Annual Report: Academic Year 2008-09
Davis Division: Academic Senate

Committee on Planning & Budget

<table>
<thead>
<tr>
<th>Total Meetings: 20</th>
<th>Meeting frequency: biweekly; as needed</th>
<th>Average hours of committee work each week: members: varies. Chair: 5-8 hrs/week</th>
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<td>Total proposals/items reviewed: 85 (TOEs-1, POPs-2, Endowments-7, others-75)</td>
<td>Total deferred proposals from the previous year: none</td>
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<td>Total proposals deferred to the coming academic year: none</td>
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Listing of bylaw changes proposed: none

Listing of committee policies established or revised: none

Issues considered by the committee: see Committee’s Narrative below

Recommended procedural or policy changes for the coming year, or general carry-over items:

CPB recommendations for 2009-10:

- In 2008-09, CPB continued to implement their role of providing oversight, as opposed to reviewing small details, when considering planning and budget items. The Committee continues urge that this philosophy be carried forward for the future years. CPB may consider conducting routine business items electronically in order to focus on proactive and urgent discussion items during their meetings. The incoming CPB Chair may solicit members’ interests and concerns in order to set a proactive agenda for the year.

- The Committee would like to hold the Fall Retreat with ORMP and the Provost early in the Fall Quarter (as done in 2008-09) in order to facilitate an early dialogue with the Administration and improve the flow of campus information to the Committee. CPB would like the Retreat to include a presentation from ORMP providing a briefing of the campus budget and processes for newer members. In addition to the Retreat, CPB would like to have a more casual time of conversation time and refreshments after the formal meeting.

- CPB plans to apply information learned from discussions with the Deans and Faculty Executive Chairs in 2008-09 to planning processes and prompt the continued need for transparent budget information and practices across campus. CPB will consider reviewing the budgets for many units on campus in order for CPB and the campus community to better understand UCD’s financial situation. A small, core group of Senate and Administrative members may be brought together in order to focus and implement bigger budgetary issues/items on campus.

- As encouraged by AS DD Chair Bob Powell, CPB may document their thoughts, questions, ideas, and discussions over the last year (or few years) to pass along to future CPB members.

- Other recommended discussion items: review the FTE allocations process and past consultation with the Senate (a FTE Allocation Review Work Group may be formed), assessment/recommend programmatic changes in regards to shrinking/cutting academic programs; review and discuss ORU Policy with guests, consider the affect and special needs of increasing transfer student numbers, review possible proposed changes to endowment
funds, participate in review of SmartSite (Jim Chalfant will serve if needed), and consider solutions to the increased need for large classroom space, which may be delegated to the Instructional Space Advisory Subcommittee.

COMMITTEE’S NARRATIVE:

The Academic Senate Davis Division Planning and Budget Committee (CPB) considered matters regarding policy on academic planning, budget, and resource allocations according to Davis Division Bylaw 48 (click here). Bruno Nachtergaele, the Chair of CPB, also served as CPB’s representative to Representative Assembly and as a member on Executive Council. CPB member Jim Chalfant served as the Committee’s representative on the UC Systemwide Planning and Budget Committee (UCPB) and provided regular updates to the Committee. CPB members also served on the five Provost’s Five Budget Advisory Committees/subcommittees, and provided regular reports, as well as took recommendations and questions back to their respective groups, for consideration/action. CPB member Julia Simon served on the Task Force on Transfer Student Admissions for CPB, which was an administrative task force formed by Fred Wood and Davis Division Academic Senate Chair Linda Bisson (in 2007-08) in order to address the impending shortage of freshmen and campus policy for the admission of transfer students. CPB’s Instructional Space Advisory Subcommittee (ISAS) was chaired by CPB member Zhi Ding, and CPB member Phil Shaver served as the other member on ISAS. Please see the Instructional Space Advisory Subcommittee’s annual report for details regarding the subcommittee’s business. For a more detailed account of the Committee’s discussion, actions, and review items, please request the information from the Academic Senate analyst and/or review the posted information on the Academic Senate Information System (ASIS).

This section outlines the Committee’s activity in 2008-2009 regarding the following review items:

I. GUESTS WHO ATTENDED CPB MEETINGS
II. ENDOWMENT, PARTNER OPPORTUNITY PROGRAM, AND TARGET OF EXCELLENCE PROPOSALS
III. BUSINESS ACTION REVIEW ITEMS FROM AS CHAIR AND/OR SYSTEMWIDE
IV. OTHER CONSIDERATIONS AND TOPICS OF DISCUSSION

I. GUESTS WHO ATTENDED CPB 2008-09 MEETINGS:

- Enrique Lavernia, Provost and Executive Vice Chancellor
- Barbara Horwitz, Interim Provost and Executive Vice Chancellor
- Kelly Ratliff, Associate Vice Chancellor of Resource Management and Planning
- Karl Mohr, Assistant Vice Chancellor of Resource Management and Planning
- Ian Blake, Academic Units Budget Analyst, Resource Management and Planning
- Rick Catalano, Internal Audit Services Director
- Deans and Faculty Executive Chairs:
  - 5/1: College of Biological Sciences Dean Ken Burtis and FEC Chair Sue Bodine
  - 5/15: Letters & Science Division of Social Science Dean George Mangun; and School of Education Dean Harold Levine and FEC Chair Carter Ching
  - 5/29: CA&ES Dean Neal Van Alfen and FEC Chair Richard Grotjahn; Librarians Gail Yokote and Helen Henry and AS Library Chair Andrew Waldron; Veterinary Medicine Dean Bennie Osburn and FEC Chair Jonna Mazet; Engineering Dean Bruce White and Chair Katherine Ferrara
  - 6/12: Letters & Science MPS Division Dean Winston Ko, HArCS Division Dean Jesse Ann Owens, and FEC Chair Debra Long
II. ENDOWMENT, PARTNER OPPORTUNITY PROGRAM, AND TARGET OF EXCELLENCE PROPOSALS (10)

Endowment Proposals Reviewed (7 reviewed):
- Dean’s Professorship in Pediatric Endocrinology Research (SOM)
- Rustici Endowed Chair in Rangeland Watershed Science (CA&ES)
- Rustici Endowed Specialist in CE, Rangeland Watershed Science (CA&ES)
- Chevron Endowed Chair in Energy Efficiency (Energy Efficiency Center)
- Charlie J. Soderquist Chair in Entrepreneurship (GSM)
- Dean’s Professorship in Pediatric Endocrinology Research (SOM)
- Bucher Family Chair in Computer Science (School of Engineering)

Partner Opportunity Program Proposals (2 reviewed)
- Ye Chen-Izu and Leighton Izu, Department of Pharmacology
- Carey Seal, Classics Program in L&S, HArCS

Target of Excellence Proposals Reviewed (1 reviewed)
- Edward Pugh, Physiology Department, SOM

Ten total reviews were completed for endowments, POPs, and TOEs in 2008-09 by CPB. In 2007-08, CPB reviewed 21 proposals. The decrease in the number of proposals received and reviewed was attributed to the state/campus budget crisis. There were no items to carry forward to the next academic year.

III. BUSINESS ACTION REVIEW ITEMS FROM AS CHAIR AND/OR SYSTEMWIDE (65)

1. Academic Plans:
   a. School of Law Academic Plan
   b. HArCS Academic Plan
   c. College of Engineering Academic Plan
   d. Graduate School of Management Academic Plan
   e. College of Biological Sciences Academic Plan
   f. College of Agricultural & Environmental Sciences Academic Plan
   g. Division of Mathematics and Physical Sciences Academic Plan
   h. Division of Social Sciences Academic Plan
   i. School of Education Academic Plan
   j. School of Veterinary Medicine Academic Plan
   k. School of Medicine Academic Plan – not received or reviewed

Summary of Academic Plan Reviews: CPB evaluated the academic plans against specific criterion in order to help the members consider the information and impact on an individual-unit level, as well as on a campus-wide level, while keeping in mind the goal of excellence in teaching, research, and service. CPB noted that the academic plans were written in widely different styles, and provided varying types of information and detail. It was suggested that future calls for academic plans should provide a simple template for each college to utilize. The members agreed that none of the plans addressed the full set of information they were hoping to review in the plans. Given that the plans were designed for no growth or small growth scenarios rather than cuts, the plans were not viewed as an effective tool for the current budget situation as well. After CPB and the other Senate Committees provided their feedback regarding the academic plans, the Provost proposed a timeline to collect additional information with Deans, based on five main questions provided by the Senate.

2. Organized Research Units (ORU) Reviewed (and Additional ORU Budgetary Data for ITS, NEAT, IGA, CNPRC)
   a. Nanomaterials in the Environment, Agriculture and Technology (5-year)
   b. California National Primate Research Center (10-year)
c. Institute of Transportation Studies (10-year)
d. Institute for Governmental Affairs (5-year)
e. Air Quality Research Center (3-year)

3. Review requests from Graduate Council:
   a. Nursing Graduate Group in School of Nursing Proposal
   b. Energy Graduate Group Proposal
   c. Graduate Council’s Guidelines for Review of Proposed and Existing ORUs

4. Division of Agriculture and Natural Resources Review (including supplemental documents)
5. Proposed Furlough and Salary Cut Policy
6. Furlough/Salary Cut Options Systemwide
7. Non-resident Enrollment Guidelines Proposed by BOARS
8. Proposal to Change UC Financial Aid - Regents Blue & Gold
9. Institute for Data Analysis and Visualization Consultation
10. Proposed Business Plan: Education Abroad Program
11. Endowed Chair Policy Options Report
12. Proposed UC Policy Restricting Rehire of Retirees
13. Regents Items- Proposal to Sell Revenue Bonds University-wide
14. Name Change Request: Mechanical and Aeronautical Engineering
15. Online Administrative Information Module for Principal Investigators Proposal
16. Proposal to Establish Department Status for Asian American Studies Program
17. Proposal to Establish Department Status for Chicana/o Studies Program
18. Reconstitution Proposal: Spanish and Classics
19. Miscellaneous Reviewed Items (includes UCPB communication and state/campus budget information -- not an all-inclusive list)
   a. President's Recommendations to the Regents, 7/10/09
   b. Proposal to Take Faculty FTE's from the Colleges and Give to the Provost
   c. Chapter 13 Re: ICR Discussion from Chris Newfield (UCSB, former chair of UCPB)
   d. National Association of State Universities and Land-Grant Colleges Paper
   e. Budget & Institutional Analyst Information at http://budget.ucdavis.edu/budget-planning
   f. Provost Lavernia's Midyear Reduction Letter to CODVC, 2/10/09
   g. Internal Audit Services PowerPoint Presentation, Rick Catalano
   h. Higher Ed Investment Act to President Obama & Administration
   i. UCD Chancellor Candidate Linda Katehi's Information & CV
   j. President Yudof's State Budget Update After May Revise, 5/14/09
   k. Provost Lavernia to CODVC: 09-10 and 10-11 Budget Planning, 3/20/09
   l. Executive Council adopted this Senate policy to guide Senate ORU reviews, June 2009
   m. ALAP Response to Academic Plan, 4/3/09
   n. ORMP - Academic Unit Data Review Information, distributed on 3/10/09 by K. Ratliff
   o. Academic Planning: Senate Review and Consultation Process, distributed on 2/13/09 by Provost
   p. Five Questions for Deans (Academic Planning, 3 - 5 page report)
   q. President Yudof's Budget Reduction Memo, 5/27/09
   r. Coordination of Budget Planning and UC's Future, 6/3/09 (letter from AS Chair Croughan to President Yudof)
   s. Academic Council Recommendation to Yudof to Ensure Adequate Funding for UCRP, 6/3/2009
   t. UC Regents: Long-Term Budget Planning Model & University Funding Outlook, 9/22/08
   u. UC Long-Term Budget Planning Model Assumptions, 10/17/08
   v. President Yudof's Mid-Year Cuts Update, 10/14/08
   w. Interim Provost Horwitz Letter to Chair Nachtergaele, 10/3/08
   x. Interim Provost Horwitz's Call for Academic Plans, 11/8/07
   y. Yudof's Letter to the Regents Re: Revenue & Expenses, 9/12/08
   z. Chancellors Letter to Yudof Re: 09-10 Budget Priorities, 8/14/08
   aa. 2008-09 Committee on Planning & Budget Expectations
   bb. President Yudof's State Budget Update, 8/20/08
   cc. 2008-09 Salary Information
   dd. Incoming Chancellor Katehi's Search Committee and Appointment
IV. OTHER CONSIDERATIONS AND TOPICS OF DISCUSSION (10):

a. **Deans and Faculty Executive Chairs:** CPB met with all Deans and FEC Chairs in the winter and spring quarters (with the exception of the Graduate School of Management, School of Medicine, and School of Law Deans/FECs due to their unique positions). In order for CPB to better understand the approaches and impacts that the different colleges took when dealing with the ongoing series of budget cuts (“7% cut”, mid-year cut, 2009-10 cuts), guests were asked to present how their college budgets were organized and to what extent the departments in the colleges gained input and/or insight in their budget. The effect of these reductions in departments and programs, their plan for next steps, their thoughts in the long term to downsize their college, and what they would to reduce or discontinue in a hypothetical scenario where major cuts are required, were discussed. The information gathered during the discussion was (and will be) used to provide feedback to the Administration and pull best practices for future consideration. CPB also met with the UCD Librarians and Library Committee Chair Waldron to discuss the decline of the library's quality and budget issues.

b. **Fall Retreat:** CPB held the annual Fall Retreat with ORMP and the Provost early in the Fall Quarter on October 22, 2008, instead of late in the Fall Quarter. Making this change helped facilitate an early dialogue with the Administration and improve the flow of campus information to the Committee, which helped the members of CPB to make more educated, strategic, and proactive planning decisions/feedback on review items earlier in the year. CPB and ORMP discussed the campus operating budget, budget planning, long-term strategies, endowment chair options, and an infrastructure proposal to help external researchers cover costs. The Committee understood that the budget situation for the foreseeable future was dismal, but also stated that the university's strategy, or lack thereof, in addressing it, was equally dismal. In addition to the Fall Retreat, a follow-up meeting was also held on November 12, 2008 to discuss remaining items and address CPB’s questions/concerns. During the Fall Retreat Follow-up meeting, the group discussed midyear budget cuts, academic plan reviews, the Provost's Budget Advisory Committees, Proposed Endowed Chair Policy, start-up costs, TA information, sources of funding for the various allocations, and overhead distribution.

c. **Provost's Budget Advisory Committees:** The Committee received updates from CPB members serving on the Provost's various Budget Administrative Committees/subcommittees, and passed along feedback/recommendations through their representatives. Julia Simon served on the Self-Supporting Subcommittee, Zhi Ding served on the Instruction & Research Subcommittee, Bob Powell and Michael Turelli served on the Administrative Subcommittee, Jim Chalfant served on the Student Services Subcommittee, and Steve Tharratt and Bruno Nachtergaele served on the Capital and Space Subcommittee.

d. **Metrics to Help Assess Excellence:** CPB strongly encouraged the use of metrics in order to help assess units of excellence on campus. The Committee agreed that all areas on campus, including the Administration, needed to be reviewed (not just the academic areas), since doing so could send the incorrect message that the key mission of UC of teaching, research, and service are the areas that can be cut. CPB determined a lack of planning and leadership from the administration, and discussed the Senate's need to take on more responsibility. CPB provided specific data needed from ORMP for each unit on campus in order to help compare units (ranking, funding, ratios, admin dollars per student, grad student information, future trajectory information, etc).

e. **Discussions with AVC Ratliff and Provost Lavernia:** CPB discussed budget/planning with AVC Kelly Ratliff and Provost Enrique Lavernia several times throughout the year. Discussion items included, but were not limited to, the following:

- Discussed academic planning and reviewed the “Academic Planning - Senate Review and Consultation Process” handout; reviewed the proposed timeline for academic planning report
process. CPB encouraged clear, direct prompts in order to obtain specific information that can be used for decision making (cores to preserve, redundancies across campus, etc.)

- Reviewed the financial and workload indicators suggested for comparing/determining excellence (see “Selected Financial and Workload Indicators” handout); CPB was concerned regarding the lack of value indicator as they were based on numbers only
- Reviewed the areas and amounts to be targeted for budget cuts in the “2008-09 Budget Reduction Actions” handout
- Outlined next years’ and long-term planning process; noted that recommendations from the Budget Advisory Committees/Subcommittees were provided in June 2009. After review and consultation, implementation of recommendations were projected to be implemented July 2010
- Distributed and reviewed the “Academic Unit Data Review: Recommended differential budget reductions for 2009-10” handout and appendixes. Noted that ORMP took a qualitative approach, not statistical, and significantly reduced the number of indicators used. CPB noted the data as financially-centric only; separated academic units into those that could have a higher and lower capacities for cuts. ORMP stated that administrative units will be reviewed next.

f. **Internal Audit Services:** CPB met with Internal Audit Services Director, Rick Catalano, and discussed Audit’s advisory role to management. Statistics and information were reviewed; and areas that have more routine auditing, such as Purchasing, Cashier’s Office, the Health System, and the Senior Executive salaries (to Regents) were discussed. Rick Catalano invited CPB to recommend areas/units that would be beneficial for Audit to look into further, which includes efficiencies and effectiveness.

g. **Transfer Student Task Force:** CPB received regular updates and provided feedback regarding the Student Transfer Task Force via Representative Julia Simon. CPB voiced concerns regarding the additional funding needed to support more transfer students and if the big picture of higher education was fully being evaluated and considered. The Committee agreed that if the shift for the first two years is now the community colleges’ responsibility, then all universities and community colleges need to be restructured to accommodate this change. CPB questioned if community colleges are less expensive in the long run, and what number of UC eligible students who attend a two-year college end up at a university.

h. **Endowments:** CPB discussed the guidelines the members should use when reviewing and providing advice and guidance for endowment proposals, including the financial/intentions and implications of the gift, the process/conducts of the search, and the collaboration of departments in multidepartment proposals. CPB noted their strong effect on endowment proposals since the Office of the President reviews the proposal documents to ensure that Senate approval was obtained. Because of this influence, CPB strongly agreed and recommended that the Senate should not allow the Administration remove the Office of the President’s involvement in the endowment approval process.

i. **Office of Research:** CPB received an ORU funding update from the Committee on Research Meeting and OVCR AVC Bernd Hamman via member Jim Chalfant. CPB stated concern regarding the Committee on Research’s main focus was currently on advising Vice Chancellor Barry Klein. It was clarified that base funding is supplemented with general funds. CPB agreed that receiving the full budget information will be required before meeting again with OVCR folks.

j. **Mondavi Center:** CPB obtained and reviewed Mondavi Center budget/financial information; questioned the decision making behind Mondavi continuing to receive increased financial support from the campus when core items at the university are being cut/reduced.

Respectfully Submitted,

Bruno Nachtergaele, Committee on Planning & Budget Chair

James Chalfant (member), Zhi Ding (member), Jeannette Money (member), Alexandra Navrotsky (member), Phillips Shaver (member), Julia Simon (member), Steve Tharratt (member), Michael Turelli (member), Bob Powell (advisor), Pablo Ortiz (advisor), and Dag Yasui (Academic Federation Representative)
Total Meetings: 0  
Meeting frequency: as needed  
Average hours of committee work each week: 0  

Total issues reviewed/discussed: 1  
Total issues reviewed - deferred from the previous year: 0  
Total issues deferred to the coming academic year: 0  

Listing of bylaw changes proposed: None.

Listing of committee policies established or revised: None.

Issues considered by the committee: See Committee’s narrative below.

Recommended procedural or policy changes for the coming year: None.

**Committee’s Narrative:**

This subcommittee considered matters involving instructional space according to Davis Division Bylaw 48 C (click [here](#)). Committee Planning & Budget (CPB) member Zhi Ding chaired the subcommittee and was tasked to report ISAS discussions/information to CPB. The subcommittee meets when there are agenda items for discussion and/or review. Although discussion items and/or topics of concern were requested from members several times during the academic year, no responses were received and therefore the subcommittee did not meet. There were no prior business items from 2007-08 to review.

The first call for agenda items was sent on November 25, 2008, which included an introduction to the committee, information regarding ISAS’s charge and business items, and the request to review specific sections pertaining to space within the President’s Accountability Report posted at [http://www.universityofcalifornia.edu/accountability/](http://www.universityofcalifornia.edu/accountability/).

No responses or comments were received from subcommittee members to the first agenda call and review request. A second call for agenda items was sent on February 9th -- again receiving no responses from the subcommittee. The ISAS Chair and support analyst, as well as the Chair of the Committee on Planning and Budget, anticipated that business for ISAS might arise from the Provost’s Budgetary Capital Budget and Space Planning Subcommittee; however, no business was received.

Please see previous years’ annual reports and/or contact the Academic Senate analyst for information regarding the subcommittee’s past business items (such as lecture space, general assignment classrooms, classroom size, classroom configuration, utilization reports, etc).

Sincerely,

Zhi Ding, Chair

Patricia Boeshaar (member), Phillip Shaver (CPB member), Joseph Sorenson (member), Jon Wagner (member/Teaching Resource Center Director), Dag Yasui (Academic Federation Representative), Janis Dickens (Classroom Technology Services), Maria Miglas (Registrars Office), Frank Wada (University Registrar), Julie Nola (Office of Architects and Engineers), and Cynthia Bachman (Office of Resource Management and Planning)