

COMMITTEE ON PLANNING & BUDGET
MINUTES
MAY 9, 2023

PRESENT:

Peter Atkinson, Entomology, Chair
Dana Simmons, History, Vice Chair
Reza Abbaschian, Mechanical Engineering
Juliann Allison, Gender & Sexuality Studies
Subramanian Balachander, Business
Roger Lake, Electrical & Computer Engineering
Bronwyn Leebaw, Political Science
David Lo, School of Medicine
Hiroki Nishimura, Economics
Frances Sladek, MCSB

ABSENT:

Ayala Rao, Microbiology & Plant Pathology
Yadong Yin, Chemistry

Chair Peter Atkinson called the meeting to order at 11:05am.

The committee unanimously approved the April 25, 2023 minutes.

CHAIR'S ANNOUNCEMENTS/UPDATES/REMINDERS

Chair Atkinson traveled to Oakland, CA to attend in person the May 2 Systemwide UCPB Meeting. At the meeting, Todd Hjorth, the Finance Director at UC Health, was joined by Carrie Byington, Executive Vice President of UC Health. Todd Hjorth gave a presentation on UC Health's Medical Center Support for Fiscal Year End 2022. The presentation was made in response to UCPB's ongoing concern about how any revenues from UC Health are returned to their respective medical schools and to any other units at their home campuses (to the academic mission of UC).

Medical Center Support to the UC System totaled \$2.3 Billion for FY 2022. Services purchased from the University included office and medical supplies, building maintenance, repairs and maintenance, administrative, treasury, medical services and insurance. Services provided to the University included physician office rentals, pharmaceuticals, billing services, medical supplies and cafeteria services.

Within each of the five UC campuses with a hospital, profitable units subsidize ones that operate at a loss. Of interest to UCPB, as well as UC Health, is the situation at UC Riverside. UCR Health does not have hospital revenue to support operations. Thus, it has sustained annual operating losses of \$6M-\$9M per year, before a one-time \$25M State allocation for clinical operations. In terms of historical losses:

- For FY21 and FY22, the annual average loss was \$9M per year, while the projected average annual loss for FY23 and FY24 is expected at \$6M per year.

- The cumulative loss at the end of FY23 is projected at \$23.3M before the one-time \$25M funding support noted above.
- This one-time \$25M State allocation will temporarily stabilize clinical operations and reduce losses. These funds are not permanent, and it is estimated they will be exhausted by the end of FY 2025.

UCR Health strives to improve efficiencies across its outpatient clinics and increase revenues by establishing Professional Service Agreements (PSAs) with affiliated hospitals. The absence of hospital inflows makes it difficult to break even.

Chair Atkinson reminded P&B that UCR SoM receives a set aside of \$40M/year to support it.

MEETING WITH DEAN OF SCHOOL OF EDUCATION

The Dean of the School of Education (SOE), Joi Spencer, and Sally Tavizon, Assistant Dean and CFAO, met with the committee. They provided a comprehensive presentation on the financial status of SOE.

SOE's overall budget for FY22 was \$26,987,132. Overall salary and benefit costs were \$12,997,167 (\$9,574,145 for academic salaries and benefits; \$3,423,022 for staff salaries and benefits). Overall TA costs were \$937,893. Overall start-up costs were \$166,936.

Overall revenue sources (tuition, grants, endowment, etc.) were:

- Student Fees: \$87,259
- Sales & Services: \$506,567
- Contracts & Grants: \$7,631,485
- Gift Funds: \$2,156,035

Costs of instruction per undergraduate student were:

- a. Instruction Related Costs (i.e. faculty, lecturers, associate instructors, TA's and readers):
\$5,882,642
- b. UG Enrollment: 608
- c. Instruction Related Costs/UG Enrollment: \$9,675 per undergrad student enrolled (this figure does not take into consideration any of the graduate level courses that SOE faculty also teach).

SOE's greatest fiscal challenge at this time is the increasing costs associated with the various bargaining units that impact its teaching assistants, lecturers, supervisors of teaching assistants and GSR's (all Unit 18 academics). SOE is currently also reviewing its PhD financial packages over the next few years to determine how best to proceed given the increasing costs to support them while still making SOE offers competitive and attractive to candidates. One goal is to be able to increase doctoral student support from 3 to 4 years. As part of SOE's strategic planning efforts, they are also evaluating their current graduate programs to determine what changes should be made, and whether or not any programs should be sunset. SOE is also conducting an assessment of which new graduate programs to develop and grow.

SOE's goal is to grow graduate education with a specific focus on the MA degrees and the EDD degree. SOE aims to grow programs that can address areas currently unmet/minimally met in the Inland Valley region as well as programs that service working professionals via hybrid and online models of instruction. Currently, SOE is exploring three degrees: EDD (K-12 Leadership and Higher Education Leadership tracks); MA in STEM Education and Equity; MA in Counseling (School, Academic and Career Advising and Clinical tracks).

During FY 2022/23, SOE faculty had faculty office space limitations. In the coming year, SOE will be addressing current and future needs in terms of faculty, staff and research center space configurations to better align with the strategic vision for the school. In terms of opportunities for growth, as mentioned earlier, the SOE is reviewing current graduate programs and looking to develop new programs. The SOE will also be launching its first student teaching cohort in the Coachella Valley at the Palm Desert Graduate Center in Fall 2023 to help address the need for educators in this region.

SOE Faculty often get called on to serve UCR in larger ways—currently Dean of UG Education as well as others in university administration. SOE's focus on equity and deep knowledge about educational equity has contributed to the growth and development of UCR as a whole. This contribution is not always seen. How could that change? For example, SOE sees a large research project like OASIS, with a focus on sustainability, but none related to equity, educational opportunity and the like. SOE thinks this begs a larger conversation, which SOE would be glad to engage in.

ISSUES PERTAINING TO THE OASIS BUILDING & P&B SERVICE

Some P&B members expressed extreme concern over what they perceive as UCR Administration's insistence that AB2046 funds aimed at mitigating the effect of climate change can be used to fund the OASIS building. There is concern that there continues to be a lack of community consultation about the OASIS project. This also speaks to a more general problem of a lack of shared governance for important issues like a windfall of funds. A memo will be drafted for all committee members to review/approve and be addressed to all UCR Senate members, raising three concerns: transparency and responsibility for the decision to use Climate Initiative funds for the OASIS clean tech park; accountability for the expenditure of taxpayer dollars; and outstanding needs of core operations and facilities in all UCR schools and colleges.

According to some P&B members, there is an issue with respect to preserving institutional memory on key committees such as P&B, Physical Resources Planning and even Executive Council. As major financial issues persist over time and perhaps bleed into school year after school year, committee members with institutional memory cycle off these key committees and are outlasted by administrators. As potential solutions to preserve institutional memory on P&B, it was proposed that perhaps service commitments can be five years and not have to be continuous; and perhaps UCR P&B can adopt the P&B model of UC Davis, which relies more on FEC Chairs and may be more proactive/provide more formality to shared governance.

The meeting was called to a close at 1:45pm.