

Campus Finance Committee

January 12, 2023 | 9:00 am

Attendees: Reza, Brian Haynes, Kiril maybe for Daryle Williams, Deborah Dees, Erika Leon, Gerry Bomotti, Kevin Vaughn, Liz Watkins, Louie Rodriguez, Lydia Koos, Mark Long, Rodolfo Torres, Sang-Hee Lee, Peter Atkinson, Steve Mandeville-Gamble, Yunzeng Wang, male student (ASUCR student rep), Stephanie Flores (committee support) lady next to Denise

Guests: Matt Gunkel, Emily Engelschall, Alex Najera, Scott, Hiel, Denise Wood

Absent: Chris Lynch, Estella Gavosto, Mariam Lam, Monique Dozier, Marko Princevac, Joi Spencer

Delaware Study Overview – Scott Heil

Presentation attached

Focus is on instructional costs compared to a set of nation-wide peers. About 100 peers submit data and we select 20-25 based on RI, student profile, endowment levels, etc.

The results are blended and we don't know the costs by region to insert any cost of living smoothing.

Note that Business, SOE, and SPP had Org structures that made it difficult to determine true instructional costs and so FP&A worked with those Orgs to develop a more clarifying structure for financial data reporting. It took a couple of years and the financial data was finally clean for reporting in FY23.

Faculty from small departments who teach impacted courses in large major departments, the student FTE and teaching costs follow the faculty member, so it may distort departmental costs.

The data is not intended to indicate whether we are efficient or cost effective in our delivery of instruction, but rather just a look at how we compare. We also have access to AAU comparison data now that we likely will use to do similar comparisons. AAU data has more visibility into the cost of faculty by rank, so it would be possible to determine the impact of faculty salaries on the cost.

Next steps: explore other data sets like AAU, higher ed is not great at explaining how they spend their money and the benefits of the spend and it's negatively impacting public perception of the value of higher ed. Maybe at some point we compare costs with outcomes.... Career outcomes on top of graduation rates. Starting to look at ways to generate better data on where our students end up in their careers.

UCOP recently hiring a company that does web-sleuthing to give a generalization of how successfully UC graduates have been in the last 20 years.

FY25 Budget – Liz and Gerry

Handouts Provided and some are attached

The latest development from the last conversation is that UCOP is not going to implement the changes to set-asides in FY25 due to the lack of state funds and the number of other changes in play.

UCOP has communicated the salary actions for faculty and non-reps at 4.2% for FY25 as long as the May revise doesn't have a budget cut. It's important due to the level of increases in the contracts.

Review of Salary Savings concept – maintains the filled position levels, but reduces the increases in carryforward from salary savings.

Review of the \$15M funding that we have available to contribute to the FY25 salary/benefit/utility cost increases of \$31M.

Provided an estimate of salary savings targets at 3.5% for Colleges and Schools and 4.5% for all others. These amounts are up for debate, it was just the starting point for the discussion of how to balance our FY25 balance.

Provided an estimate of the salary/benefit allocations on core funds in FY25.

Robust discussion by the committee on the data presented.

Next Meeting

Thursday, Month Day