

**Office of the President**

**TO MEMBERS OF THE ACADEMIC AND STUDENT AFFAIRS COMMITTEE AND  
THE FINANCE AND CAPITAL STRATEGIES COMMITTEE:**

## **DISCUSSION ITEM**

*For Meeting of January 25, 2024*

**STRATEGIC CAMPUS OVERVIEW, MERCED CAMPUS**

### **EXECUTIVE SUMMARY**

UC Merced represents the future of California. A Hispanic-Serving Institution with an undergraduate student body more than 95 percent Californian, more than 85 percent students of color, 65 percent first-generation and nearly 60 percent Pell Grant-eligible, the campus is growing in national rankings and recognition, grant funding and philanthropic support, physical footprint, regional economic impact, and enrollment.

However, enrollment growth must accelerate to meet State, University, and campus expectations. UC Merced is pursuing multiple initiatives, including expanding undergraduate programs, new facilities, facilitating transfer, a potential new athletics affiliation, hiring a new Vice Chancellor of Enrollment Management and Marketing – the first in the UC system -- and investing in admissions marketing, to reach the goal of 15,000 total students.

### **HISTORY**

UC Merced is the first new University of California campus built since 1965. It was authorized by the California Legislature in 1988 to address the higher education needs of the State's fastest-growing region, the Central Valley, with a population of more than four million residents, and to increase access to the UC system for the state's top achievers.

In 2003, UC Merced welcomed a handful of administrators, eight founding faculty, and their graduate students to offices in the former Castle Air Force Base. With the first buildings constructed, the campus opened on September 5, 2005, to 838 undergraduates and 37 graduate students. It was the first American research university built in the 21st century.

As of the 2023-24 academic year, UC Merced has grown the Bobcat student community to 9,148 undergraduate and graduate students. They are some of the best and brightest students from around the State, nation, and world, and they are integral to the University's mission of education, research, and public service.

Currently, UC Merced has three schools: Engineering; Natural Sciences; and Social Sciences, Humanities and the Arts, with the Gallo Management Program envisioned to evolve into the campus' fourth school.

Juan Sánchez Muñoz was named the fourth chancellor and began his tenure July 1, 2020, succeeding Dorothy Leland (2011-2019), Sung-Mo "Steve" Kang (2007-2011), and founding chancellor Carol Tomlinson-Keasey, who served from 1999, before the opening of campus, and who retired in 2006.

In 2022, after a robust campus-wide process, UC Merced finalized its first Strategic Plan, proclaiming its aspirations to be a Carnegie Classification R1 institution, with 15,000 well-supported students, and an empowering and equitable place to work and learn. Campus financial and academic planning are framed by this Strategic Plan. The plan has three pillars:

- Engage Our World and Region Through the Discovery and Advancement of Knowledge
- Develop Future Leaders and Scholars
- Cultivate a Culture of Dignity and Respect for All

## **STUDENTS**

At a time when universities across the country are facing financial and demographic challenges, UC Merced continues to enroll increasing numbers of students. Over the 10-year period ending 2022, UC Merced was the fastest-growing campus in the UC system.

**10-Year UC Campus Enrollment**

	2013	2022	growth	%growth
UCLA	40,795	46,430	5,635	13%
Santa Cruz	17,203	19,478	2,275	13%
Davis	33,307	39,679	6,372	19%
Santa Barbara	22,225	26,420	4,195	19%
Irvine	28,895	35,937	7,042	24%
Berkeley	36,198	45,307	9,109	25%
Riverside	21,285	26,809	5,524	26%
San Diego	29,517	42,006	12,489	42%
Merced	6,195	9,103	2,908	47%

**New students:** In fall 2023, UC Merced admitted a record number of first-year and transfer students to, once again, claim a historically high enrollment of close to 9,150. The 2023 first-year class of 2,416 students, the largest in campus history, comes almost entirely from California: more than 30 percent from the Central Valley (Bakersfield through Sacramento), approximately 27 percent from the Bay Area, and 26 percent from Southern California. Sixty percent of these new students are Pell Grant-eligible and more than 62 percent are the first in their family to attend college.

**Overall enrollment:** The total student population of 8,373 undergraduates and 775 graduate students is more male than female — 51.8 percent versus 46.2 percent -- defying national trends, but likely attributable to the significance of engineering majors attracted to Merced. Nearly 65 percent of all undergraduates are first-generation students and 58.8 percent are Pell-eligible.

Of the three schools at UC Merced, the School of Social Sciences, Humanities, and the Arts accounts for 42.2 percent of undergraduate enrollment, the School of Engineering 30.2 percent, and the School of Natural Sciences 24.5 percent. Over 49 percent of undergraduates reside on campus.

Among the 775 graduate students, 727 are pursuing doctoral education and 48 are enrolled in master's programs.

Student success is reflected in the rise of Merced in national rankings. In fall 2023, *US News and World Report* ranked UC Merced 60th among national universities, 28th among public universities, and fourth for advancing students' social mobility. The Third Way think tank ranked UC Merced seventh in the country on its Economic Mobility Index.

The *Washington Monthly* named the campus 56th in the United States, and the *Wall Street Journal* ranked Merced 15th among all public universities, and third among California public institutions.

UC Merced's commitment to building a community of inclusive excellence is validated by the 2023 presentation of a Higher Education Excellence in Diversity award (UC Berkeley and UC Merced were the only UC campuses to receive this award in 2023) and its inclusion in Hispanic Outlook on Education's Top 100 Colleges for Hispanics ranking as well as Winds of Change's Top Schools for Indigenous Students list.

*Times Higher Education* named UC Merced number one among U.S. Young Universities, and the global ranking World Universities with Real Impact ranked the campus 25th on the Global Most Innovative Universities list.

Speaking directly to the campus' founding mission of increasing college-going rates in the Central Valley, students in Madera, Merced, and San Joaquin counties are now attending the University of California at more than double the numbers before UC Merced opened its doors to undergraduates in 2005.

## **ENROLLMENT INITIATIVES**

### ***Undergraduate Students***

UC Merced has undertaken both traditional and innovative approaches to attract new students. With only twenty-seven majors to offer prospective students as of 2022, the campus expanded to 32 bachelor's degree programs by fall 2023 and are on track, working with the Merced Division of the Academic Senate, to add new majors each year through 2030, with a goal of 50 majors.

Assisting this effort is the Accelerating Campus' Evolution (ACE) initiative, which offers catalyst funding to academic departments to hire faculty in support of innovative programs. This critical temporary funding provided by the Office of the President will allow the campus time to ultimately fund new faculty salaries from enrollment growth after three years. Majors are carefully selected with an eye toward faculty capacity and strengths as well as anticipated student demand.

Beginning with the Merced Union High School District in 2021, UC Merced has expanded automatic admissions programs to 18 Central Valley school districts that incorporate 60 high

schools. These programs allow students who meet UC qualifications to apply to UC Merced without the full traditional application process.

This fall's first-year class includes the first 15 students in the bachelor of science to medical doctorate (BS to MD) pathway, developed in partnership with UC San Francisco (UCSF) and UCSF-Fresno. These students will complete their undergraduate degrees and the first 18 months of their medical education on UC Merced's campus, and then will complete their M.D. degrees at UCSF-Fresno. They are all natives of the Central Valley, from Stockton to Bakersfield, familiar with the region and profoundly aware of its healthcare needs. These students also represent a great diversity of backgrounds; some are children of physicians, some are first-generation college students, some are children of recent immigrants, and others are from multi-generation California families.

This cohort was selected from 1,200 initial applications through a rigorous process. Many from the pool are now at UC Merced as Health Scholars in a living-learning community, pursuing their own dreams of working in the health professions. The BS to MD pathway is one of the many new academic offerings now enrolling students or in development.

With the strong leadership of department chairs, deans, and the Academic Senate, the campus is leveraging the research strength and staggering intellectual breadth of its faculty to attract new students and researchers to UC by creating more academic offerings. Recently approved majors include Bioengineering, Chemical Engineering, Electrical Engineering, Environmental Humanities, and two tracks of Data Science. New emphases within existing programs allow students to drill down on Justice, Law and Society within the Sociology major, or Astrophysics in the Physics department, among others.

UC Merced has also created the first campus-wide Honors Program, which will begin accepting students in fall 2024. With new faculty leadership and pilot placement in the School of Science Sciences, Humanities and the Arts, the Gallo Management Program is being reenvisioned to become the campus' fourth school.

In fall 2023, the campus admitted the largest recruited class of student-athletes in its history to compete on 12 National Association of Intercollegiate Athletics teams. UC Merced is currently examining an invitation to join a NCAA Division II conference. This decision will involve a number of critical conversations that will take place across the campus over the coming year, including with faculty and staff. It would also require the formation of a governing committee, should the process move forward. In advance of that invitation, UC Merced has been provisionally accepted into the California Collegiate Athletic Association, a Division II conference of California institutions.

*Transfer Students*

UC Merced has three Promise transfer programs with community colleges in Merced, Fresno, and Modesto that facilitate transfer for students seeking to advance their educations. The campus has created an online program mapper so that community college students have a clear understanding of what classes they can take to ensure their speedy acceptance into majors at UC Merced.

Currently, the mapper incorporates Merced College, Bakersfield College, and Reedley College courses, with the intention to expand the reach. California Community Colleges Chancellor Sonya Christian has promised to streamline the transfer processes across the system by standardizing course numbers. UC Merced's transfer mapping team is now consulting with the Office of the President to expand the project across the system.

**RESEARCH EXCELLENCE**

Just as at other University of California campuses, academic research is a critical part of UC Merced's mission. The campus achieved an R2 Carnegie Classification in record time and intends to achieve its goal of becoming an R1 university in even less time, and ultimately aims to achieve AAU status. The process of discovery provides UC Merced students with a deeper understanding of the world and its cultural, social, natural, and engineered systems and to solve issues and challenges that are critical to the growth, health, and overall well-being of the region, state, nation, and world.

UC Merced researchers are conducting groundbreaking work in diabetes, cancer, bacterial diseases, antibiotic resistance, solar energy, agricultural technology, climate change, water quality and availability, wildfires, ecology, engineering, archeology, cultures, history, political science, computer science and much, much more. A Bio Safety Level 3 laboratory in one of its newest academic buildings is advancing research on diseases such as Valley fever.

Research centers and institutes at UC Merced include:

- Center for Analytic Political Engagement
- Center for the Humanities
- Center for Interdisciplinary Neuroscience
- Center for Information Technology Research in the Interest of Society (CITRIS)
- Community and Labor Center
- CREST Center for Cellular and Biomolecular Machines
- Health Sciences Research Institute
- Merced Nanomaterials Center for Energy and Sensing
- Nicotine and Cannabis Policy Center
- Research Center for Community Engaged Scholarship
- Sierra Nevada Research Institute
- Stem Cell Instrumentation Foundry
- Spatial Analysis and Research Center

- UC Advanced Solar Technologies Unit
- Valley Institute for Sustainability, Technology and Agriculture (VISTA)

UC Merced researchers also enter into collaborative partnerships with other institutions and state and federal entities, among them:

- California Department of Food and Agriculture
- NASA
- California Institute for Regenerative Medicine
- Lawrence Livermore National Laboratory
- National Park Service

UC Merced faculty received more than \$91.1 million in external research funding in 2022-2023. Eleven awards were for more than \$1 million, including \$20 million for VISTA from the federal Economic Development Administration to support a wide-ranging partnership, F3 (Farms. Food. Future) that aims to drive both economic growth and equity in the Central Valley, spur inclusive innovation and commercialization, and position the Valley's agriculture-based industry to be competitive, resilient, and sustainable.

The campus is especially proud of its 2022 designation by the University of California as an Agricultural Experiment Station and the new campus-adjacent "smart farm" that embodies UC Merced's areas of research excellence and cross-disciplinary approach to research.

The farm will focus on precision agriculture, including robotics, to improve the food-water-energy nexus. Researchers will also look at agriculture through the lens of management of complex systems by examining water, climate, and wildfire challenges; examine opportunities in soil health, air quality, and the reuse of agricultural byproducts; and delve into social justice by investigating the labor force and agriculture's effects on the communities of the San Joaquin Valley, including public health impacts and disparities.

With \$18 million in climate action funds directed from the Legislature, the campus is awarding \$9 million in competitive climate action seed grants and will create a climate institute with three centers: resilient, equitable and sustainable futures; future-ready wildfire and climate resilience; and innovations in renewable energy for climate resilience.

### **COMMUNITY CONNECTIONS**

As illustrated by the F3 initiative, UC Merced is significantly engaged in the economic growth of the Central Valley. That engagement extends beyond the research agenda to the life and operations of the campus, itself.

In the Valley, where unemployment and poverty rates exceed California averages, campus construction has supported thousands of jobs, stimulating new business development and pumping millions of dollars into the local economy each year.

UC Merced has 1,700 employees and a monthly payroll of \$24 million. Based on an economic impact study by Lightcast/Emsi Inc., for 2018-2019, UC Merced contributed:

- \$372.9 million to the economy of Merced County, and
- \$514.6 million to the economy of the Valley.

The Merced 2020 Project, a major public-private construction partnership, doubled the campus' physical infrastructure with 1.2 million square feet in 11 new facilities, including research and teaching space, student residence, dining, and recreation facilities, and a central administration building.

Lightcast/Emsi analyzed this significant infrastructure project, which concluded in 2020, and found that it will contribute another \$696.7 million to the Central Valley economy through 2030, considering increased numbers of students, staff, and faculty.

UC Merced's impact on the community is not strictly economic uplift. The campus also addresses the Valley's most pressing needs, such as education and health care. Through programs such as the Center for Educational Partnerships (CEP), CalTeach and others, UC Merced provides professional development programs for K-12 teachers and administrators and educational opportunities for students who seek summer enrichment. Recent support from the California Department of General Services will support a UC Merced-led K-16 Education Collaborative Grant Program with \$18.1 million and a first-ever grant by the Gates Foundation will help UC Merced's CEP create pathways to higher education for underrepresented students in the Central Valley.

Merced faculty and students work with elementary schools throughout the region, training teachers and bringing science to underfunded districts. The foundation-supported Mobile Maker Lab allows UC Merced faculty and students to deliver user-defined science experiences throughout the Valley and beyond.

This not only fulfills UC's mission of public service, but it also introduces prospective students and their parents to the spirit of inquiry and the community-friendly nature of UC Merced.

The campus' Community Engagement Center connects UC Merced students with service projects such as the monthly USDA Food Distribution Program in Merced, at which many campus community members volunteer, and regular park and playground cleanups.

The Center received a \$3 million grant from the Governor's Office to support students in the #CaliforniansForAll College Corps program, which allows students to earn college funds while performing community service. The College Corps program, for which UC Merced served as a pilot, was launched at a press conference on the UC Merced campus.

In a noteworthy partnership with the community, UC Merced, with Regental approval, has worked diligently with the Merced City Council and city administrators to advance the

annexation of campus by the City. Annexation approval is currently awaiting a final vote by Local Agency Formation Commission (LAFCo) of Merced County. The immediate practical impact of annexation is that urban services will be provided by the City instead of the county. The medium- to long-term impact will be the creation of significant mixed-use development surrounding the campus, not only adding to the constrained local housing stock but also creating more amenities and community vibrancy for those who learn, live, and work on campus. Survey data from admissions-focused events indicate that location and amenities are top factors for students and families in choosing whether to commit to UC Merced.

### **SUSTAINABILITY**

Sustainability is a hallmark of the UC Merced campus; aculty, staff, and students take it seriously.

UC Merced is the only U.S. university in which every building on campus environmentally certified. A current one-megawatt ground solar panel array helps power the campus, which the campus is in the process of expanding to further its sustainability goals. Eleven buildings in the Merced 2020 Project were awarded Leadership in Energy and Environmental Design (LEED) Platinum certification by the U.S. Green Building Council.

The campus is the first public research university certified as carbon-neutral, and every campus building is LEED-certified by the U.S Green Building Council. The Sierra Club named UC Merced the number five “Cool School” in the nation, and the Association for the Advancement of Sustainability in Higher Education’s Sustainable Campus Index in 2019 ranked the university number one in the United States for both sustainable buildings and sustainable research.

Land conservation also is part of UC Merced’s green campus commitment. Through a collaboration with the Packard Foundation, the Hewlett Foundation, the Nature Conservancy, and the State of California, the campus set aside 25,000 acres of grassland habitat for permanent conservation, 6,500 acres of which form the Vernal Pools-Grasslands Nature Reserve, open space adjacent to campus that can be used on a limited basis for research and education, but never be developed.

The campus is planning a state-of-the-art field education center on campus land next to the reserve to facilitate community partnerships, including science education programs for area schools.

### **PHILANTHROPIC SUPPORT**

Private support lies at the heart of the campus’ vital partnerships with the community. Gracious donors have continued to show support for UC Merced's mission by contributing funds to fill the gap where public funding ends.

In 2022, UC Merced launched its first-ever comprehensive campaign, Boldly Forward, with a goal of raising \$200 million by 2030 and by fall 2023, raised \$96 million, with major gifts including \$20 million from philanthropist Mackenzie Scott, \$15 million from Regent Emeritus Fred Ruiz, \$9 million from an anonymous donor, and \$5 million from Fresno-area developer Ed Kashian. The central administration building has been renamed the Fred and Mitzie Ruiz Administration Center in honor of the Ruiz gift, and the Kashian name will appear in the atrium of the future medical education building to honor his gift.

UC Merced's nearly 18,000 alumni, with an average age of less than 30, raised nearly \$1 million in last fall's Give To UC Merced program.

The Philanthropy and Strategic Partnerships team won a Gold award from the Council for Advancement and Support of Education (CASE) for its work on Student Philanthropy Month in 2022, raising a record amount for student projects, as well as aggregating nearly 500 hours of community service.

### **FACILITIES**

New spaces on campus for research, teaching, learning, and living will be essential to these plans. The campus has made great progress with the Merced 2020 Project, particularly in the face of COVID, staffing, and other challenges associated with opening new facilities. In spring 2024, the campus hopes to break ground on the new medical education building which has Governor Newsom's support as well as that of the Board of Regents.

The campus also plans to break ground on the new intersegmental housing project (Promise Housing) arising from its Promise program partnership with Merced College. This project will offer 488 new affordable beds to transfer students and those eligible for transfer, building a living-learning community for students.

Finally, plans for the new Classroom and Office Building 3 are underway to accommodate growth in the academic programs.

### **CHALLENGES**

Enrollment has grown year to year, but the pace of growth is not sufficient to achieve State, University, and campus goals. UC Merced faces serious challenges in competing for and enrolling students in the coming years. Scholars and analysts have warned about the U.S. "demographic cliff" of the high-school-aged population based on lowered birth rates during the last recession. In line with national trends, the California Department of Finance (DOF) predicts a significant downturn in the future number of California high school graduates.

UC Merced has recruited and enrolled almost entirely California students. This drop may be particularly difficult to weather without expanding admissions recruitment efforts out-of-state and internationally.

Academic program offerings, which UC Merced is committed to expand, are still below reasonable benchmarks for a public institution of its size, as shown below. The campus offers the fewest majors in the UC system. While the campus has added new majors, minors, and emphases within majors, the timeline for program approval through the Academic Senate and other processes is two years.

**Comparably sized public institutions**

	<i>Students</i>	<i>Majors</i>
U Maine (Orono)	9,500	100
Coastal Carolina	9,500	100
Central Connecticut	8,600	82
Buffalo State	8,600	79
College of Charleston	9,300	67
Bridgewater State	9,000	53
Austin Peay State	9,100	53
Empire State	9,100	40
Angelo State	9,200	40
UC Merced	9,147	32 (only recently)

Information from the National Clearing House shows that students admitted to UC Merced matriculate at institutions offering majors the campus does not have. Five top majors attract 63 percent of UC Merced undergraduates:

- Biology: 18 percent
- Computer Science/Engineering: 15 percent
- Psychology: 13 percent
- Management/Business Economics: 9 percent
- Mechanical Engineering: 8 percent

This, combined with historical difficulties attracting faculty in some STEM fields to the Central Valley, leads to impacted faculty and classes and the deferral of gateway courses for first-year students by a semester or a year, directly driving retention challenges. UC Merced’s aspiration is to hire 100 new faculty by 2030 to meet projected student needs, budget permitting.

The campus also needs to expand graduate program offerings beyond its current 16 Ph.D. programs and thirteen master’s programs. This will require a significant investment in faculty and staff and infrastructure to support faculty.

Increasing the number of transfer students is key to UC Merced’s future enrollment growth, and much thought and effort has been devoted to this project such as programs like the online mapper and the Promise agreements. However, the general demographic downturn poses serious challenges to UC Merced’s future.

The California Community Colleges reported an enrollment drop of 20 percent from 2019 to 2021, and only recently celebrated a 2.4 percent rise, which does not fill the gap of 300,000 students lost in the two COVID years. Additionally, the University and the State Legislature have urged UC campuses to accept more transfer students, and the Legislature has recently funded an initiative to provide financial incentives for transfers from community colleges to Historically Black Colleges and Universities, all of which are out of state. Institutions from other states have aggressively established transfer articulation agreements with California community colleges, offering online bachelor's degree completion programs.

UC Merced is working to overcome historical impediments within academic departments to accepting transfer students into majors. These challenges and others will require significant and sustained support from the University of California, the California State government, and others to achieve UC Merced's mission to serve California's best and brightest young people.