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Office of the President

TO MEMBERS OF THE FINANCE AND CAPITAL STRATEGIES COMMITTEE:

ACTION ITEM

For Meeting of November 15, 2018

APPROVAL OF THE UNIVERSITY OF CALIFORNIA 2019-20 BUDGET FOR CURRENT OPERATIONS

EXECUTIVE SUMMARY

The Regents are asked to approve the proposed budget plan shown in the attached document, *University of California 2019-20 Budget Plan for Current Operations*. The proposed plan represents a statement of the University's funding priorities in advance of the Governor's January State budget proposal.

The 2019-20 budget plan is envisioned as the first year of a multi-year framework designed to improve student outcomes, expand access, and provide students and campuses with much-needed stability. (Development of the multi-year framework is discussed in greater detail in item B2, *Multi-Year Enrollment and Budget Planning.*) The plan reflects investments in the following broad categories:

- Investments to improve degree attainment, including reducing time-to-degree, improving overall graduation rates, and closing achievement gaps between different student populations;

- Enrollment growth in California resident undergraduate students (2,500), graduate students (1,000), and nonresident undergraduate students (800);

- Funding for debt service and related payments to allow the University to meet its most pressing capital needs through the AB 94 process, as well as enhanced efforts to address its deferred maintenance backlog; and

- Sustaining core University operations, including salary adjustments for represented and non-represented faculty and staff, employee and retiree health benefits, employer contributions to the UC Retirement Plan, and non-salary price increases.

The plan includes projected revenues and cost savings attributable to the University's own efforts to improve financial management and optimize returns on discretionary funds; philanthropic giving; and redirecting tuition revenue previously used to provide financial aid to nonresident undergraduate students. The plan requests new permanent State funds to support the remainder of the University's core fund expenditure plan, which would avoid the need to increase Tuition or the Student Services Fee in 2019-20.

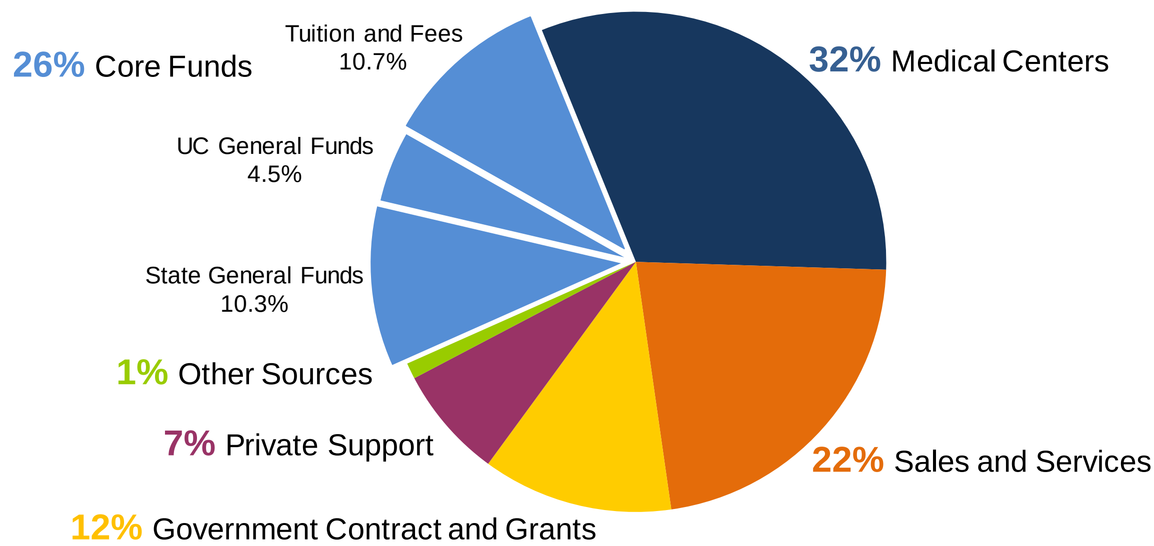
RECOMMENDATION

The President of the University recommends that the Finance and Capital Strategies Committee recommend that the Regents approve the proposed budget plan shown in Attachment 1, *University of California 2019-20 Budget Plan for Current Operations*.

BACKGROUND

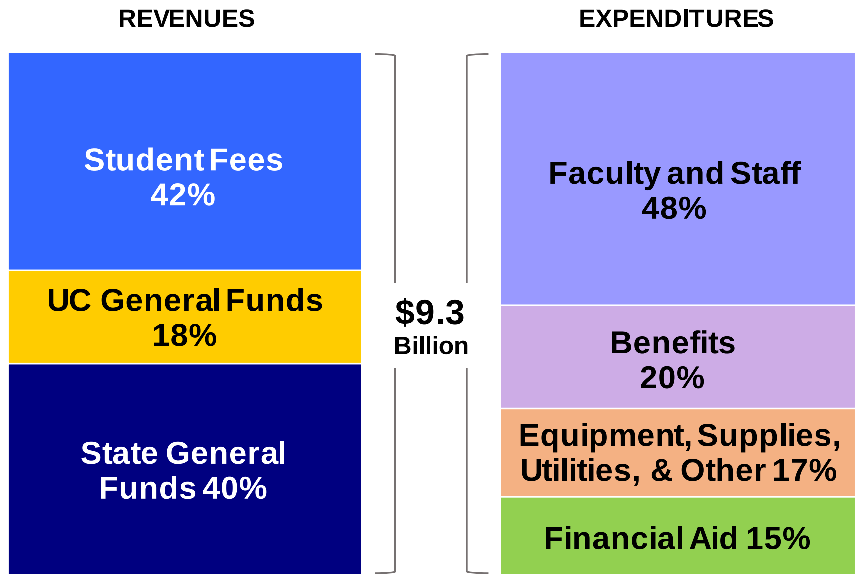
The size and composition of the University's operating budget reflects the University's broad and diverse impact on Californians. The University's operating revenue, estimated at $36.5 billion in 2018-19, funds essential programs related to teaching, research, and public service, as well as a wide range of other activities, including teaching hospitals, University Extension, housing and dining services, and sponsored research.

DISPLAY 1: Overview of the University of California Budget, 2018-19



The University's "core funds," which include revenues from State General Funds, UC General Funds, and student tuition and fees, provide permanent funding for the University's core missions, as well as the administrative and support services needed to perform them. Totaling an estimated $9.3 billion in 2018-19, these funds represent 26 percent of UC's total operations. While all fund sources are critical to the success of the University, much of the focus of UC's strategic University-wide budget process and interaction with the State is dedicated to the sources and uses of these core fund sources. Display 2, below, depicts the projected sources and uses of the University's core funds in 2018-19.

DISPLAY 2: Revenue and Expenditures from Core Funds, 2018-19 (Estimated)



Among the challenges faced by the University is a long-term decline in available core funds. The decline is the result of four independent factors which, taken together, have limited the University's ability to provide the same level of support for current students as was provided to earlier generations of students.

- **Dramatic declines in State support, which has not fully recovered.** State support for UC declined precipitously in 2008-09 and again in 2011-12. UC's State appropriation has returned to pre-recession levels in nominal dollars, but State support remains low by historic standards when inflation and enrollment growth (discussed below) are taken into account. The decline was not fully offset by increases in student tuition and fees, partly because the University set aside – and continues to set aside – a large portion of the new tuition and fee revenue to expand its financial aid programs.

- **Increases to UC's budget that also came with heightened obligations.** In 2013-14, the University's base budget was permanently increased to include debt service for outstanding State general obligation (GO) bonds. As a result, although the University's ongoing State General Fund appropriation appeared to increase that year by more than $200 million, the University's annual required debt service payments increased by a similar amount as well.

- **Restart of employer contributions to the University of California Retirement Plan (UCRP).** In the early 1990s, the Regents suspended University and employee contributions to UCRP after actuaries determined that UCRP was adequately funded to provide benefits for many years into the future. The University estimates that in the nearly 20 years during which contributions were not required, the State saved more than $2 billion in contributions for those UCRP members whose salaries were State-funded. The University restarted contributions in April 2010, yet the State provided no additional funding for this purpose. The employer contribution from core funds now exceeds $400 million annually, resulting in less funding available for other parts of the University's operating budget.

- **Enrollment growth.** UC enrollment grew by more than 100,000 full-time-equivalent students between 2000-01 and 2017-18. This increase of 59 percent far outpaced growth in core funds after taking into account inflation and the other factors described above.

The combined impact of these changes is shown in Display 3. Available core funds fell by $11,296 per student, or 30.7 percent, between 2000-01 and 2017-18.

DISPLAY 3: Available Core Funds per Student, 2000-01 and 2017-18

		2000-01	
	2017-18 (est.)	Adjusted for Inflation	Not Adjusted for Inflation
Core Funds Revenue ($M)			
State General Funds - Permanent	3,451	5,184	3,192
Tuition/Student Services Fee	3,501	975	600
Professional Degree Fees	308	71	44
Nonresident Supp. Tuition (NRST)	1,153	250	154
Other UC General Funds	389	352	217
	8,802	6,831	4,206
Core Funds Unavailable for Current Operations ($M)			
Financial Aid	(1,082)	(350)	(215)
Lease revenue / GO Bond payments	(300)	(174)	(107)
UCRP employer contributions	(472)		
	(1,855)	(524)	(323)
Available Resources ($M)	6,947	6,307	3,883
Enrollment (FTE)	272,104	171,270	171,270
Available Resources Per Student ($)	$25,531	$36,827	$22,674
$ Change Since 2000-01	*($11,296)*		
% Change	*-30.7%*		

This downward funding trend has affected both the resources available for instruction and the student experience. As shown in Display 4, resources for educational programs for general campus students (undergraduate and graduate students combined) have declined on an inflation-adjusted, per-student basis. The display highlights four significant trends in funding for the instructional mission.

- The average expenditure per student for a UC education from core funds fell by 19 percent over 27 years – from $25,450 in 1990-91 to an estimated $20,730 in 2017-18. Contrary to the popular assumption that spending in higher education is growing at an excessive rate, core funds expenditures at UC have declined, not increased, on a per student basis.

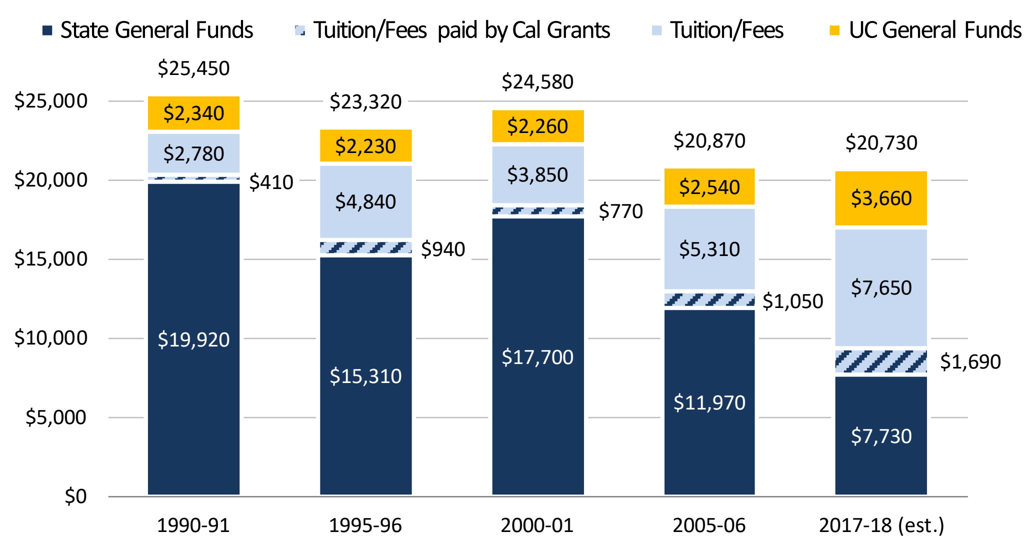
- State General Fund support for the University's permanent base budget now covers a smaller share of educational expenditures compared to earlier years. In 1990-91, State funding for UC represented an average of $19,920 per student – 78 percent of the total expenditures for education. In 2017-18, State support was equivalent to $7,730 per student, or 37 percent of total expenditures for education. Including State-funded Cal Grants, which cover Tuition and fees for many UC undergraduates, the State-funded share of educational expenditures remains lower than in decades past.

- Tuition and fees now play a more substantial role in funding core educational expenditures. Tuition and fees contributed, on average, $9,340 per student toward these expenditures (including $1,690 covered by Cal Grants). Tuition and fees now provide 45 percent of the funding for instruction compared to only 13 percent in 1990-91.

- UC General Funds, which include revenue from Nonresident Supplemental Tuition, are helping fund a larger share of expenditures for education. Remaining fairly flat through two decades at approximately ten percent of total expenditures, UC General Funds contributed an estimated 18 percent of the total in 2017-18.

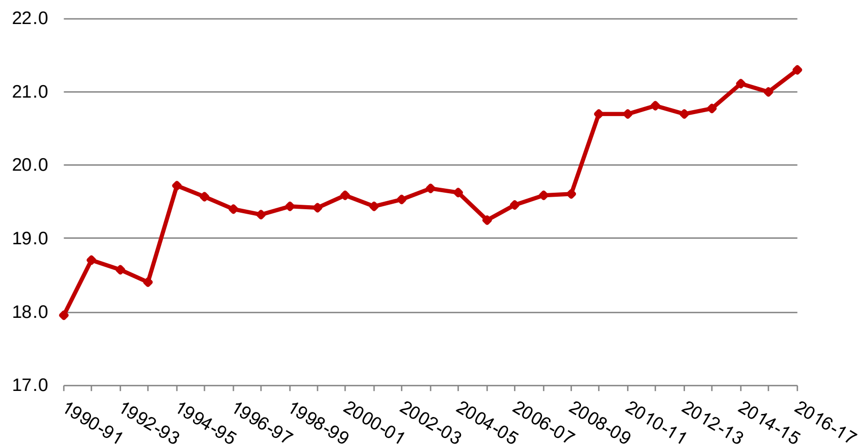
In lieu of State support to help subsidize the cost of educating these additional California resident undergraduates, campuses must instead divert funds from other pressing budgetary needs to accommodate the higher-than-expected student enrollment.

DISPLAY 4: Average Expenditures for Instruction per Student from Core Funds



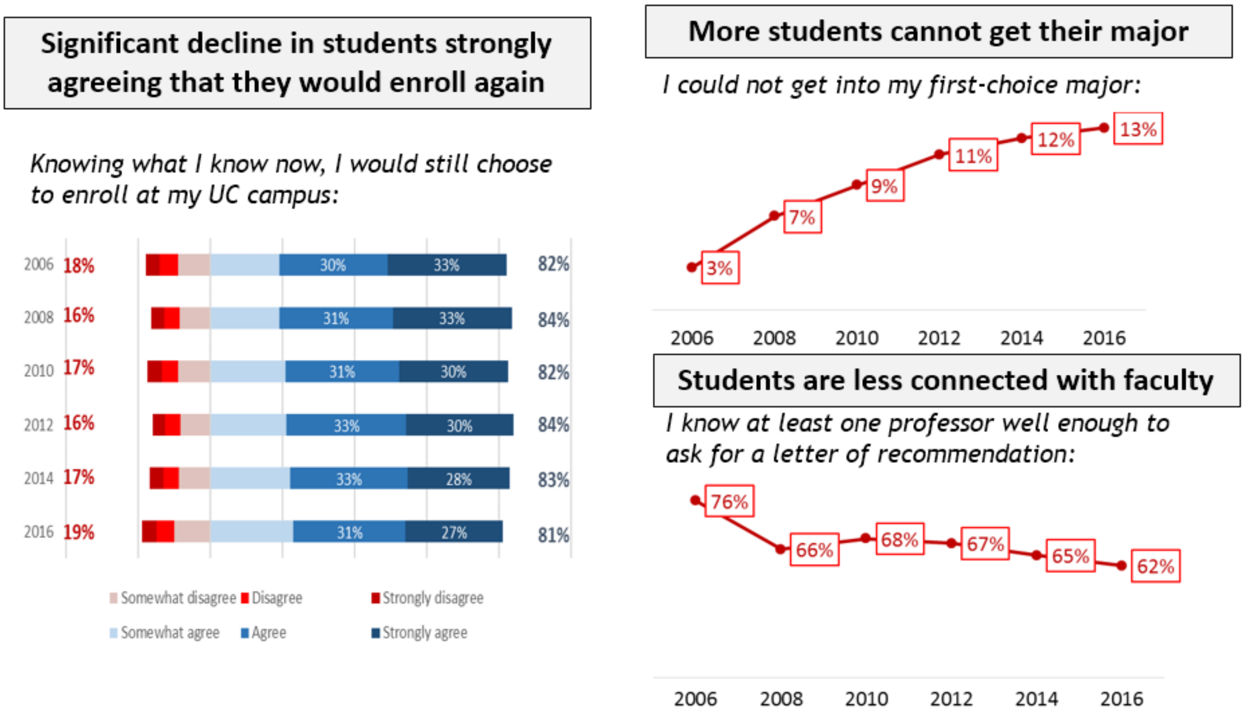
The consequences of this ongoing shortfall in resources is evident in several metrics directly related to the student experience. The UC student-faculty ratio, for example, leapt upward in the years following the Great Recession after having remained flat for many years. (See Display 5.)

DISPLAY 5: General Campus Student-Faculty Ratio



This is consistent with students' increased difficulty getting into their first-choice major, a decline in the percentage of students who know a faculty member well enough to request a letter of recommendation, and a reduction in the percentage of students who would, knowing what they know today, choose to attend the UC campus at which they enrolled. (See Display 6.)

DISPLAY 6: Indicators of the Student Experience



These indicators are worrisome – but they also suggest a path forward for reinvesting in the University and its students. While moderate and sustainable levels of enrollment growth will remain a high priority, the University must also invest in the faculty members, teaching assistants, academic advisors, student counselors, classroom and laboratory facilities, and other resources and services that are critical to student success and help students make timely progress toward graduation.

SUMMARY OF THE UNIVERSITY'S 2019-20 BUDGET PLAN

The University's budget plan for 2019-20 represents the first year of a multi-year framework designed to further the University's longstanding goals of access, excellence, and affordability within the specific context of the challenges facing students, families, and the State today.

Although out-year elements of the framework are still under development, an emerging and overarching theme for the plan is the opportunity to improve degree attainment and student success – for the benefit of students themselves and the State as a whole.

To achieve the goal, the budget plan includes investments in the following four broad expenditure categories:

- Enrollment growth to maintain access for projected increases in UC-eligible high school graduates and transfer-ready California Community College students. The plan proposes enrollment growth of 2,500 California resident undergraduates, 1,000 graduate students, and 800 nonresident undergraduate students – all of whom have the potential to contribute to the State's economic vitality upon graduation.

- Investments to improve student graduation rates and reduce time-to-degree, including investments in faculty hiring, course availability, academic advising, student services, instructional technology, and related areas. The plan includes a targeted investment of $60 million in 2019-20 for this purpose to fund programs and priorities at each UC campus.

- Addressing the University's most critical capital needs – such as life-safety and seismic upgrades – by taking further advantage of the University's ability to use a portion of its operating budget for capital investments.

- Other conservative but crucial expenditures to maintain reasonable faculty and staff compensation programs, retiree benefits, and non-personnel expenditures (e.g., utilities).

The proposed funding strategy for the plan reflects three principles:

- The State is an essential partner for expanding access, maintaining affordability, and restoring quality.

- The University has a key role to play in identifying alternative revenue sources, controlling costs, and improving efficiency.

- If necessary, any tuition increase should be pegged generally to inflation, well justified, and accompanied by more financial aid in order to keep a UC education within reach of every California family.

The budget request also includes ongoing State support to replace $145 million that was provided in 2018-19 on a one-time basis. Of that amount, $105 million was provided to address general University needs. Those needs include California resident enrollment growth that occurred between 2014-15 and 2017-18 above the levels funded by past Budget Acts, as well as replacing revenue for core operations that would have otherwise been provided by a tuition increase in 2018-19. Those ongoing needs require a permanent source of support in order to avoid cuts to instructional programs, student services, and other parts of the University's operating budget. The remaining $40 million would restore State General Funds that were cut in 2017-18, thereby allowing the University to continue to award Proposition 56 funds to support graduate medical education at institutions throughout the State instead of using those funds to backfill the earlier reduction.

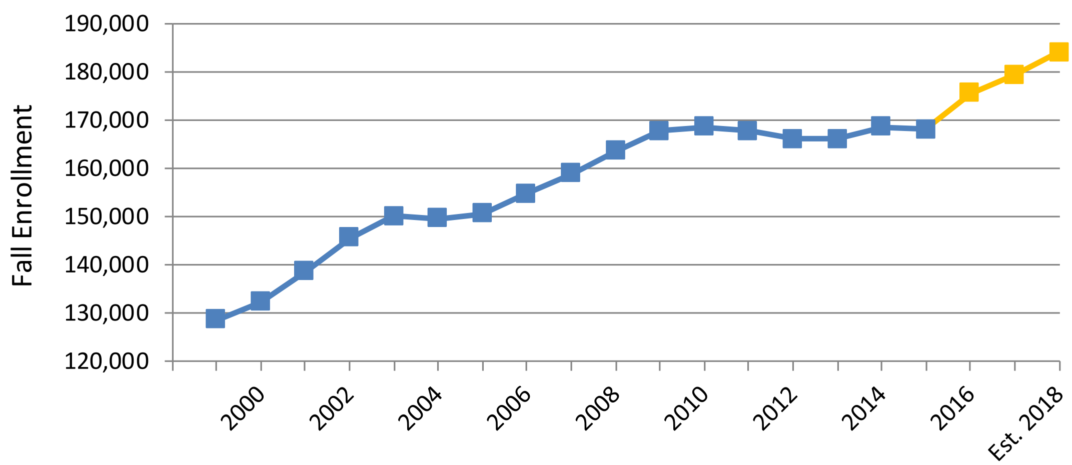
Proposed increases in expenditures and revenues are summarized in Attachment 1, *University of California 2019-20 Budget Plan for Current Operations*. Each component is described in greater detail below. Information about the University's entire Budget for Current Operations is available in Attachment 2, *University of California Budget for Current Operations – Context for the Budget Request.*

Expenditure Components of the 2019-20 Budget Plan

Enrollment Growth

As shown in Display 7 below, California resident undergraduate enrollment continued to grow in 2018-19. Although final 2018-19 enrollment figures are not yet available, the University currently expects to enroll more than 4,000 additional California undergraduates in fall 2018 compared to fall 2017, and more than 15,000 additional California undergraduates compared to fall 2014. The incoming class also includes the largest number ever of new California transfer students, consistent with the high priority that the Governor and members of the Legislature have placed on expanding opportunities for transfer enrollment.

DISPLAY 7: Fall Enrollment of California Resident Undergraduates at UC



As a result of this growth, the University serves more California resident undergraduates now than at any time in history. This is good news for California students and their families, but it has also created challenges on campuses where the recent growth has been greater than anticipated due to higher-than-expected yield rates (i.e., a greater percentage of students admitted to a campus chose to enroll at the campus compared to past years).

In the current budget year, funding for a portion of the enrollment growth that has occurred since 2014-15 was provided by one-time funds. Part of the University's budget request for 2019-20 is for permanent funding to adequately sustain this level of California resident undergraduate enrollment.

Going forward, moderate annual enrollment growth will be needed if the University's enrollment of California residents is to keep pace with projected increases in the number of California public high school graduates. The 2019-20 budget plan includes expenditures of $86.3 million for enrollment growth based upon the methodology traditionally used by the University and the State and reflects growth of 2,500 California resident undergraduates, 1,000 graduate students, and 800 nonresident undergraduates. Under the plan, nonresident enrollment at each campus would remain at or below the caps established by the nonresident enrollment policy adopted by the Regents in 2017.

Resident undergraduate enrollment growth and graduate growth are directly supported by two primary sources of revenue: the tuition paid by the students themselves (less the amount set aside for financial aid) and State funding. Together, these funds are intended to fully cover the marginal cost of enrollment growth, excluding any additional capital requirements (e.g., new classroom space or additional student housing). In contrast, the cost of nonresident undergraduate enrollment growth is supported solely by tuition and fees paid by nonresident students, including nonresident supplemental tuition.

Investments to Improve Degree Attainment and Student Success

According to a recent analysis by the Public Policy Institute of California (PPIC), by 2030, 1.1 million jobs requiring at least a bachelor's degree will be available in California without qualified workers to meet this demand. To address this workforce skills gap, PPIC proposes that the University of California award an additional 251,000 degrees between 2015-16 and 2029-30 above and beyond the number that it would normally be expected to award based on recent trends. The University's own models have shown that enrollment growth alone will not be sufficient to achieve this target. However, sustained efforts to increase degree production, coupled with enrollment growth, would allow the University to make significant progress toward this goal.

In addition to helping the State meet its projected workforce needs, improved graduation rates and reduced time-to-degree offer other benefits that support multiple goals. For example,

- A shorter time-to-degree increases the affordability of a UC education by reducing the costs to students and parents associated with an additional term or year of attendance.
- Students' lifelong earning potential is increased when they enter the workforce sooner rather than later, thereby contributing toward students' upward socioeconomic mobility.
- Having students graduate sooner creates more space on campuses to permit larger incoming classes while reducing the need for additional capital investment.

A key goal of the University's strategy will be closing the degree attainment gap between students from disadvantaged backgrounds and other students, which both promotes economic growth and addresses current inequity in opportunities for advancement within society.

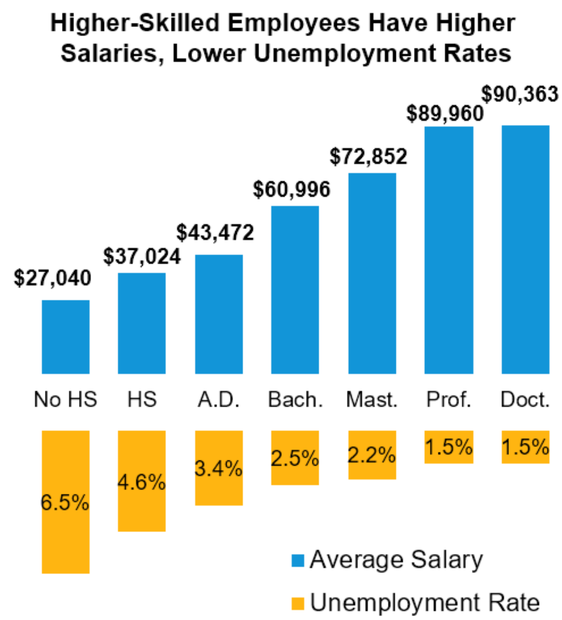
Strategies to increase degree production can benefit from both one-time and permanent funding. One-time funding enables investments such as degree planning software, development of new courses (including online courses), upgrades to instructional technology, and faculty start-up costs. A long-term strategy to improve degree attainment and student success, however, requires permanent funding for critical investments such as hiring more faculty to ensure course availability, or increasing the number of academic advisors to help students stay on track. The 2019-20 budget plan includes $60 million in new permanent funding for this purpose.

Investments in Faculty and Staff

Creating and transmitting knowledge in a safe and supportive environment is an inherently people-intensive mission. As a result, faculty and staff salaries represent a significant portion of the University's expenditures from core funds, as they do at other colleges and universities. Moreover, research universities such as UC are especially reliant on employees with a college degree and, in the case of faculty members and many administrators, an advanced degree. As shown in Display 8, research and development along with education – industry sectors that, taken together, represent the crux of the University's mission – rely on highly skilled employees to a greater degree than other industries. Display 8 also shows that these employees are in high demand, as evidenced by their relatively higher wages (shown in blue) and their relatively lower levels of unemployment (show in gold).

DISPLAY 8: Employment and Earnings Differentials of High-Skilled Employees

Industry	% Highly Skilled Employees
Research & Development	72.0
Education	68.3
Computer & Related Activities	65.7
Publishing	49.3
Electrical & Optical Equipment	42.8
Telecommunications and Post	38.2
Motor Vehicles	22.1
Transport and Storage	18.1
Construction	11.2



To attract and retain a diverse and talented employee population, the University must continually ensure that its pay practices are fair and competitive with those of institutions with which it competes. The University regularly compares its faculty salaries with those of eight peer institutions to evaluate its market position. UC's faculty salaries were on par with the market 15 years ago. Since then, however, they have fallen precipitously relative to the market. Despite a modest recovery in recent years, UC's faculty salaries remained 6.7 percent below market in 2017-18. Comparable figures are not available for UC staff, but independent, third-party industry surveys indicate that the University's merit-based salary review program for non-represented staff has not kept pace with the average wage increase among more than 1,000 other employers in the western United States, and UC was unable to fund a salary increase program in four of the past ten years. In addition, the University must meet its contractual commitments established through collective bargaining agreements with its represented employees. Consistent with these obligations, the budget plan includes $94.4 million for non-represented faculty compensation, including $47.5 million to fund an average salary increase of three percent, $33 million for peer-reviewed faculty promotions, and $13.9 million for a separate salary program to reduce the University's ladder-rank faculty salary gap with its comparator institutions; $42.6 million for merit-based salary adjustments averaging three percent for non-represented staff; and $30.4 million for projected salary increases for represented faculty and staff. The plan also includes $21.1 million to cover a projected increase in the University's employee health benefits costs.

Retiree Benefits

Costs incurred by the University related to retiree benefits fall into two broad categories: employer contributions to the University of California Retirement Plan (UCRP) and the University's share of health benefit costs for covered retirees and their dependents. Actuarial projections indicate that the current UCRP employer contribution rate of 14 percent (including an employer assessment of six percent for Savings Choice participants in the Defined Contribution Plan) will lead to gradual but sustained improvements to the funded status of UCRP. Even with no change to the employer contribution rate, however, some cost increases can be anticipated, based on growth in the UC employee population and changes in covered compensation up to the pensionable salary cap. The 2019-20 plan includes $20.2 million for this purpose.

Costs attributable to health benefits for retirees and their dependents are likely to rise more quickly as more UC employees retire. UC, like the State overall, can anticipate faster increases in its retiree population as members of the baby boom generation reach retirement age. (PPIC refers to this trend as the "silver tsunami.") The University continues to explore ways to control costs associated with health benefits for this growing population. For 2019-20, the budget plan includes $7 million to cover projected increases in retiree health costs.

Critical Capital Needs

The University's capital improvement program is described in detail in the University's 2018-28 Capital Financial Plan. As indicated in the plan, facilities that support the instructional and research mission of the University are aging; sustained enrollment growth will require additional space; and changes in pedagogy and technology require modernizing existing space.

A new State General Obligation Bond would provide much-needed resources to help close the gap between the University's projected capital needs and currently available resources. Until such funding is available, however, the University will continue to use the funding mechanism established by Assembly Bill 94 (2013) to help address its most critical capital needs. This mechanism allows the University to use a portion of its State General Fund allocation, subject to certain conditions, to finance the design, construction, and equipment of academic facilities to address seismic and life safety needs, enrollment growth, modernization of out-of-date facilities, and renewal or expansion of infrastructure to serve academic programs. As in past years, the budget plan for 2019-20 includes an allocation of $15 million State General Funds for this purpose.

In addition, the budget plan includes an investment of $100 million to address the most pressing deferred maintenance needs across the University. The University currently ranks third among all State agencies in identified deferred maintenance needs, surpassed only by the Department of Transportation and the Department of Water Resources.

Student Financial Aid

Consistent with past practice, the University will set aside a portion of new tuition and fee revenue from enrollment growth for undergraduate and graduate financial aid. The 2019-20 budget plan includes $19.3 million of new tuition and fee revenue derived from enrollment growth. The plan also includes $15 million to help students cover cost increases other than tuition and fees, including basic student needs such as food and housing. The total projected increase in UC financial aid expenditures is $34.3 million.

Student Mental Health

The budget plan includes $5.3 million to enable campuses to hire additional mental health advisors and other professionals to improve student access to counseling and related services. This investment is consistent with the high priority that the Regents and students have placed on this issue in past years.

Other Cost Increases

Prices for items such as instructional equipment, laboratory supplies, computers, machinery, library materials, travel, and purchased utilities tend to rise each year. The budget plan includes $41 million to cover these higher costs, which are assumed to increase at the rate of inflation.

Revenue Components of the 2019-20 Budget Plan

The University's budget plan incorporates new resources from a combination of State support, UC General Funds, student tuition and fee revenue, and the University's own efforts to contain costs and identify alternative revenue sources.

State General Funds

The plan requests new investments from State General Funds totaling $377.6 million, composed of the following:

- A base budget adjustment of 3.7 percent ($127.9 million).
- Permanent funding for enrollment growth of 2,500 California resident undergraduate students and 1,000 graduate students in 2019-20 based upon the State's share of the marginal cost of instruction ($40.3 million).

- Permanent funding to provide the same net operating revenue as a 2.6 percent increase in Tuition and a five percent increase in the Student Services Fee ($63.8 million).
- Permanent funding to provide students with additional financial aid to help cover costs other than tuition and fees, including housing, food, and other basic student needs, comparable to the amount that would have been set aside for this purpose in the event of a tuition increase ($15 million).
- Permanent funding to address enrollment growth that has occurred beyond the levels funded in previous Budget Acts. This includes an estimated 1,900 California resident undergraduates that the University will enroll in 2018-19 above the level anticipated in the Budget Act of 2018 ($21.9 million), as well as enrollment growth that has occurred over time in PRIME, a systemwide medical education program focused on meeting the needs of California's underserved communities, which will enroll approximately 250 medical students in 2018-19 above the numbers supported by past State appropriations ($8.8 million).
- One-time funding to make further progress on the University's deferred maintenance backlog ($100 million)

In addition, the plan requests that the State maintain $145 million in funding provided to the University on a one-time basis in 2018-19 and incorporate those funds into the University's permanent base budget in order to avoid cuts to existing programs and services. Of this amount,

- $105 million was provided for general University needs. Absent a tuition increase in 2018-19, campuses are relying on these funds to cover cost increases identified in the University's 2018-19 budget plan, including funding shortfalls resulting from the enrollment of over 2,500 California resident undergraduates between 2014-15 and 2017-18 *above* the enrollment growth supported in past Budget Acts. These are permanent cost increases that can only be addressed by permanent funds.
- $40 million was provided to offset, on a one-time basis, a previous cut to the University's General Fund appropriation when the University was expected to use an equivalent amount of Proposition 56 funds to backfill the lost General Funds. By permanently restoring these General Funds, the State will enable University to instead use Proposition 56 funds to expand graduate medical education programs statewide.

UC General Funds

The plan includes a proposed increase of $52.1 million in nonresident supplemental tuition (NRST) derived from a combination of enrollment growth of 800 nonresident undergraduate students and a 2.6 percent ($762) increase in undergraduate NRST.

Student Tuition and Fees

The University is not asking the Regents to increase mandatory systemwide charges (Tuition and the Student Services Fee) for 2019-20 at this time. Instead, the University will delay action on these charges until more is known about the Governor's January budget proposal for 2019-20. As noted above, the revenue figures in the plan include new revenue equivalent to a Tuition increase of 2.6 percent and a Student Services Fee increase of five percent. The University proposes that this amount be provided as permanent increase to the University's 2019-20 base General Fund budget, thereby avoiding the need to increase either charge. In the event this is not possible, the University would use a portion of any Tuition or Student Services Fee increase to augment UC financial aid in order to mitigate the impact of any increase in these charges on financially needy students. The budget plan includes $54.1 million in new Tuition and Student Services Fee revenue to be generated by enrollment growth.

Alternative Revenues and Cost Savings

The plan also includes $74 million in new revenue attributable to a combination of:

- investing a portion of the University's available working capital in a new, higher-yield investment portfolio ($30 million),
- a year-over-year increase in general use philanthropic giving to the University ($20 million),
- additional savings resulting from the University's systemwide procurement and strategic sourcing efforts ($10 million), and
- continuing to phase out financial aid provided by the University Student Aid Program to nonresident undergraduate students ($14 million).

A MULTI-YEAR FRAMEWORK TO ADDRESS CURRENT AND FUTURE CHALLENGES

As noted above, the University seeks to partner with the State to establish a multi-year framework for enrollment and funding, the first year of which is reflected in the University's budget proposal for 2019-20. Elements of the multi-year framework are still under development and will ultimately reflect priorities shared by all UC stakeholders.

A multi-year plan offers many advantages compared to establishing objectives and funding plans on a year-by-year basis.

- A multi-year plan enables sustained progress toward addressing critical State needs that cannot be solved overnight. Placing the State on a trajectory to significantly increase the number of Californians holding a bachelor's degree or higher and meet the State's projected workforce needs, for example, requires long-term planning and predictable resources.
- A multi-year plan also promises greater stability to students and families – in terms of the University's ability to accommodate projected growth in the number of California students seeking a UC education and, once they enroll at UC, to provide stability in the tuition, fees, and financial aid that students and families can expect.

- Financial stability and multi-year enrollment plans also allow UC campuses to plan more effectively – to hire ladder-track faculty members instead of part-time instructors, for example, or to ensure that capital plans for classrooms, teaching laboratories, student housing, and other space needs are timed and financed appropriately.

The University will continue develop a more complete multi-year framework for presentation to the Regents in early 2019.

Attachments:

Attachment 1: University of California 2019-20 Budget Plan for Current Operations

Attachment 2: University of California Budget for Current Operations – Context for the Budget Request