

Committee on Academic Planning and Resource Allocation (CAPRA)
Minutes of Meeting
December 13, 2022

Pursuant to call, the Committee on Academic Planning and Resource Allocation met at 11:00 am on December 13, 2022 in the Administration building room 344 and via Zoom. Chair Kevin Mitchell presiding.

- I. Chair's Report – *Kevin Mitchell*
 - A. Meeting with CoR Chair Sexton on November 29 regarding the revisions to the Center policy
Per CAPRA's previous agreement, CAPRA will submit a memo with suggested revisions to CoR in January. CAPRA's main concern with the Centers policy is the lack of Senate oversight. CAPRA Vice Chair Almeida will assist with the drafting of the memo to CoR.
 - B. UCPB meeting December 6
It is hoped that there will be a 5% increase to the UC budget. However, this is based on the UC reaching certain metrics including a 1% enrollment increase, metrics related to graduation rates, etc.
- II. Vice Chair's Report – *Paul Almeida*
 - A. Divisional Council meeting December 6
 - Discussion on the VCR's proposed climate institute and centers.
 - Discussion about revisions to the campus policy on the establishment of new schools.
Divisional Council members discussed the effect on the Gallo pre-proposal review process. Divisional Council members agreed that there needs to be Senate representation on the working group that will address necessary revisions, including representation from CAPRA.
 - Vice Chair Almeida reminded Divisional Council members about the recent campus announcement on UC Merced's AES designation.

VPAAS Spitzmueller interjected and stated that the administration wants to avoid any miscommunication about the Gallo pre-proposal. She emphasized that the goal is to not start any planning until the campus receives CCGA's feedback and input from the Senate. The administration wants to work with the Senate to locate a neutral facilitator with expertise in facilitation but one that does not have content expertise. VPAAS Spitzmueller added that the administration wants jointly-issued communications about these facilitator meetings so that the campus community does not make incorrect assumptions.
- III. CAPRA Response to VP Spitzmueller Requests
 - A. CAPRA's feedback on Strategic Planning teams' presentations at the November 8 and 15 meetings
Some CAPRA members have submitted feedback which is available in CAPRA's Box folder.
 - B. CAPRA's feedback on VP Spitzmueller's summary of what CAPRA wants to see in future program proposals

CAPRA members agreed on the following items they want to see in future proposals for new degrees:

- clear distinction between resources that are necessary to field a program and resources that are aspirational or desired for future program growth.
- clear data on enrollment estimates for any new major. That data should be driven by some sort of comparisons to other UC programs and other institutions.
- an articulation of requested space: lab space, classrooms, etc. (VPAAS Spitzmueller interjected to point out that the administration consults with Executive Director of Space, Capital Planning & Real Estate Maggie Saunders on space.)
- impact statement from departments that are affected by the proposed degree.
- letters from School curriculum committees and/or executive committees that confirms they were consulted on the degree program proposal and articulates any concerns.

VPAAS Spitzmueller suggested that only letters from impacted departments and the relevant School deans may be sufficient and perhaps CAPRA doesn't need letters from curriculum and executive committees. CAPRA Chair Mitchell reiterated that letters from all of the above are important, including those from curriculum and executive committees.

With regard to CAPRA's request for enrollment data, VPAAS Spitzmueller informed CAPRA that the campus is considering utilizing an external vendor tool that provides market-driven data that is derived from IPEDS and other websites and consolidated into student demand for a major, competitive intensity, career prospects, labor statistics, diversity of students, graduation rates, etc.

IV. Proposal for Concentration in Computational and Theoretical Biology in QSB

Recusal: Katrina Hoyer

Prior to this meeting, CAPRA members reviewed the lead reviewer's comments.

Action: Due to time constraints, CAPRA will continue reviewing the lead reviewer's comments over email. CAPRA's memo to GC is due by Friday, December 16.

V. Consultation with EVC/Provost and Interim VC/CFO Schnier

A. Impact of a strike settlement on the university budget

EVC/Provost Camfield explained to CAPRA that negotiations have moved to a private mediator and all deliberations are confidential. He mentioned that the post docs have ratified.

Interim VC/CFO Schnier stated that the campus needs to think about the funding sources. Three of the bargaining units are not funded by campus resources. They are funded off grants and faculty are negatively impacted. There no resources to backfill research grants. Other UC campuses are trying to arrange for bridge funding and are discussing NIH salary caps. CAPRA members conveyed their difficulties with regard to salary increases and overhead on grant budgets. Interim VC/CFO Schnier responded that composite benefit rates are a function of an employee's salary but he will look further into the issues that CAPRA members raised.

CAPRA Chair Mitchell asked for a timeline for how the campus budget will be affected. EVC/Provost Camfield stated that if an agreement is made with the union now, there will be a modest increase in the spring but a large increase in the fall.

Interim VC/CFO Schnier explained that if the campus invests in new program growth and enrollment, that will generate more student credit hours which generates money to add more TAs. EVC/Provost Camfield added that CAPRA can help him with the campus-level perspective and provide boundary-condition advice and value propositions. CAPRA should be considering how campus initiatives fit into the campus strategic plan. Interim VC/CFO Schnier stated that if CAPRA needs certain data points, he can provide them.

CAPRA Chair Mitchell pointed out that the loss of TAs (either through cutting the percentage of TAs or through graduation) has immediate repercussions for graduate student recruitment. EVC/Provost Camfield replied that at this point, he does not have enough information, but VPDGE Hratchian is working with graduate group chairs.

- VI. Consent Calendar
 - A. Today's agenda
 - B. Draft November 29 meeting minutes

Action: the Consent Calendar was approved as presented.

- VII. Consultation with Interim VC/CFO Schnier
 - A. Interim VC/CFO Schnier continued his budget presentation from the October 11 meeting

Interim VC/CFO Schnier began his presentation with a slide on the campus debt profile from fiscal year 2022 through fiscal year 2031. He then showed the total grant expenses and the total grant revenues for contracts and grants from fiscal year 2019 to fiscal year 2022. He explained that no institution gets full F&A. UC Merced currently bills F&A at about 55% and it is going up. In totality, our effective rate is lower. He also pointed out undergraduate enrollment affects research: unless the campus has enrollment dollars, the campus cannot support research. Interim VC/CFO Schnier then presented data on endowment and gifts from fiscal year 2019 to fiscal year 2022.

Interim VC/CFO Schnier then presented the fiscal year 2024 budget call process:

- The budget call process is an institutional process led by the Division of Finance and Administration to advise the Chancellor on resource allocation decisions.
- Available funds is based on expected revenue growth – driven by the campus's expected enrollment growth and growth in state funding.
- Divisions are expected to formulate their budget requests via internal consultation as well as across Divisions.
- Each Division is required to submit a standardized submission that includes the following:
 - Distribution of budget within Division

- Resource allocations made using the prior year's budget
- Any out of Budget Call allocations provided
- Prioritized list of requests for the upcoming fiscal year
- Strategic Plan is embedded in the rubric for evaluation.

Interim VC/CFO Schnier confirmed that if there is no enrollment growth, there will be no additional money for the campus budget call. He expects about 250 extra students next year but this prediction is based on last year's process, revenue recovery on first-year retention rates, and an assumption that the campus has the same SIRs as last year.

Interim VC/CFO Schnier then outlined the FY24 Budget Call Timeline (Preliminary)

- **October 26, 2022:** FY24 Budget Call priorities and process announced at Senior Administrator's Council (SAC).
- **December 10, 2022:** FY24 Budget Call formally announced to campus
- **March 23, 2023:** Divisional budget requests due
- **March 27, 2023 – April 7, 2023:** CFO and EVC/Provost hold budget meetings with divisions
- **April 10, 2023 – April 28, 2023:** CFO and EVC/Provost seek SAC input in recommendations
- **May 1, 2023 – May 8, 2023:** CFO and EVC/Provost make recommendations to Chancellor
- **May 15, 2023:** Chancellor announces allocations.

All allocations conditional on meeting enrollment targets as well the final state allocations released by the Governor. Interim VC/CFO Schnier added that the above timeline will be pushed back a month.

Budget Augmentation Request (BAR) Process

- Provides emergency funding outside of the Budget Call process
- Requests are processed twice a year (October/January)
- Requests are submitted by the Vice Chancellors
- Requests reviewed by the VC/CFO and Chancellor
- All academic requests require EVC/Provost approval
- If funding provided the total request must be the Vice Chancellor's top priority for their upcoming Budget Call requests
- The total BARs will reduce the amount available for the upcoming Budget Call cycle

A CAPRA member asked about the implications for the future of the proposed Gallo School if there are no additional funds in the campus budget call. Interim VC/CFO Schnier responded that the budget call will be key with whatever feedback the campus receives from CCGA. The campus will look at last year's data and build off that to see what is a reasonable expectation for next year rather than look at "targets". EVC/Provost Camfield added that VPAAS Spitzmueller is working on the budget implications for the formation of a new school. Budgeting frameworks for any new school (not just Gallo) have to be resolved first before the requests go into the budget call process. The campus will not get additional funding from OP to create any new schools.

CAPRA Chair Mitchell asked for an estimated dollar amount for this year's budget call. Interim VC/CFO Schnier responded that it will be lower than last year's amount given the enrollment growth pressure. He is concerned about the campus's expectation for faculty to propose new programs while keeping in mind the implications for new resources. He emphasized again that enrollment growth is critical.

There being no further business, the meeting was adjourned at 12:30 pm.

Attest: Kevin Mitchell, CAPRA chair