

DESCRIPTION OF UCSC'S MAJOR REVENUE STREAMS

State Funds: State funds are the result of State appropriations provided to the University of California through the annual State Budget Act. As a public, state-supported institution, the University of California depends on receiving state money each year to fund much of its annual budget—and has to request that funding in a convincing manner. To do this, The UC Regents publish a budget document known as the “Regents Budget.” The document provides a statement and explanation of all the money needed by the nine-campus UC System to ensure the continued excellence of its programs in the coming year. The Regents budget request to the State focuses on three general categories: (1) Fixed Costs; (2) Workload and Program Growth; and (3) New or Expanded Initiatives. The Regents Budget is developed through a decision-making process that involves faculty, students, administrators, and The Regents. Budget negotiations with the State are performed by staff in the UC Office of the President. Once the annual State Budget Act is signed by the Governor, State funds designated for the University of California are provided to the UC Office of the President. The President’s Office, in turn, provides funding to each of the UC campuses based on the President’s Budget Initiative.

The President’s Budget Initiative: The UCOP funding formulas of the past provided specific allocations for everything--new faculty FTE, teaching assistants, instructional equipment, libraries, maintenance of facilities, etc. The President’s Budget Initiative provides funding to campuses in four basic categories: Enrollment Growth, Operation and Maintenance of Plant (OMP) for new facilities, Funding for inflation and salary increases, and Funding for special initiatives. These allocations are based on a “block allocation” concept that provides campuses flexibility in the management of the funds provided in each category.

Funding for Inflation: This provides funding for salary increases (I.e. merits, cost-of-living adjustments, etc.) and a general “non-salary” inflation adjustment.

Funding for Enrollment Growth: Funding is provided on a per-student basis, based upon an approved enrollment plan. For 1999-00, State funding equals \$7,900 for each additional student added (over the previous year’s budgeted enrollment level) plus 100 percent of the Registration Fee, and roughly one-third of the Educational Fee.

OMP Funding for New Space: State funding is provided for new State-funded space. For 1998-99, this funding equaled \$7.61 per new MGSF.

UCOP Funding for New Initiatives: This is usually one-time funding for special initiatives requested by a campus (such as the new Engineering School at UCSC). It may also provide special funding to address a specific problem UC-wide (such as the deferred maintenance back-log).

State funds support instruction, maintenance of state-supported facilities, and administrative support activities. The campus’s total State fund budget is based on historical formulas. Increases are provided for enrollment growth, cost-of-living adjustments, new space, and new initiatives, as discussed above. UCSC has flexibility in the allocation and management of these funds.

Student Tuition and Fees: Student tuition and fees are paid by students. The Educational Fee, the Registration Fee, and Nonresident Tuition are determined by The Regents during the annual budget process. Student Fees support student services, educational activities, Extension, and student aid. The funding is tied to enrollment. Increased funding is based on enrollment growth and/or increases in fee levels.

Self-Supporting Activities: Self-supporting activities include housing, the bookstore, the conference office, and parking. Income in these areas is based on rates that reflect the cost of the service being provided. For example, room and board rates for student housing are based on the cost to build the housing, and operational costs such as food service, maintenance, and utilities. Bookstore pricing is based on standard retail mark-up to cover operating costs. The rates established for self-supporting activities are paid by the students, faculty, or staff who use these services.

Extramural Support: Extramural fund sources include gifts, grants, and contracts. Grant and contract funding is typically provided to support a very specific purpose in response to a contract or grant proposal prepared by a faculty member. Gifts, on the other hand, may be restricted to specific activities, or less-restricted, depending on the wishes of the donor. Growth in contract and grant activity occurs as a result of faculty research activities. Growth in gift funding is based on the campus’s fund-raising activities.

Indirect Cost Receipts and Other Sources: Indirect cost receipts are provided to reimburse the University for costs it incurs as a result of contract and grant activity. Within the UC system, these funds include the University Opportunity Fund and the Off-The-Top Overhead fund. University Opportunity Funds are used to support organized research activities, departmental research, and other academic support functions. Off-The-Top Overhead funds are used to support administrative support functions related to research activity such as accounting and environmental health and safety services. Other sources of revenue include miscellaneous income related to parking fines, fee-for-service activities at the Health Center, and recreation income at the Office of Physical Education and Recreation.

BUDGET PROFILES DEFINITION OF TERMS

PRIMARY SOURCE DOCUMENTS

Budget System Local - This is an annual record system of all permanently budgeted funds on this campus. The reports are organized by account and/or fund number. Information provided includes the number of permanently budgeted positions, and monies permanently budgeted for salaries, supplies, and benefits within each account (organization)-fund.

Course Audits - This is an annual record system of *permanent* faculty instructional workload and course offerings. The reports are organized by course offering unit within each division. Information provided includes for each faculty member a listing of courses taught, enrollments in those courses and independent studies, and a calculation of course load. An aggregate course and enrollment load figure is calculated by unit for all associated faculty, and by division, and historical summaries are provided. A count of all courses offered (regardless of whether taught by permanent faculty) is also included.

Instructional Load Summary - This is a five year historical record system of instructional workload indicators. The reports are organized by academic unit within each division. Information provided includes numbers of undergraduate and graduate majors, enrollment workload FTE, degrees conferred, permanently budgeted faculty, payroll faculty, and weighted and unweighted student/faculty FTE ratios.

Staffing List Report - This displays the permanently budgeted allocations for academic and staff positions, both filled and unfilled, by unit, position, name, FTE, and amount.

BUDGET PROFILE CATEGORIES

COLUMN HEADINGS

Budget: Refers to permanently budgeted activities in the specified fiscal year (July 1 to June 30) and does not include temporary (non-recurring) allocations or extramural contract and grant activity.

Source: *Budget System Local*

FTE: Full Time Equivalent. One FTE is one job at 100% time. An FTE is also a provision so that, theoretically, there could be 10 persons at 10% time to fill one FTE. In this context, FTE Total is the number of budgeted FTE provisions in a unit, whether or not an individual has actually been hired to fill the slot.

Source: *Budget System Local and Staffing List*

BUDGET CATEGORIES

General Assistance - Includes temporary staff, temporary academics (including researchers) and student employees.

Source: *Budget System Local*

Income - For academic units, reflects income received through events and/or special fees for courses.

Source: *Budget System Local*

Ladder Rank Faculty - Includes all permanently budgeted faculty and, in this context only, lecturers with security of employment.

Source: *Staffing List*

Nonsalary/other - Includes all non-salary permanently budgeted funds; includes funding for supplies and equipment.

Source: *Budget System Local*

Other Academics - Includes personnel with academic appointments in non-ladder faculty titles such as researchers, librarians, and University Extension Continuing Education Specialists.

Source: *Staffing List*

Staff - Includes all permanently budgeted non-academic titles.

Source: *Staffing List*

Teaching Assistants - Office of the President permanently budgeted teaching assistant FTE and funding. Does not include additional teaching assistants hired out of divisional funds.

Source: *Annual Omnibus Allocation Letter; EVC to Deans*

Temporary Academic Staffing - Instructional funds budgeted centrally but allocated each year to Divisions for use in hiring temporary instructors and other related instructional support.

Source: *Annual Omnibus Allocation Letter*; EVC to Deans

SOURCE OF FUNDS

Source for all Permanent Budget Info: *Budget System Local*

Auxiliary Services – Non-instructional support services provided primarily to students in return for specified charges. Services include residence and dining services, parking, and the bookstore. No State funds are provided for auxiliary enterprises. Budget increases are matched by corresponding increases in revenues.

General Funds - Includes State Fund allocations and Educational Fees.

Gift and Endowment Income– Gift and endowment income is usually designated for specific activities or programs. Endowment income is based on annual earnings of the endowment principal.

OTT/UOF - Off the Top Overhead (OTT) and University Opportunity Funds (UOF) derived from overhead charges to federal contract and grant activities.

Other Fees - Other fees include Santa Cruz campus fees which were approved by student referendum. These fees are usually designated to fund services required by students which are not part of the University's program of instruction, research, or public service.

Prior Year Carry-Forward – This includes funds which were not spent the prior fiscal year, and were carried forward into the next fiscal year for expenditure. Prior-Year Carry-Forward funds are one-time funds.

Registration Fees - Designated to fund services required by students which are not part of the University's programs of instruction, research, or public service. Included in these services are activities such as counseling, academic advising, tutorial assistance, cultural and recreational programs, and capital improvements which provide extracurricular benefits for students.

Self-Supporting- Income derived from charging other units for services.

DESCRIPTIVE INFORMATION

Courseload per Permanent Faculty FTE: Average number of 5-unit courses taught by permanent faculty for each program. Courses less than five units are counted proportionately. All courses are credited to the faculty member's affiliated board, regardless of which board sponsored the course. For example, Marine Sciences receives credit for any Biology courses taught by Marine Science faculty.

Source: *Course Audits*

Extramural Awards - Contract and grant awards to faculty and student research.

Source: *Contracts and Grants Annual Reports*

Number of Student Majors - Students who have declared a major in the discipline. Double and triple majors count proportional in each discipline (e.g., double majors count as 0.5 in each major).

Source: *Instructional Load Summary*

Number of Degrees Conferred- Number of students receiving degrees in that discipline during the year (Fall, Winter, Spring, and Summer quarters). Students receiving degrees in more than one major count proportional in each (e.g., double majors count as 0.5 in each major).

Source: *Instructional Load Summary*

Student Enrollment FTE - A student enrollment FTE is calculated based on student credit hours (units) for each course, times enrollments, divided by a full time student annual courseload of 45, with the exception of advanced graduate students. Each graduate student who has advanced to candidacy is counted as an FTE (enrollments in courses is no longer a factor). Numbers include all regular course and independent study enrollments taught by permanent faculty plus all enrollments taught by temporary faculty.

Source: *Instructional Load Summary*

Budget Faculty FTE: Represents distribution of filled faculty positions and dollars allocated for instruction. Totals are constrained to match the level of budgeted faculty FTE allocated to UCSC by the University California Office of the President. Within this context,

Permanent faculty represent positions filled by ladder faculty and security of employment lecturers. *Temporary faculty* represent dollars converted to FTE based on the distribution of temporary academic staffing funds and unfilled provisions.

Source: *Instructional Load Summary*

Target Student/Faculty Ratio: The target for each program is the UCSC historical ratio derived from unweighted student workload divided by budget faculty FTE averaged for each program over the years of 1989-90 through 1991-92. These target ratios (and the methodology used to determine them) were meant to be interim in nature and are subject to review.

Source: *Instructional Load Summary*