommendation 7: Reaffirm Commitments to Undergraduate Financial Aid and Affordability
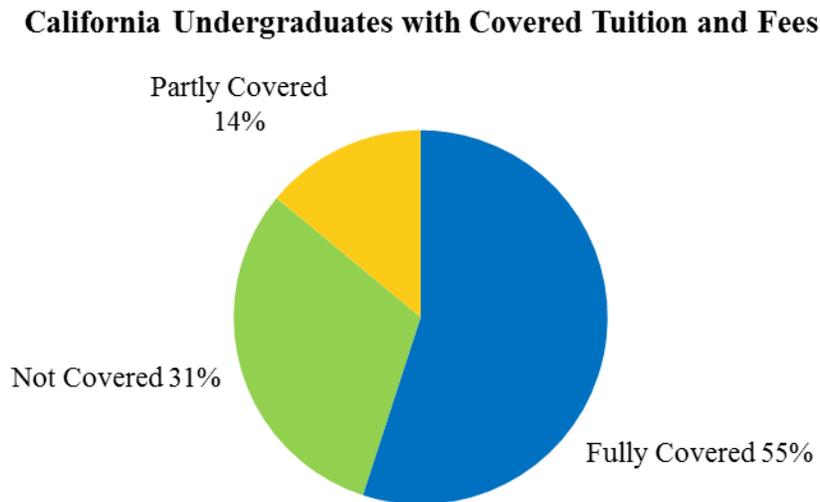
This recommendation focused on maintaining the University's commitment to need-based aid and the existing University Financial Aid Policy, even as reduced State revenues and rising tuition make this more challenging. It also highlighted undocumented students as one group not adequately covered by existing policy and cited previous UC efforts to address the needs of these students.

Implementation status:

- UC has maintained its commitment to a robust financial aid policy, returning one third of new undergraduate tuition revenues to financial aid, maintaining the Blue and Gold program, and distributing UC systemwide aid dollars to undergraduates based almost entirely on financial need.

- UC continues to set the national standard among research universities for the enrollment and support of needy students, with 42% of undergraduates receiving Pell grants and 55% of California undergraduates receiving grant and/or scholarship aid that covers full tuition and fees (see Figure 4, below).

- Several UC campuses provide additional need-based funding for specific populations, e.g., very high-need local students at UCSD and middle-income students at UC Berkeley.

- A recent report by the Public Policy Institute of California affirmed that total net cost for low-income undergraduates at UC has not increased in recent years, despite increases in both tuition and living costs.

- With the passage of the California Dream Act, supported by UC, UC now ensures that undocumented students receive total grant assistance comparable to that received by other UC students in similar financial circumstances. This policy was affirmed by the UC Board of Regents in November 2014.

- UC sponsored the State legislation, authored by Senator Ricardo Lara, that created the Dream Loan program, intended to provide undocumented students with student loan options similar to those available to other UC students.

- Only about half of UC undergraduates borrow to fund their education, and those who do graduate with loan burdens well below the national average. For the 55 percent or so of UC students who borrow, total indebtedness at graduation was about $20,500 in 2012-13. Average student loan debt at public four-year universities in the U.S. was around $26,000 for the same year and was considerably higher for private institutions.

- UC continues to advocate vigorously for support of the Cal Grant program and supported the concept of expanded state aid for middle class students.

        Figure 4. Percentage of CA undergraduates with grants and scholarships covering systemwide tuition and fees, 2013-14.

California Undergraduates with Covered Tuition and Fees

The Commission also proposed, as a contingency recommendation, reducing the proportion of new tuition revenues set aside to support financially needy students if the funding for the University can no longer sustain its longstanding commitment to academic quality and increasing access. As indicated above, per-student funding has indeed declined, but the University has continued to prioritize funding for financial aid.

Recommendation 8: Increase and Cap Nonresident Undergraduate Enrollment

This recommendation cited the revenue opportunities, as well as the educational benefits, associated with nonresident enrollment and recommended increasing nonresident undergraduates at every campus, with the caveat that nonresidents not replace funded California students. It also recommended that nonresident undergraduate enrollment not exceed 10% systemwide. A separate "contingency" recommendation proposed eliminating or raising this proposed limitation on nonresident enrollment if needed to provide revenue to sustain the University's academic quality and protect access for California students. While the Board endorsed the recommendations of the COTF, they chose not to take action to implement an enrollment cap and no cap is presently in effect.

Implementation status:

- Nonresident enrollment has increased at every campus, with nonresident enrollment targets set separately from those for funded California residents, to avoid displacing funded California students. The Academic Senate's admissions guidelines also state that nonresidents admitted at each campus must be comparable in terms of qualifications to the California residents admitted at that campus—ensuring that Californians are not turned away to admit less qualified nonresidents.

- UC's proportion of nonresident undergraduate students, both systemwide and at every campus, is well below the level of our national peers. Most campuses enroll fewer than ten percent nonresident undergraduates and UC Merced expects to focus enrollment growth on Californians. However, at an estimated 13.4 percent of total undergraduates for 2014-15, UC's proportion of nonresidents has exceeded the level discussed in the Commission's recommendations.

- Increases in nonresident enrollment and in the amount of nonresident tuition are expected to net an additional $50 million (net of instructional cost) for UC in 2015-16. Nonresident tuition helps ensure quality and access for California students and has been used, for example, to help supplement grant assistance for middle-income Californian residents, ensure gateway courses continue to be offered in a timely manner, and supplement support for unfunded California enrollment.

- The University's Long Term Stability Plan and 2015-16 budget, approved by the Regents in November 2014, projected slowed growth in nonresidents assuming sufficient revenues from other sources.

Sustaining Research and Graduate Education

Recommendation 9: Redouble Efforts to Obtain Full Cost Recovery from All Sponsored Research, with a Goal of $300 Million Annually

This recommendation cited federal indirect cost recovery (ICR) rates at UC well below those of our peers and insufficient to cover the full costs of shared research. It also noted that the State of California, as well as private sponsors such as foundations, often have policies that preclude reimbursing overhead costs at even the federally agreed-upon level. The Commission recommended that UC take several actions to increase federal and State indirect cost recovery rates and that UC recover indirect costs on all grants, regardless of the source.

Implementation status:

- In 2011, a UC Systemwide Task Force identified a number of strategies to increase the University's rate of indirect cost recovery. Seven campuses (Berkeley, Davis, Irvine, San Diego, San Francisco, Santa Barbara, and Santa Cruz) have negotiated increases in their

federal rates that were projected to increase UC's indirect cost recovery by up to $75 million over the four years beginning with FY 2012-13, assuming stable federal research sponsorship. Unfortunately, these rate increases have come at the same time as a reduction in the total volume of federally sponsored research, due to a combination of federal budget constraints and the final expenditure of one-time Recovery Act stimulus funds. Even with the rate increases, federal ICR during FY 2013-14 was $32 million less than it was two years previously. However, about half of this decline was offset by ICR increases from non-federal sources.

- The Office of the President has undertaken several sustained efforts to better inform federal agencies about appropriate ICR rates for UC campuses. Specifically, OP advocated with the Office of Management and Budget (OMB), the Council on Financial Assistance Reform (COFAR) and others in Washington, D.C., as well as with several higher education associations including the Council on Governmental Relations (COGR), the Association of Public and Land-grant Universities (APLU), and the Association of American Universities (AAU). In addition, the UC system and the campuses' research administration and federal relations offices worked closely with the Administration, other universities and higher education associations in identifying and advocating for reforms in administrative policies for federal grants.

- At the state level, UC concluded negotiations in 2014 with officials from the Department of General Services to establish a model contract with standard provisions for research, training, or service agreements between the State and UC/CSU for the purpose of creating efficiencies and streamlining contracting between the State and its higher education institutions that ultimately will result in costs savings for UC.

Recommendation 10: Facilitate Multi-Campus Research and Doctoral/Post-Doctoral Training

The Commission identified the advantages of a multi-campus structure for conducting collaborative research that builds on the distinctive strengths of individual campuses, bridges gaps between them, and enhances the stature of all campuses. To ensure continued excellence across a broad spectrum of cutting-edge research, the Commission recommended that the University should (1) prioritize internal funds to support world-class research in disciplines where extramural funding options are limited; (2) motivate the development of large-scale, interdisciplinary, collaborative research projects to capture new funding streams; and (3) augment and enhance opportunities for graduate student research and support.

Implementation Status:

- Since 2010, the Office of Research and Graduate Studies has held two systemwide competitions for multicampus and UC National Laboratory collaborative research proposals: the 2012 Lab Fees Research Program (LRFP) competition and the 2014 Multicampus

Research Programs and Initiatives (MRPI) competition. Both of these programs existed prior to the Commission and funding has been reduced for both programs since the COTF due to funding constraints. Nevertheless, the two programs together have funded multi-year research totaling $77 million across 72 collaborations.

- In September 2014, President Napolitano approved a one-time augmentation to the MRPI budget of $2.6 million for FY 14-15, and reaffirmed the University's commitment to support multicampus and systemwide research opportunities.

- In November 2014, after a multi-year review of the UC Observatories and a restructuring of the oversight Board and budget, the UC Office of the President reaffirmed its commitment to fund UCO and maintain the Lick Observatory as a systemwide research resource.

- In December 2014, President Napolitano launched the President's Research Catalyst Awards, allocating $10 million over three years for research in key strategic areas. The inaugural awards totaling $3.1 million were allocated to five multicampus projects that will launch in January 2015.

- While significant in terms of fostering multicampus research collaboration, the investments noted above do not mark an expansion overall; total annual funding for these opportunities has significantly decreased since 2010. In 2009, annual funding for the MRPI was $15 million; current available annual funding is now $6.4 million. Likewise, annual funding for the LFRP in 2009 was approximately $19 million; it had been projected at $13.5-$14 million for the proposed 2015 competition. Due to contractual obligations related to the LANS LLC, it is likely that the 2015 competition will be significantly reduced or postponed. Likewise, funding for other systemwide programs (e.g., UC-MEXUS, UCO, UCSD supercomputer) has been reduced by as much as 20 percent. While the President's commitment to the Catalyst Awards marks an important new investment, the total amount of funding available for multi-campus and collaborative research has still not been restored to 2010 levels.

- UC continues to work to streamline multicampus Institutional Review Board (IRB) approvals and develop better data sharing practices for large health studies (e.g., UC BRAID), and climate studies (e.g., President's Catalyst Award to the Natural Reserve System) that have been funded and are underway. The research and operational results from these efforts may take additional time to realize.

Recommendation 11: Collaborate with External Partners to Expand Sponsored Internships, Fellowships and Visiting Faculty

The Commission cited the benefits (including networking, mentorships, and paid employment for students both during and after completion of their studies) of increased collaboration with the private sector and recommended that each campus pursue such collaborations. It also cited

opportunities for increased collaboration with the UC-affiliated national laboratories for graduate students.

Implementation status:

- Private sector collaborations provide direct and indirect support to many of the University's research, teaching, operations, career services and marketing efforts. In academic year 2013-2014 alone, corporate grants and gifts to UC totaled $246 million, or 14 percent of all private support. Each campus makes great efforts to maximize these business partnerships with opportunities for students for networking, internships, mentoring, and jobs. This past year, campus career centers provided counseling, internship and job opportunities and other forms of career services to over 95,000 students, had working relationships with over 9,000 employers, and benefitted from volunteer career support and connections from over 25,000 individual alumni.

- Graduate Studies has partnered with BASIC (Bay Area Science and Innovation Consortium) to collaborate on efforts to improve communication and awareness in industry regarding the skills value, talent and fit of PhDs for career opportunities in industry while improving knowledge, awareness and preparation of UC PhD students for a broader range of career opportunities. In early 2014, Graduate Studies and BASIC convened a roundtable discussion, "Bridging the PhD-Industry Gap," in which UC graduate community members (faculty, graduate students, alumni and staff) and industry leaders addressed mutual concerns involving hiring PhD graduates in industry and discussed challenges to, as well as the great value of, PhD employment in industry.

- One direct outcome of the 2014 roundtable discussion is that the Office of Research and Graduate Studies has established an ongoing effort to develop a pilot industry-sponsored research project (fellowship) that could have systemwide implications or application. At least one campus is initiating a pilot mentoring effort. Industry mentoring, internships and sponsored research are quite different experiences and all potentially very valuable to the UC student experience. OP is working to actively engage industry and support campus and systemwide efforts on behalf of PhD students.

- UC alumni and alumni regents are also engaged in the effort to create new opportunities outside academia, some of which involve creation of start-up and entrepreneur networks at many of UC's campuses. Alumni venture philanthropy groups have formed at UCLA, UC Berkeley, and UCSF, and constituents of all ten UC campuses participate in mentoring programs like business plan competitions and start-up fairs for innovative graduate and undergraduate students.

- At the system level, business collaborations have significantly advanced federal and state government advocacy efforts. Beginning in the early part of the last decade, with the President's Board on Science Innovation, and now continuing with the President's Business

Advisory Council and President's Innovation Council, the state's business leaders provide integral advice, counsel and connections to the President and Regents on issues of combined interest. The Office of the President and UC campuses also work collaboratively with regional business consortiums like the Silicon Valley Leadership Group, Bay Area Council, and multiple similar organizations across the state. These collaborations not only advance UC's advocacy interests, but have also proven to assist in the cultivation of private grants and job/internship support.

- In November 2014, the Regents approved the appointment of Dr. Regis Kelly as Senior Advisor for Innovation and Entrepreneurship. Dr. Kelly has been charged to lead UC's efforts to promote and support innovation and entrepreneurship across the University system, including the development of partnerships with external stakeholders, as a means to drive long-term revenue and maximize the public benefit of UC innovation. Dr. Kelly was one of the prime developers of QB3, a UCSF-affiliated startup widely regarded as one of world's premier biotech incubators.

Recommendation 12: Increase Graduate Student Enrollment to Meet Long Range Planning Goals and Research Mission Prescribed in the Master Plan

The Commission's report cited the centrality of graduate education to UC's mission and quality —including its ability to attract the best faculty—and noted the decline in graduate students as a proportion of total students. Its recommendation urged UC to increase the proportion of graduate enrollments from 22 percent of total enrollment to 26 percent, and to create strategies for garnering the resources necessary to achieve those goals.

Implementation status:

- Increased graduate enrollment remains a central goal, but progress has been slowed by constrained resources. Total graduate student numbers have increased slightly since the COTF report was released, but the proportion of graduate and professional students has declined because of greater growth at the undergraduate level.

- As an incentive for campuses to increase graduate academic enrollment, the "rebenching" formula, created to distribute State funding among the campuses on a consistent per-student basis, provides a higher weighting for academic doctoral students and graduate health sciences professional students. In addition, campuses with academic doctoral student levels below 12 percent of undergraduate enrollments are provided funding to increase the numbers of such students up to the 12 percent level.

- The University's 2015-16 budget, adopted by the Regents in November 2014, includes $60 million in new funding for academic quality and identifies graduate student support as one of the targets for this funding.

- The University remains committed to academic excellence, which requires diversity in all aspects, including enrollment. In 2013, President Napolitano established an Academic Pipeline Initiative which provided $5 million in one-time funds to enhance graduate student support, with a focus on improving student diversity within academic doctoral programs.
    - $2 million will support cost-share fellowships (in collaboration with the campuses) for students admitted to UC PhD programs who have participated in UC's internship program for students from Historically Black Colleges and Universities (HCBUs). This funding resource has proven critical in enrolling these highly recruited students; for fall 2014, with the President's Initiative fellowship funding, UC garnered a 100% yield rate of UC-HBCU interns accepted to UC PhD programs.
    - An additional $3 million in one-time funding will augment campus funds for the Eugene Cota-Robles Award, a systemwide fellowship for students pursuing diversity-related research.

Recommendation 13: Improve Transparency by Referring to "Tuition" in Place of "Fees"

The Commission observed that as student fees have risen to substitute for declining State support, referring to UC as "tuition-free" has become disingenuous and recommended introducing the term "tuition" to be more transparent about the University's sources of support.

In addition, the Commission studied a number of other tuition-related issues and options, including (1) adopting a multi-year tuition strategy to reduce tuition volatility and provide greater predictability for students and families and (2) charging differential tuition by campus, level, or department. Recommendations on cohort-based tuition and differential tuition were not adopted by the Commission. Substantially increasing tuition was identified as a contingency measure that might become necessary in the event of additional reductions in funding.

Implementation status:

- The Board of Regents voted in November 2010 to re-name the Educational Fee to tuition.

- For Fall 2011, the Board voted to increase tuition by 18 percent in response to a significant reduction in State funding. Tuition did not increase for the 2012-13, 2013-14, or 2014-15 academic years.

- In November 2013, President Napolitano announced her plan to conduct a systematic study of tuition options with the goal of making future increases as low and predictable as possible. As part of this work, the University re-analyzed both cohort-based tuition models and differential tuition by campus, field, and level. Both of these options were rejected as creating inequities as well as perverse incentives (for example, disincentivizing study in high-cost STEM disciplines and creating barriers-to-entry in those fields that would affect low-income students differentially).

- In November 2014, the Board voted to adopt a multi-year tuition plan that allows families to plan in advance for future increases and guarantees that these increases will not exceed 5 percent per year as long as State funding remains at previously proposed levels. Revenues from increases in tuition will be used to increase enrollment of California undergraduates, improve time-to-degree by adding faculty and academic advisors, and enhance academic quality on every campus.

Recommendation 14: Expedite Implementation of UC's Initiative on Systemwide Administrative Reforms, with the Goal of $500 Million in Annual Savings

The Commission observed that UC had already implemented substantial administrative efficiencies and recommended these efforts be continued and expanded as a way to redirect funds to support the academic mission.

Implementation status:

- The Working Smarter initiative, launched in 2010, set as a goal identifying $500 million in cost savings or new revenue over five years to support the academic mission. This initiative, now in its fifth year, has already created more than $660 million in savings or new revenue, an estimated two-thirds of which will accrue to core-funded programs. The Regents heard a full update on the Working Smarter initiative at the November 2014 meeting. Additional detail is available in the materials for that meeting.

Recommendation 15: Accelerate Development of Self-Supporting Programs and Increase to $250 Million per Year in Five Years the Income Derived from these Programs

The Commission cited the potential of self-supporting programs to generate significant revenue for academic departments, expand access to UC programs, and, potentially, improve time-to-degree, and suggested UC explore expanding these programs.

Implementation status:

- In September 2011, President Yudof issued a revised *Policy on Self-Supporting Graduate Degree Programs,* designed to facilitate the establishment of self-supporting programs by the University and its campuses. These programs are primarily focused on graduate professional degrees and populations of potential students who do not currently attend UC (e.g., working adults). This policy is currently being updated to increase clarity and flexibility.

- Campuses continue to expand self-supporting programs. Since the COTF report was issued, twelve new self-supporting graduate degree programs have been established, for a total of 56, and 56 more are being proposed by the campuses over the next five years. Revenue from

self-supporting programs increased from $121.7 million in 2009-10 to nearly $168 million in 2013-14. Enrollment in these programs has grown from 4,200 to 4,900 over the same period.

- UC campuses also offer a broad range of enrollment opportunities through UC Extension, Summer Sessions, and other special programs to individuals interested in obtaining certificates and other specialized training or in enhancing their knowledge in specific areas, without being tied to formal degree programs. As measured by revenues, UC extension programs have increased by 40 percent over the past four years and Summer Session has increased by more than 70 percent.

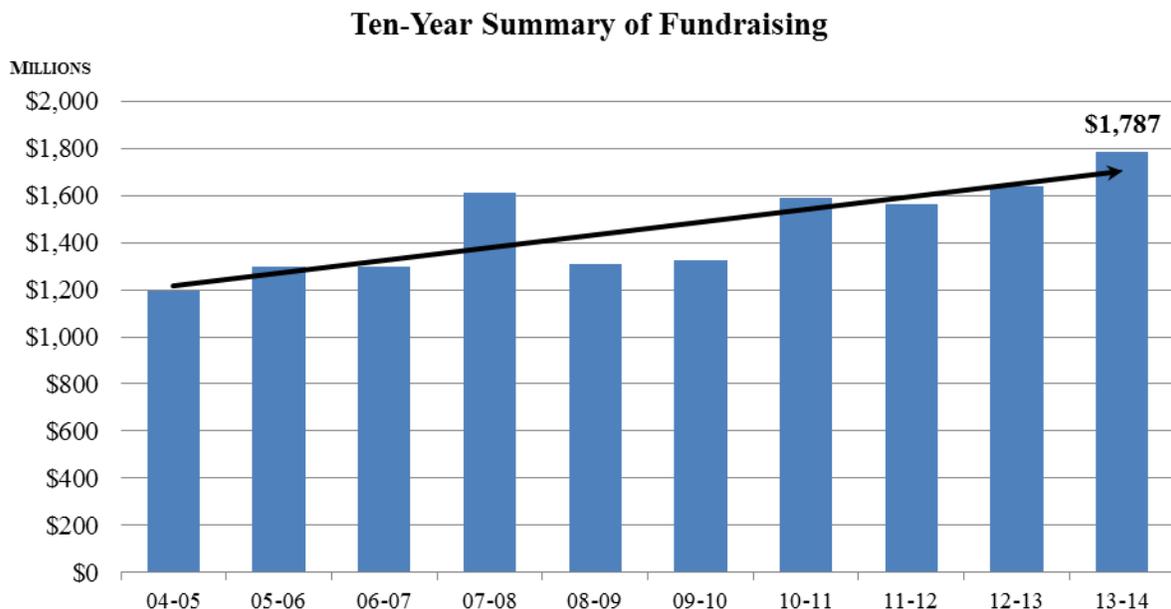*Recommendation 16: Raise UC-Wide Ambitions for Private Fundraising*

The Commission noted that several UC campuses have had notable success in raising funds but that most of these funds are highly restricted and have limited potential to substitute for lost State revenue. It recommended increasing the volume of fundraising and seeking out new models for using gift funds to support basic operations.

Implementation status:

- In the four years since the COTF Report was issued, UC has received over $6.5 billion in gifts. Philanthropic support reached an annual record of $1.79 billion this past year. This is an increase of 9 percent over the prior year. Since 2010 the increase has averaged approximately 8 percent per year. (See Figure 5, below.)

- In the past few years, several UC campuses have successfully completed comprehensive campaigns and others have recently launched ambitious fundraising campaigns. These campaigns—and complementary systemwide marketing and advertising campaigns—have focused on UC's impact in healthcare, education, and research, messages that resonate in the philanthropic community.

- Fundraising for scholarships has been very successful. The systemwide "Project You Can" effort surpassed its goal of raising $1 billion in undergraduate scholarships and graduate fellowships in December 2014. Much of this funding is in the form of increases to endowment funds where only the payout is expended or has been received as pledges for future giving.

- The "Promise for Education" social media fundraising campaign was merely one example of how UC sought to prioritize scholarship fundraising and to explore innovative ways to broaden its donor base.

- 246 new endowed chairs have been established in the past four years. Approximately 1,750 endowed chairs have now been established throughout the UC system, with well over half established since 2000.

- Increasingly, endowed chairs are used to provide funding for graduate students and faculty salaries. At Berkeley, a $110 million matching gift from the Hewlett Foundation had an enormous impact. All 100 Hewlett chairs provide that the majority of the payout be used for graduate students and faculty salaries. The recently announced Presidential Matching Chair Program will result in 100 new Chairs across the UC system; these chairs also provide that the majority of the funding will be used for graduate students and faculty salaries.

- Gifts to UC (and all other colleges and universities) continue to be highly restrictive. Approximately 98 percent of gifts to UC limit the use of those funds to specific purposes. However, the increase in endowment cost recovery from 40 to 55 basis points (the legal limit) has resulted in approximately $10 million of additional annual endowment payout from Regents' endowments being used to support costs associated with these funds. This is the equivalent of an unrestricted endowment fund of over $200 million.

      Figure 5: Ten-year summary of fundraising.

Recommendation 17: Review and Revise the Current Systemwide Funding Formulas for Campuses

The Commission noted that the system by which the campuses are funded is complex and frequently misunderstood and recommended that the University establish a new funding model that funds the Office of the President from a broad-based assessment and allows campuses to retain all revenues assessed at the campus level.

Implementation status:

- After eighteen months of consultation with a variety of campus and University stakeholders to reexamine how revenues flow between OP and the campuses, the University instituted the Funding Streams Initiative, which contains the key elements recommended by the Commission. Campuses now retain all funds they generate, including tuition, indirect cost recovery, and patent revenues. OP is funded by a flat assessment, with one third of each campus's share based on revenue, one third on number of employees, and one third on number of students. Funds generated by return-to-aid for undergraduate students continue to be pooled centrally and allocated with other undergraduate financial aid resources to campuses based on student need, in order to avoid incentives for campuses to enroll well-off students and to maintain a single systemwide policy for distributing undergraduate aid. The recommendations were implemented beginning with fiscal year 2012-13.

- Following implementation of the Funding Streams model, then-Provost Pitts and Executive Vice President Brostrom convened a follow-up group, the Rebenching Committee, to design a proposal to more equitably and transparently allocate State funding on an equal per-student basis across all campuses. Implementation of the Rebenching model began in 2013-14 and is being phased in over six years. A number of questions have been raised about the impact of the Rebenching formula on various campuses and the administration is currently reviewing the model. UC San Francisco and UC Merced are not part of the Rebenching formula because of their unique situations.

Advocacy and Other Measures

Recommendation 18: Develop a Multi-Year Advocacy Campaign to Foster Public and Political Support for the University

The Commission noted that despite the efforts of staff in the Office of the President and on the campuses, many Californians are unaware of the vital contributions the University makes to the State's economy and people or the very significant funding reductions it has endured in recent years. They recommended the University develop a multi-year campaign to increase public and political support for UC.

Implementation Status

- Since 2010, UC has increased advocacy events and activities both in Sacramento and in all 120 legislative districts throughout the State. In 2012, 2013, and 2014, UC moved its May Regents meeting to Sacramento and the Regents participated in a new joint lobbying day with members of the UC Student Association (UCSA). In 2013, UC also established the UC Legislative Roundtable, a bipartisan group of legislators representing each campus.

- In 2014, at the federal level, UC partnered with CSU and the California Community Colleges, and working with a bipartisan group of congressional lawmakers, established the California Higher Education caucus. The caucus focuses on supporting the quality, affordability, and accessibility of California's public higher education system.

- Also in 2014, in addition to ongoing and strategic engagement with Congress and the Administration, UC launched a series of focused briefings on key federal issues. These briefings are designed to bring UC expertise to complex issues at the federal level. Initial briefings have focused on water and veterans issues and, at the end of January 2015, UC will host a briefing focused on UC brain-related research.

- In June 2012, the University launched a broad public outreach and awareness campaign, *Onward California*. The campaign included TV spots, ads in major California and national newspapers, web banners on news websites and digital networks, billboards in the Oakland International Airport, and a mobile, experiential tour that stopped at 30 venues throughout California. In 2014, a follow-up effort, the *Power of Public*, showcased the University's dedication to its public mission and the many ways its work extends into the lives of every Californian.

- Research studies show significant and steady growth in Californians' perceptions of UC's relevance to their daily lives and the value of UC's research contributions to the State's economy and well-being.

- UC has also established an "e-advocacy" program in which over 500,000 alumni and other interested Californians assist are kept informed on recent policy developments through direct online communications and assist with advocacy efforts in Sacramento through contact with their elected representatives.

Recommendation 19: Endorse Pell PLUS Proposal to Enhance Federal Scholarship Aid at Research Universities

UC was instrumental in developing the notion of a "Pell PLUS" program that would augment the current Pell Grant program by providing operating support to colleges and universities that, like UC, have a proven track record of successfully enrolling and graduating significant numbers of

students from low-income families. The Commission recommended that UC advocate at the federal level for such a program.

Implementation Status

- Creation of a Pell PLUS program continues to be a critical part of UC's higher education advocacy. Congress is expected to reauthorize the Higher Education Act over the next 18-24 months and the creation of a Pell Plus program will be included in the University's recommendations. Reductions in the federal budget and political challenges in Washington, D.C., however, have made enactment of Pell PLUS difficult.

- UC also continues to advocate at the federal level for increases in Pell Grant funding, and expanded eligibility for other federal student aid programs. Increased funding would help not only UC students but also the State and UC fund sources that currently support UC financial aid. UC strongly supports reforms to student loans as well, trying to lower the cost of loans to students and ease the use of income-based loan repayment options. Finally, UC is seeking permanent extension of the American Opportunity Tax Credit, which provides financial relief to UC students and their families that do not qualify for need-based grant assistance.

Recommendation 20: Research Advocacy: Pursue Stronger State and Federal Support for Research, Revitalizing Support for Land Grant Mission

The Commission expressed concern that budget challenges in Washington, D.C. could lead to reductions in funding for sponsored research and recommended that UC increase its investment in outreach and advocacy for the research mission of the University. It recommended that the University proactively demonstrate the significant and long-lasting benefits that UC research provides to California and the nation, including the development of new knowledge, new industries, and new opportunities for economic expansion and employment. In addition, it recommended that UC speak in a strong and clear voice at the national level for increased and sustained investment in research and knowledge development.

Implementation Status

- UC continues to aggressively advocate for strong federal funding for research across a wide variety of federal agencies, and these efforts have proven successful as UC campuses continue to be prime beneficiaries of federal research grants. Ongoing efforts include focused advocacy events highlighting UC's research expertise, land grant mission, and role as an economic and innovation engine. UC will also continue to build upon partnerships with the major research agencies, including the National Institutes of Health, Departments of Defense and Energy, National Science Foundation, US Department of Agriculture, NASA, and other key federal agencies.

- Staff from OP are engaged in efforts to reduce overhead costs and increase effective cost recovery by reducing administrative burdens associated with federal funding of research at universities. UC has provided significant input to the Office of Management and Budget (OMB) and the Council on Financial Assistance Reform (COFAR) on proposed changes and has been helping to shape the discussion that higher education associations, especially the Council on Governmental Relations (COGR), have had with OMB and COFAR as well. UC has also been directly involved in the efforts of NSF's National Science Board to assess faculty perspective of administrative burdens.

- Beginning in 2010, UC held its first UC Graduate Research Advocacy Day at the State Capitol in an effort to bring focus to the vital contributions made to California and the world by or because of UC graduate research. The annual event serves to highlight the value and impact of UC graduate research within California and beyond. The effort also serves to engage graduate student researchers in opportunities to support the work and needs of state leaders.

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All of these efforts, and those described throughout this COTF implementation update, are ongoing components of UC's strategy for increasing non-State sources of revenue and decreasing costs, so that every dollar possible is directed to our mission of access, affordability, and excellence for California.

Attachment: Final Report of the University of California Commission on the Future, November 2010