

MULTI-YEAR COMPACT BETWEEN THE NEWSOM ADMINISTRATION AND THE UNIVERSITY OF CALIFORNIA MAY 2022

The Administration and the University of California (UC) mutually agree to prioritize advancement of student-focused, shared goals over the five-year term of this compact. The shared goals articulated herein are designed to close equity gaps and promote student success; expand access to the UC, including for transfer students; increase the affordability of a UC education, including addressing non-tuition costs; increase intersegmental collaboration to benefit students; support workforce preparedness and high-demand career pipelines; and provide access to online course offerings. To facilitate progress toward these shared goals, the compact also reflects the Administration's commitment to pursue predictable, significant investments in the UC, as articulated in the section of this compact titled The Administration's Proposed Investments in UC.

COMPACT TERM:

From the 2022-23 through 2026-27 fiscal and academic years.

PROGRESS REPORTING:

By November 30 of each year for the term of this agreement, the University of California will furnish a report to the Administration and the Legislature describing the progress it has made toward each goal.

- The 2022 report will describe what specific actions are planned to achieve each goal.
- Annual reports from 2023-2026 will describe actions taken, quantify progress in achieving each goal, and describe planned actions for the next year.
- Each annual report will include summary updates on strategic collaborations with intersegmental partners, including how the partnerships contributed to advancing the performance outcomes, structural or process changes achieved and needed, and projected annual priority focus areas for collaboration.

SHARED GOALS:

INCREASING ACCESS TO THE UC:

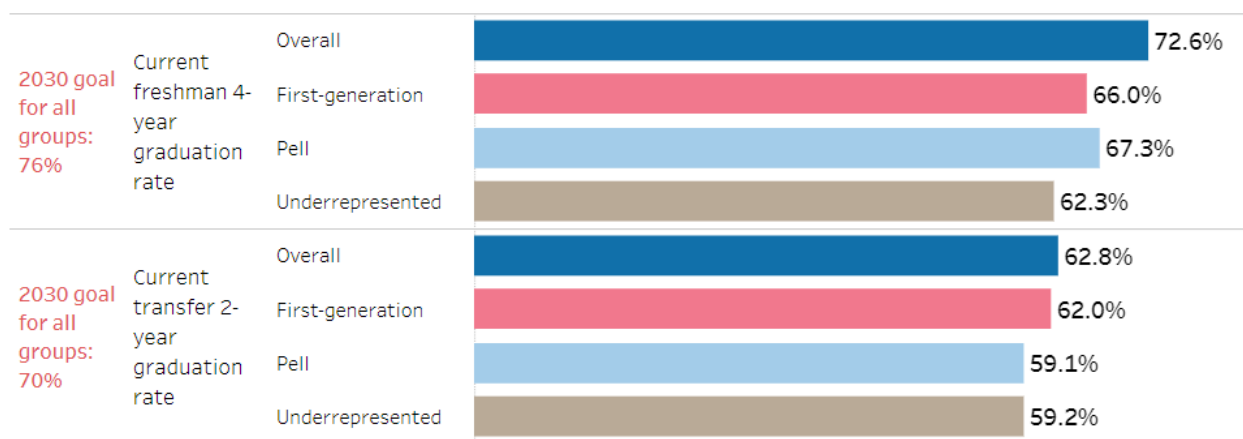
The Administration and the University share the following goals to increase access to the UC:

- With the 2022-23 academic year serving as the baseline, UC will add approximately 8,000 full-time equivalent resident undergraduates over four years (one-percent annual enrollment growth each year between 2023-24 and 2026-27). In the first annual report, UC will provide specific estimated enrollment increases for each year between 2023-24 and 2026-27.
 - This enrollment growth will be supported by annual five-percent General Fund base increases described in the Administration's Proposed Investments section of this document.
 - To the extent feasible within Long Range Development Plan constraints, UC will aim for, at minimum, 15 percent of this growth to occur at UC Berkeley, UC Los Angeles, and UC San Diego.
- In addition to the annual resident undergraduate enrollment growth of one percent per year between 2023-24 and 2026-27, UC will shift a portion of nonresident undergraduate enrollment at UC Berkeley, UC Los Angeles, and UC San Diego to resident undergraduate enrollment to achieve a share of nonresident students at every UC campus that is no more than 18 percent of the campus' undergraduate enrollment. This provision is contingent upon the state providing ongoing funding to backfill revenue losses associated with the shift of nonresident to resident undergraduate enrollment at UC Berkeley, UC Los Angeles, and UC San Diego during the term of the agreement, pursuant to Education Code Section 93000.
 - Undergraduate enrollment growth during the term of the agreement will occur in accordance with UC's existing systemwide goal to enroll one new California resident transfer student for every two new California resident freshmen.
- In addition to the aforementioned resident undergraduate enrollment growth, UC will add 2,500 graduate students systemwide during the term of the agreement.
 - This enrollment growth will be supported by the annual five-percent General Fund base increases described in the Administration's Proposed Investments section of this document.

IMPROVING STUDENT SUCCESS AND ADVANCING EQUITY:

The Administration and the University share the following goals to improve student success and advance equity:

- Establishing an aspirational target to eliminate gaps between overall four-year freshman graduation rates and those of low-income (Pell-eligible), and underrepresented groups by 2029-30.
 - The intermediate goal is to reduce current gaps by 50 percent by the end of the 2025-26 academic year.
- Increasing the overall systemwide four-year freshman graduation rate to 76 percent and the two-year transfer graduation rate to 70 percent by 2029-30.
 - The intermediate goal is to achieve at least half of those increases by the end of the 2025-26 academic year, with measurable progress demonstrated by at least five of the nine undergraduate campuses each year.
- Improving data collection on graduation rates for students with a disability and creating a dashboard for this information by the end of the 2025-26 academic year. Moving forward, this information will be used to aid in establishing baseline data and identification of appropriate metrics and goals to improve the student experience for disabled students.
- These goals will be tracked on the UC undergraduate graduation rate dashboard (<https://www.universityofcalifornia.edu/about-us/information-center/ug-outcomes>).
- Below is the baseline information, representing four-year grad rates from the Fall 2017 freshman cohort, and two-year grad rates from the Fall 2019 transfer cohort. The Fall 2022 freshman cohort will be used for 2025-26 four-year grad rate goals and Fall 2024 transfer cohort will be used for 2025-26 two-year grad rate goals.



INCREASING THE AFFORDABILITY OF A UC EDUCATION:

The Administration and the University share the following goals to increase the affordability of a UC education:

- Establishing an aspirational goal of offering every UC undergraduate a pathway for debt-free education by 2029-30.
 - UC will set aside 45 percent of new revenue generated from undergraduate tuition and systemwide fee increases for financial aid.
 - Offering a pathway for debt-free education is expected to refer to providing resources such that total available resources (a combination of self-help [the expected student contribution from work earnings or other resources], an expected parent contribution, scholarships, UC institutional aid, Cal Grant, Middle Class Scholarship, Pell Grant and other state and federal grant support for eligible students) are adequate to cover a student's total cost of attendance.
 - The intermediate goal is to provide a pathway for debt-free education to 60 percent of all undergraduate students by the end of the 2025-26 academic year, which will prioritize low-income students and will ensure all California resident undergraduate Pell Grant recipients attending a UC are provided a pathway for debt-free education by the end of the 2025-26 academic year.
 - The University will use the following metrics to measure success:
 - Increasing number of financial aid recipients with a self-help level below the identified target (\$7,900 for the current year);
 - Decreasing proportion of California resident students borrowing each year compared to the 2019-20 baseline (37 percent in 2019-20);
 - Decreasing proportion of California resident students graduating with debt compared to the 2019-20 baseline (44 percent in 2019-20); and,
 - Decreasing average debt upon graduation (\$17,917 in 2019-20).
- In light of its goal, UC will construct a plan that will detail how it will substantially decrease non-tuition costs for students or increase availability of lower cost options in the areas of textbooks, housing, food and transportation. UC will look for ways to reduce or eliminate student textbook and course materials fee costs and/or increase financial aid to better address these costs. UC will use responses from the Undergraduate Cost of Attendance Survey to track decreases in textbook costs for lower and upper division students.
- UC will implement strategies that increase the overall affordability of on-campus housing, such as including student housing—both undergraduate and graduate student housing—as part of ongoing capital campaigns.

INCREASING INTERSEGMENTAL COLLABORATION TO BENEFIT STUDENTS:

The Administration and the University share the following goals to increase intersegmental collaboration:

- UC will fully participate in the implementation of the Cradle-to-Career Data System, including support for the System's proposed California College Guidance Initiative (CCGI) operating tool.
- UC will support efforts for its nine undergraduate campuses to adopt a common learning management system with the California State University (CSU) and California Community College (CCC) systems.
- UC will collaborate with the CSU and the CCCs to utilize the CSU Student Success Dashboard, or a similar tool, to identify granular equity data trends that can be used to address equity gaps.
- UC will support efforts to establish an integrated admissions platform common to the UC, CSU, and CCCs. Such a platform should be integrated with, and informed by, the Cradle-to-Career Data System.
- UC will collaborate with the CCC system to redesign UC-CCC data sharing agreements as needed to more comprehensively uphold the commitment to enable, sustain, increase, and seamlessly support transfer students; to create standards, processes, and conditions to facilitate analysis of transfer data and understand CCC successes and improvement points. Such data is critical to meaningfully fulfilling the promise of the Associate Degree for Transfer (ADT) and the intent of Chapter 566, Statutes of 2021 (Assembly Bill 928).
 - Specifically, UC will collaborate with the CCC system to redesign data-sharing agreements, as needed, to facilitate the provision of information on CCC transfer students, including but not limited to the following:
 - Student-level data on CCC students who upon matriculation indicate intent to transfer, and students who matriculate into and complete an Associate Degree for Transfer or the Intersegmental General Education Transfer Curriculum (IGETC) pathway.
 - Student-level data on CCC applicants to UC annually, including academic and demographic profiles, and admissions decisions by campus per year.
 - Student-level data on CCC students enrolled at UC, including academic profiles, and academic persistence and performance.

SUPPORTING WORKFORCE PREPAREDNESS AND HIGH-DEMAND CAREER PIPELINES:

The Administration and the University share the following goals in supporting workforce preparedness:

- Increasing the number of students graduating with degrees or credentials in science, technology, engineering and mathematics (STEM); education or early education; and academic doctoral degrees; by 25 percent by 2026-27.
 - The overarching goal is to support high-demand career pipelines for technology, climate action, healthcare, and education.
 - Broad UC STEM disciplines for purposes of this goal will be architecture, engineering, life sciences, physical sciences, and other health sciences.
 - UC's primary education focus for purposes of this goal is to produce future K-12 educators and CCC, CSU and UC faculty.
 - In reporting progress on this goal, UC will disaggregate information as feasible. This disaggregation will ideally include, but not be limited to, reporting of information by educational discipline, degree level, and/or Employment Development Department industries of employment.
- With regard to undergraduate and graduate enrollment growth outlined in the Increasing Access section above, prioritizing high-need disciplines, including healthcare, STEM, climate action, education, and disciplines of regional need identified by Community Economic Resilience Fund (CERF) partnerships. In the 2022 annual report, UC should detail the timeline, including annual targets, and approach for meeting this goal.
- UC will collaborate with the CCCs to develop technology, educator, healthcare, and climate action ADT pathways and/or UC transfer pathways for transfer students interested in entering these fields.
 - The goal is to establish a "2+2" model for transfer students interested in entering these fields.
- To meet the State's aspirational goals of increasing the percentage of students who graduate high school with 12 or more college units earned through dual enrollment opportunities by 15 percent and closing equity gaps between the types of students able to access dual enrollment programs, UC will collaborate with the CCCs to review course transfer eligibility in order to expand dual enrollment opportunities available to high school students through CCCs. The goal is to develop pathways for high school students through CCCs in the education (early, primary, and secondary), healthcare, and climate action fields that ensure CCC course credits completed by high school students are accepted for transfer and apply toward UC degree programs.
- UC will expand efforts to integrate career-relevant knowledge and skills into the educational experience, in part by establishing a goal of enabling all students to participate in at least one semester of undergraduate research, internships and/or relevant on-campus or community service learning.

PROVIDING ACCESS TO ONLINE COURSE OFFERINGS:

The Administration and the University share the following goal to provide access to online course offerings:

- With the 2019-20 academic year serving as the baseline, UC will double the number of student credit hours generated through undergraduate online courses offered in fall, winter, spring and summer terms by 2029-30.
 - The intermediate goal is for UC to achieve half of that increase by the end of the 2025-26 academic year.
 - For the 2019-20 baseline, UC undergraduates enrolled in 283,090 online units in the summer, fall, winter, and spring terms.

THE ADMINISTRATION'S PROPOSED INVESTMENTS IN UC:

- The Administration will propose annual, year-over-year ongoing General Fund base increases of five percent for the term of the compact. In 2022-23, the five-percent base increase totals \$200,542,000 ongoing General Fund.
- In addition to annual base increases, the 2022-23 Governor's Budget provides \$67.8 million ongoing in 2022-23 for a resident undergraduate enrollment increase of 6,230 full-time equivalent students in 2022-23, compared to a 2020-21 baseline.
- The Administration will propose to backfill Nonresident Supplemental Tuition losses to the UC operating budget and financial aid resulting from reductions in nonresident undergraduate enrollment pursuant to Education Code Section 93000. In 2022-23, the Governor's Budget includes \$31 million ongoing for this purpose, subject to the requirements established in Education Code Section 93000 (i.e., the funding amount may be adjusted if the specified nonresident enrollment replacement target is not met).
- The Administration will not trigger permissive language authorizing a reduction in UC's budget to cover the increased Cal Grant costs associated with tuition increases under UC's cohort-based tuition model. According to estimates from the California Student Aid Commission, annual state costs associated with covering cohort-based tuition increases for the Cal Grant program will grow from \$15 million in 2022-23 to \$200.8 million in 2026-27.
- The 2022-23 Governor's Budget also provides:
 - \$185 million one-time General Fund for the following climate initiatives:
 - \$100 million for climate action research seed and matching grants available to researchers from the UC system and other institutions.
 - \$50 million for regional climate innovation incubators.
 - \$35 million to establish climate workforce development and training hubs co-located with the regional climate innovation incubators.

- \$100 million one-time General Fund in 2022-23 to support UC deferred maintenance and energy efficiency projects.
- \$10 million one-time General Fund in 2022-23 to support research at the UC San Francisco Dyslexia Center.
- \$6 million ongoing General Fund to support foster youth programs.
- \$2 million ongoing General Fund to increase support for the University of California Firearm Violence Research Center.
- The 2022-23 May Revision additionally provides:
 - \$300 million one-time General Fund for a new Institute for Immunology and Immunotherapy at UCLA, with an additional \$200 million one-time General Fund investment planned for 2023-24.
 - \$13 million ongoing General Fund to support existing UC Labor Centers and Occupational Safety and Health Programs, and invest in similar new initiatives throughout the UC system.
 - \$5 million one-time General Fund to support UC Berkeley's Center for Responsible, Decentralized Intelligence.
 - \$5 million one-time General Fund to support the Ralph J. Bunche Center for African-American Studies at UCLA.
 - \$2 million one-time General Fund to support the UC Fire Advisors program, with an additional \$2 million one-time General Fund planned for 2023-24.
 - \$1.5 million General Fund, of which \$650,000 is ongoing, to integrate member institutions of the Association of Independent California Colleges and Universities into the ASSIST student advising platform.
- To the extent state revenue is available, the Administration will also consider annual requests for one-time funding for the University, particularly to support capital projects in energy efficiency, seismic renewal, deferred maintenance
- To the extent state revenue is available, the Administration will also consider Legislative additions to the University's ongoing funding, including to support enrollment growth among (a) additional California resident undergraduate students above and beyond the one percent annual enrollment growth described above (see "Increasing Access to the UC"), and (b) graduate health sciences programs designed to improve access to healthcare for medically underserved populations (e.g., UC PRIME).