



## Two-Year Goals Statement

November 2012

As a leading research university, UC Santa Cruz is best known for our innovative approach to the education of students and our campus values of social and environmental responsibility. In recent decades we have emerged as a research powerhouse. In 2012, UC Santa Cruz was ranked 7<sup>th</sup> in the world among universities less than 50 years old, and citation analyses regularly indicate our significant research impact. The campus's ten residential colleges provide vibrant living and learning communities where students experience the intimacy of a small liberal arts school, while benefiting from all the advantages of a major research university.

The campus's *Strategic Academic Plan* articulates how Santa Cruz carries out the fundamental UC teaching, research, and service mission in ways that reflect our distinct qualities. It sets forth a long-term vision, a set of principles, and specific strategies to promote academic excellence in a diverse community of scholars and learners. These principles guide us as we consider our opportunities in the context of California's budget realities.<sup>1</sup> The rapid and large permanent budget reductions of the past four years, coupled with rising mandatory costs, have limited our ability to allocate faculty FTE and to fund academic programs. This has changed the timeline for implementing the aspirations embodied in the *Strategic Academic Plan* and led to the need to re-envision our future.

Even in tough economic times, the campus has made remarkable progress in sustaining UC Santa Cruz's ascent as a vibrant public research university. Our faculty transform disciplines through research and scholarly/creative activity and transform students' intellectual lives by inspiring them to master the knowledge and skills they need to change the course of the future.

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<sup>1</sup> For additional detail about the campus's long-range goals and aspirations, near-term campus planning foci, and planning/consultation processes, please see the campus's October 2011 Statement (<http://planning.ucsc.edu/acadplan/docs/2yrGoals.Oct11.pdf>).

UC Santa Cruz has made the necessary painful choices to address our immediate financial challenge by implementing the assigned share of the 2008-09 through 2012-13 budget cuts in a timely manner. This difficult course of action involved realignment and streamlining of support services and required lay-offs, program eliminations, and curtailment of campus services. Program reductions were not uniform across function, with institutional support units facing the severest reductions. Our choices were guided by a set of principles that emphasized our responsibility to provide a quality curriculum that enables students to achieve their educational objectives in a timely manner and to support our core research mission.

We need to make large additional cuts for the next academic year, and as well as adapt to changes made over the past four years. The passage of Proposition 30 represents the prospect for California to put public higher education back on a pathway toward fiscal stability. If the state and the Regents each agree on a multi-year financial plan for UC, this will create an opportunity for UC Santa Cruz to create our own multi-year path. We are anticipating at least five more years of difficult budgets—where growth in mandatory costs exceed growth in revenues—even under the most optimistic scenarios.

The five priorities in this two-year statement are aligned with the vision elements of the *Strategic Academic Plan*. They highlight what the campus intends to focus on now to maintain and enhance our academic stature. They are

1. Recruit, nurture, and retain faculty who make a comprehensive contribution to education and who promote research excellence;
2. Achieve aspirational Ph.D. growth targets enabled by re-benching, in both established and developing graduate programs identified as campus priorities;
3. Improve undergraduate degree success and ensure a quality educational experience for our increasingly diverse array of students;
4. Create an updated campus long-range enrollment plan (LREP) to influence and contribute to the new UC-wide LREP; and
5. Implement a realistic, sustainable, multi-year funding model aligned with academic priorities.

These are informed by cross-cutting themes arising from the campus's core values, including the centrality of *research* and a research-active faculty; the importance of *graduate education* to our identity as a public research institution; *social and environmental responsibility*, including a focus on sustainability and a tradition of innovation in pursuit of solutions to society's critical challenges; and *diversity, equity, and inclusion*, aligned with our campus principles of community.

## Statement of Near-Term (Two-Year) Priorities

The campus's near-term priorities compete against the backdrop of shortfalls that stem from a period of significant growth in enrollments and requirements for new services during a time of substantially reduced state support. Even if State resources were not declining, the cost pressures impacting campus budgets would be problematic as mandatory costs and transaction levels continue to escalate, as the regulatory environment becomes more complex, and as the need for major maintenance, infrastructure investment, and capital renewal continues to grow. The campus's success at increasing research activity has brought new infrastructure and support demands. At the same time, tuition increases have impacted the finances of students and their families.

**1. Academic programs and faculty.** Recruit, nurture, and retain faculty who make a comprehensive contribution to education and who promote research excellence.

The campus's foundational strategy is to identify, attract, and retain excellent faculty who bring their creativity and intellect to our community. We recognize that faculty representing a diversity of backgrounds and perspectives are the core of a great university. We must provide them with facilities to enable their research to flourish and connect them with colleagues with whom they can expand the significance of their work.

Faculty hiring has not kept pace with enrollment growth, and the prolonged budget crisis has resulted in hiring fewer new faculty than needed to offset separations and retirements. Funding from vacant ladder faculty FTE was needed to address permanent and rapid budget reductions. The campus is in the unsustainable situation where 124 FTE are now "hollow"—having no funding backing these positions. In 2008-09, 71% of budgeted faculty positions UC-wide were filled with ladder-rank faculty; in 2011-12 the corresponding Santa Cruz statistic was only 60%. To ensure the quality of the campus's instructional programs, research productivity, and reputation, the campus must recruit faculty at a pace to increase the filled/budgeted ratio to 70% by 2020-21.

Over the next two years, the campus will initiate

- A multi-year plan to restore funding to faculty FTE that were "hollowed"; and
- A multi-year recruitment plan to offset the net loss of faculty.

Achieving these plans is dependent upon securing stable funding. Consequently, restoring funding to “hollowed” faculty FTE will represent the first call on “re-benching” funding associated with the implementation of new UC-wide funding formulas over the next six years. For 2012-13, 90% of the campus’s allocation of “re-benching” funds was used to restore funding to hollowed faculty FTE. We must continue to address overall faculty salaries, as well as improvements to overall campus climate and to the research infrastructure and support environment.

UC Santa Cruz will continue to hire faculty with extraordinary research strength in their disciplines and the ability to teach over a broad range of topics related to their disciplines. We will emphasize areas where we have or can achieve distinctive academic strength. We will continue to seek out individuals who bring expertise in fields that are of interest and who can develop and provide pedagogical methods to address the learning needs of students from diverse backgrounds. This commitment—to teaching breadth and research focus—as well as to diversity, inspires outstanding students and contributes to collaborative exploration in the core disciplines and at the intersections where disciplines intersect.

- 2. Graduate education.** Achieve aspirational Ph.D. growth targets enabled by re-benching, in both established and developing graduate programs identified as campus priorities.

Enhancing UC Santa Cruz’s reputation, expanding the research enterprise and extramural support, and attracting and retaining the most talented faculty all require that Santa Cruz recruit an increasing number of exceptionally talented graduate and professional students. The overall goal of increasing graduate and professional enrollment has been consistently affirmed by our Academic Senate. As the campus’s profile evolves to more closely resemble that of an AAU institution, graduate education will increasingly be a central focus for campus.

Over the next two years, our emphasis will be to put into place near- and long-term strategies and plans for growing graduate enrollments in both existing and prospective new academic programs with the potential for excellence. This is possible because, in the past two years, the campus has achieved the following:

- *Move forward promising academic programs.* Since 2000, the campus has received approval for fifteen new doctoral programs in areas of campus strength. During 2011-12 alone, the *Feminist Studies* Ph.D., *Latin American & Latino Studies* Ph.D., and *Theater Arts* M.A. were

approved; and proposals for *Social & Environmental Practice in the Arts M.F.A* and *Games & Playable Media M.S.* were submitted for formal campus review. Upon approval of a proposed *Arts M.F.A*, all UCSC departments will offer graduate degrees.

- *Faculty recruitment.* To partially reverse lost ground from retirements and budget cuts, for 2012-13 the campus has authorized twelve additional FTE recruitments (with instruction and research support funding) tied to Ph.D. enrollment growth and rebenching funds.
- *Graduate support.* Increased graduate fellowship support and targeted international graduate support has been allocated to support increased graduate enrollments.

Critical to the success of our Ph.D. students is the financial support and the student support services we provide both at the campus-wide and departmental levels. The campus has set aside seed funding for graduate fellowships in doctoral programs with immediate capacity for growth. We are working to improve funding from external sources (principal investigator research grants, training grants, and student-initiated fellowships) and to identify additional on-going financial strategies to create certainty about continuation funding and multi-year support. The campus has completed campus climate studies about issues of importance to graduate students. We have created white papers on topics including teaching assistant training, professional development, and “student voice” opportunities, and we have developed recommendations to address identified areas of concern.

Going forward, we will ensure our graduate students’ individual successes and their contributions to the campus mission by

- Improving graduate student financial support and support services;
- Providing research opportunities that promote progress toward degree; and
- Providing additional opportunities for graduate students to mentor, engage in joint research with, teach, and participate in the educational experience of undergraduates.

This is an effort requiring partnership and collaboration across the campus and progress toward this priority will be coordinated by the Vice Provost and Dean of Graduate Studies—who will also take the lead in tracking our progress against articulated milestones.

**3. Undergraduate education.** Improve undergraduate degree success and ensure a quality educational experience for our increasingly diverse array of students.

Years of budget cuts have taken a toll across the campus, including the undergraduate curriculum. Nonetheless, UC Santa Cruz has and will maintain our unique commitment to undergraduate education, with a tradition of innovation for which the campus is widely known. For example, to enable undergraduate students to get the classes they need for progress to degree, the Campus Provost/Executive Vice Chancellor has provided multi-year “bridge funding” to academic deans to ensure course capacity. We have also worked with academic divisions as they adjust to lower levels of on-going State funding by emphasizing curricular efficiencies and quality.

Over the next two years, the emphasis for this goal will be about

- Improving undergraduate retention, time-to-degree, and graduation while addressing the needs of California’s diverse UC-eligible students; and
- Continuing to address excellence and educational quality in undergraduate courses and degree programs.

It is a top priority to both protect and strengthen the “transformative student experience” at UC Santa Cruz. In the past two years, the campus has achieved the following:

- *Increased retention.* The campus completed a comprehensive retention report, “*Who Leaves UC Santa Cruz and When—Retention and Graduation Among Freshmen Cohorts*” (December 2011), that identified what the data reveals about the issues facing UCSC, articulated possible solutions, and recommended a course of action to improve retention and graduation rates; specific undergraduate degree goals have been articulated; and information has been assembled in support of a 2012-13 *Task Force on Undergraduate Degree Completion: Retention, Graduation, and Time-to-Degree*. These efforts prepare the campus to implement a comprehensive set of initiatives in 2013-14, as well as continue existing efforts during 2012-13.
- *Increased national and international student enrollment.* The campus has implemented a set of strategies (partially for fall 2012, but fully for fall 2013) to guide the campus’s domestic and international (non-resident) recruitment efforts (e.g., targeted recruitment of non-resident domestic students, identification of recruitment officers for international students,

and agreements with third-party referral of non-residents). In addition, new on-campus programs are designed to provide international students with a sense of belonging and community.

- *Hispanic-Serving Institution (HSI) status.* While it is not yet time to apply for formal recognition, statistically, the campus has already achieved the HSI benchmark (i.e., 25% of undergraduate enrollment is Hispanic). In order to fully realize the potential and responsibility of being an HSI, appropriate services have been put into place to ensure that our Hispanic students have a successful academic experience.
- *Four years or fewer.* The Academic Senate has completed curriculum- and policy-review efforts to streamline requirements for undergraduate majors. A degree requirements “mapping” project designed to help faculty and students plan course sequencing and visualize how each course contributes to the degree learning outcomes has been completed. During 2012-13, a joint Senate/administration task force is examining current teaching models and approaches that will enable maximum academic value for our undergraduates in the current fiscal environment.

**4. Enrollment planning.** Create an updated campus long-range enrollment plan (LREP) to influence and contribute to the new UC-wide LREP.

Our *Strategic Academic Plan* (2008) and *Long-Range Development Plan* (2005) express our vision for the development and advancement of the Santa Cruz campus through 2020-21. This vision—representing many years of planning by our faculty and staff and of working with our local community—has been impacted significantly by the State’s economic downturn and its effect on UC.

During the next year, we will update our long-range enrollment plan (LREP) to contribute to and influence the UC-wide LREP process. We anticipate our approach is likely to include having a relatively stable freshman class size of state-supported students, allowing for increases in state-supported transfer students, and growing the state-supported graduate student population. This will fulfill our commitments to the State under the *Master Plan for Higher Education* while helping to support the progress in our academic programs envisioned by our *Strategic Academic Plan*.

Graduate and professional enrollment planning will include considered growth in academic and professional masters programs, including the introduction of new

PDST (Professional Degree Supplemental Tuition) programs, particularly those that serve our Silicon Valley region.

The campus will recruit more national and international students, whose presence contributes to academic quality and the educational experience of all students, enhances the diversity of backgrounds and perspectives on campus, and helps the campus provide an international learning experience that prepares students to enter the global workforce. These students also bring additional resources to reinvest in academic quality that will benefit all students.

**5. Financial planning.** Implement a realistic, sustainable, multi-year funding model aligned with academic priorities.

Our greatest near-term challenge is to sustain progress in academic and research excellence while continuing to absorb state budget cuts and rising mandatory costs. The priorities above illustrate our commitment to excellence and diversity and to providing our students with the quality education they deserve. Even with UC-wide budget reform and new revenue from increases in student tuition and fees, we still face significant budget gaps. The greater the predictability in state resources and tuition levels, as provided by multi-year plans created by the state and the Regents, the more we will be able to achieve this goal.

The ongoing advancement of UC Santa Cruz requires realistic, multi-year financial plans that are tightly aligned with academic priorities. This will require that the campus continues to grow and diversify our revenue base through philanthropy, non-resident enrollments, PDST, research growth, and partnerships. It also means fundamentally changing our business processes and operating methods to reflect new funding realities, the availability of new technologies and tools, and the realities of more complex and regulated administrative environments.

Over the next two years, the emphasis for financial planning will be about developing funding models that support our goals, enable the campus to respond strategically to budget challenges, and strengthen our financial position. This is possible because, in the past two years, the campus has achieved the following:

- *Organizational restructuring.* UCSC has successfully implemented a major restructuring of the campus student affairs organization—ensuring that student needs are more fully integrated throughout campus services.

- *Working smarter.* UCSC successfully implemented *UCSC Academic Recruit* (the UCSC version of *AP Recruit*) in time to fully support the 2012-13 Senate faculty recruitments. UCSC is a Wave One campus (an early adopter) for the *UC Path* “working smarter” initiative to implement a single, modern payroll and human resources system for UC.
- *Research administration organization/services.* The campus has hired a special agreements officer (in the Office of Sponsored Projects) to assist faculty in substantially growing extramural support. In addition, the campus is a part of the “working smarter” initiative to explore research administration software options.
- *Support for campus operations.* In support of both research and operational efficiency goals, UC Santa Cruz completed a telecommunications master plan that provides an overall design/costing model and articulates a roadmap for stabilizing/modernizing campus network infrastructure. The first phase of that plan has been funded and work has commenced.

The campus will maintain its strategic budgeting activities that have ensured the availability of resources sufficient to safeguard the quality of academic programs and facilities. We will align funding sources in a way that improves incentives to generate new resources and increase the effective management of limited core resources. Primarily through one-time investments, we will improve our infrastructure and support processes in ways that further our academic mission and provide the foundation on which to build our future.

### **Progress in Achieving Priority Aims Reported in the Previous Year**

Variations of three of the five 2011-12 two-year priorities appear in this year’s Statement. Accordingly, progress in achieving those continuing priorities is outlined above.

Last year, the campus also listed its aim to “*define our capabilities as a regional presence, including our partnerships in Silicon Valley and in the Monterey region*” and to “*complete preparations for UC Santa Cruz’s first comprehensive fund-raising campaign.*” Both our regional efforts and the comprehensive campaign remain key campus priorities and our efforts going forward will build upon milestones completed this past year.

**Regional presence**

- *Regional academic planning.* A draft campus academic plan for expansion in Silicon Valley (an effort led by the Baskin School of Engineering as a first phase for Silicon Valley academic development) is under review by campus stakeholders. Work is underway to develop financial models in support of programs envisioned in that plan—e.g., PDST financing for the *Games and Playable Media* M.S. scheduled to launch fall 2013 in Silicon Valley.
- *Graduate instructional programs.* A blended model (i.e., collaboration between the academic program, Silicon Valley Initiatives, and University Extension) for launching graduate programs at the campus's new 3rd floor Silicon Valley Center (2505 Augustine Drive, Santa Clara, CA) is now in place. The *Technology and Information Management* (TIM) MS will re-launch at the Center in fall 2013.
- *NASA University-Affiliated Research Center (UARC).* To ensure that UARC partnership fulfills its full potential for both NASA and UC (and to position the campus for contract extension/renewal in 2013), the campus has reviewed and improved its relationship management structures, is working to launch new research partnerships and STEM educational initiatives, and has hired a Director of UC/NASA partnerships to work full time to develop new research collaborations among UC researchers and NASA scientists.
- *University Associates, LLC.* Based on a feasibility analysis for moving forward with the 77-acre campus at NASA, the campus is pursuing new approaches consistent with present and foreseeable market conditions.

**Comprehensive campaign**

- *Campaign preparation/organization.* The preparation and organizational stages of the Campaign have been completed and the nucleus gifts phase is underway. The public announcement (and formal campaign launch) is currently planned for fall 2013 so that the UCSC's 50<sup>th</sup> anniversary activities can be leveraged to build momentum in the public phase of the campaign.
- *Communications.* The high-level framework will focus on the remarkable opportunities to invest in the people and programs that will help shape the future as part of a world-class research university with a proven track record of providing an extraordinary and transformative undergraduate and graduate experience, high impact research, and a commitment to social and environmental responsibility.
- *2011-12 private support.* Private donors gave nearly \$23 million (under the cash reporting standard), an increase of almost thirteen percent over 2010-11. Alumni giving roughly tripled—from \$2.5 million to \$7.3 million. Gifts of

\$100,000 or more increased to over \$15 million. Over the past two years, private giving has increased almost 20 percent, with donors responding enthusiastically to campus fundraising efforts. A substantial \$11.1 million was pledged in planned gifts, an increase of \$3.8 million from last year. Most of these commitments were from alumni and included a \$5 million bequest intention, the largest ever.

The campus continues to make progress on its 2010-11 priority to identify and address success factors for and barriers to substantially growing research over the next five years and to improve faculty competitiveness for large, multi-PI or multi-disciplinary awards. During 2011-12, grants and contracts awards totaled \$140.3 million, a 12% funding increase over last year. This is the seventh consecutive year that UCSC grants and contracts awards exceeded \$100 million. Over the last five years, UCSC has received nearly \$666 million in grants and contracts funding.

### **New Programs and Schools**

Campus plans for new programs and schools over the next five years are found in the *2012-17 Five Year Perspectives* (<http://planning.ucsc.edu/acadplan/perspectives.asp>), last updated in spring 2012. In the near-term, however, the pace of many of these proposals will likely slow because of constrained faculty hiring.

### **Contributions to and Role of System-wide Initiatives**

UC Santa Cruz envisions its future as embracing excellence in established disciplines and forging new lines of collaboration between disciplines in order to foster creativity and respond to emerging needs of society. Similarly, multi-disciplinary and cross-campus efforts help create a University of California that is greater than the sum of its individual campuses.

UC Santa Cruz's role/contribution to system-wide initiatives include

- UC Observatories (UCO) multi-campus research unit (MRU) has its headquarters at UC Santa Cruz and the campus manages the operation of UCO/Lick Observatory on behalf of the UC system. UC Santa Cruz faculty also participate in other multi-campus research efforts.
- UC Santa Cruz established and is leading a *University Affiliated Research Center* (UARC, <http://uarc.ucsc.edu>) at NASA Ames and, as the campus

prepares for extension of the contract beyond 2013, is working to develop new research partnerships among UC researchers (from all campuses) and NASA scientists.

- UCSC participates fully in UC-wide programs such as *California Teach*—UC’s program for undergraduate science, math, and engineering majors on all UC campuses whose goal is to dramatically increase the number of science, mathematics and engineering majors who pursue careers in secondary science and mathematics teaching.
- UC Santa Cruz people serve on a variety of task forces and working groups, including lending campus experience and expertise as an early adopter of UC-wide “working smarter” initiatives. As one of the *UC Path Wave One* campuses, campus staff have spent countless hours contributing to the project design and outcomes—ranging from policy (e.g., composite benefits rates) to operations (e.g., integration with existing systems and with campus and UC-wide procedures; reporting and data warehouse capabilities).
- The campus continues to provide leadership in multiple educational outreach programs focused on improving secondary education and access to UC.

UC Santa Cruz has specifically designed many of its programs and services to take advantage of and be synergetic with UC-wide efforts including

- UC Santa Cruz is a partner in two of the four *California Institutes of Sciences and Innovation* (QB3 & CITRIS) and encourages (and provides assistance and technical support for) individual faculty to partner with colleagues at other UC campuses on research projects.
- The *California Digital Library* plays a pivotal role in providing library resources to Santa Cruz students, faculty, and staff—the campus contributes to and benefits from UC-wide licensing agreements.
- UC intercampus network initiatives—including *CENIC*—have similarly been crucial to enabling UC Santa Cruz’s role as a distinctive public research university.

The most critical ways in which the Office of the President can assist UC Santa Cruz in meeting its near-term priorities and achieving its vision include

- *Advocacy.* Work with State leaders and make the case to the citizens of California and with the leadership nationally to provide multi-year (operating

and capital) budget stability for UC, including support for long-range enrollment planning. Additional predictability at the UC-wide level in operational budgets enables campuses to act to position themselves for the future and to meet the needs of their students and faculty. UC Santa Cruz has not yet caught up on capital projects fully justified by our current budgeted enrollment. The lack of state funding for capital projects requires a system-wide approach.

- *New hybrid funding structures.* At the State and national level (e.g., AAU, APLU, and directly with legislators) continue to advocate for a hybrid funding structure for the public research university. California, consistent with its workforce quality priorities, must ensure access to quality undergraduate-and masters-level education, by funding resident enrollments and providing financial aid. The Federal government, in addition to its leadership in supporting research, needs to become a primary patron of advanced education at the graduate level (i.e., academic masters and doctoral programs) across all academic disciplines through a coordinated system of fellowships, traineeships, and graduate student assistantships. Also key is UCOP's leadership in working with foundations and individual donors to play a major role in support of education/scholarship in selected areas and help with specific initiatives that help provide that "margin of excellence" in areas supported by State funds and tuition.
- *Resource allocation.* Over the recommended six-year timeframe, fully implement the new system-wide funding formulas (i.e., funding streams and re-benching) in an open and transparent way so as to (i) provide the opportunity for every campus to develop and maintain its status as a top-tier research university and (ii) enable the California public, the Legislature, the media, and the University as a whole to fully understand the critical choices faced by all campuses. Prompt implementation of the new UC-wide funding formulas is essential to the campus's success in re-building a faculty FTE critical mass for academic departments that will comprise our core and signature programs. Protecting the educational financing model (EFM) principles will help ensure that a UCSC education is affordable to an undergraduate class that reflects California's diversity.
- *Common systems and processes.* Continued leadership in the deployment of UC-wide services that truly leverage the "power of ten" in ways that enable campuses to focus on the excellence of their academic programs. UCOP efforts to streamline and avoid duplication in UC-wide processes are also important—e.g., streamlining the research enterprise by minimizing UCOP

compliance processes that duplicate those already in place on individual campuses.

- *Statewide issues that affect campus costs.* Work with State to reduce reporting requirements and to provide support for communities that host UC campuses (so costs of mitigation measures do not have to come from strapped campus operations budgets).

UC Santa Cruz appreciates the leadership of President Yudof and the Office of the President in making the case to State and Federal government officials, as well as to the public, about the value of the University of California.