

**REPORT OF THE TASK FORCE ON THE  
FUTURE OF UC DAVIS**

**UNIVERSITY OF CALIFORNIA  
ACADEMIC SENATE  
DAVIS DIVISION**

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## Executive Summary

### Background

The Task Force on the Future of UC Davis, formed in February 2010 by the Davis Division Executive Council at the request of Chancellor Linda Katehi, was charged with developing recommendations for a new vision for the campus within the context of UC Davis's mission, while reaffirming our commitment to access, affordability and the highest levels of quality in instruction, research, scholarship and public service. Co-chaired by Davis Division Academic Senate Chair Robert Powell and former Davis Division Academic Senate Chair and Professor of Viticulture and Enology Linda Bisson, the Task Force includes Senate members from across the campus.

### Recommendations

During its thirteen meetings, the Task Force considered a wide range of issues, many of which will require further deliberation. Most of the recommendations in this report can be grouped into one of the following areas:

- **Strategies for improving academic excellence and sustaining high quality education -**  
Recommendations include: developing a strategic academic plan for the campus that encourages a culture of risk-taking and vision; implementing an outward-looking assessment of departments, programs, centers and institutes; providing incentives for innovation; continuing exploration of online instruction; and developing new opportunities for expanding programs involving international students and scholars.
- **Strategies for enhancing resources available to support the University -**  
Recommendations include: increasing indirect cost recovery rates on sponsored research, which currently, at least in aggregate, do not cover the campus's actual cost; reducing unnecessary recordkeeping and excessive compliance; encouraging corporate sponsored research and education; developing a strategic plan for recruiting, enrolling and retaining non-resident students that includes scenarios for the investments needed to meet enrollment targets; and promoting new means to increase revenues by developing clear incentives for participating in an initiative.
- **Strategies for ensuring effective use of resources coming to the University -**  
Recommendations include: improving transparency in the campus budgetary allocation processes; reestablishing the FTE Allocation Workgroup; using strategic academic plans to guide resource allocations.

- **Strategies for improving graduate education -**  
Recommendations include: considering graduate student enrollments separately from undergraduate student enrollment in strategic discussions about the future size of the campus; reviewing current practices for funding graduate groups and providing incentives for graduate groups to form larger graduate group “umbrellas” or “clusters” if programmatically applicable; refocusing the Division of Graduate Studies or forming a new Graduate School; ensuring that financial and other support for graduate groups and programs are provided equitably and transparently; and clarifying the role of lead Deans for graduate groups especially in terms of funding and space.

The goal of the Task Force in developing these and other recommendations was not only to consider the future of the campus with the aim of becoming even more prominent and relevant as an academic institution but also to develop a plan that allows the campus to thrive within its means and embrace a sustainable academic and funding model. The Task Force firmly believes that retaining access and affordability for a high quality education without adequate funding from the State of California will be difficult. Therefore, it supports efforts to secure funding from the State that would allow us to enroll top California - resident students and provide the means to undertake cutting edge research and scholarship.

## **A. UC Davis Perspective**

### ***1. Campus Distinctiveness and Disciplinary Excellence***

The University of California Davis is set apart from other institutions by its strength and leadership within academic disciplines, distinctive connectedness across disciplines, and supportive institutional culture. These are tightly interrelated and define our campus. This combination of qualities and our presence in a “college town” foster a strong sense of community and set us apart from our sister UC campuses. The Task Force believes that our future rests upon continuing to strengthen these unique traits, engaging major societal issues and communicating our successes effectively. This report is the culmination of deliberations by the Task Force on the Future of UC Davis comprising twenty four UC Davis faculty (See Appendix A). It addresses key issues that are not just at the core of the continued quality and excellence of UC Davis but that also underpin the strategic decisions that the campus must make to attain even more success and greater preeminence. This report is a key part of the effort to plan for the future of the campus, and the only one that is completely faculty led.

The University of California Davis is a comprehensive university that encompasses all major foundational disciplines of land grant research universities while supporting emergent programs and multidisciplinary academic curricula. The campus fosters a culture based on excellence in scholarship, collaborative research that crosses departmental boundaries, and high quality teaching. Disciplinary excellence and concomitant visibility are at the core of our highly collaborative culture. The drive to think beyond individual disciplines knits the faculty together and reaches past departments and schools or colleges, as evidenced by numerous successful and widely recognized interdepartmental graduate groups, centers and institutes. Faculty define the cutting-edge scholarship of their academic fields, attract and educate top graduate students, and create innovative educational and research programs. Faculty hired in the last decade have broadened, complemented, and strengthened existing programs.<sup>1</sup> Increasingly, our faculty are acknowledged leaders in their disciplines. The Task Force emphasizes the need to recognize, retain and encourage this distinctive nature of our campus and the faculty who make it thus.<sup>2</sup>

The University of California Davis is comprehensive in another respect. Our faculty

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<sup>1</sup> Full Time Equivalent (FTEs) increased by 32.4% since 2000. The Full Time Employee Headcount including ladder rank teaching faculty, other teaching faculty, and acting ranks increased by 35.4% since 2000. Source: October 2009 UCOP Statistical Summary Headcount and FTE Reports.

<sup>2</sup> “Building on the interdisciplinary strengths of its faculty, UC Davis will promote a collaborative environment that spurs innovations in learning and research by discovering ideas that take shape at the frontiers and intersections of academic disciplines.” UC Davis: A Vision of Excellence

generate new knowledge and then effectively move that knowledge to societal and economic sectors of the state and beyond. Our collaborative culture has led to an international reputation as the campus that can solve complex, critical societal and environmental problems<sup>3</sup>. Our culture helps immeasurably in recruiting and retaining outstanding graduate students as well as first-rate faculty. We educate students in the foundational disciplines and give them the tools to succeed in the workforce and become leaders. We show students how to think critically, communicate effectively, and appreciate the value of diversity, in all of its dimensions. This is the core of the modern land grant mission.<sup>4</sup>

The Task Force applauds the recent release of UC Davis: A Vision for Excellence.<sup>5</sup> The relationship between this report and that document are highlighted at various points. Of particular significance is the use of metrics to identify success for our academic and administrative enterprises<sup>6,7</sup>. As described in Section C.2, the Task Force supports comprehensive program review to ascertain objectively the national and international profile of our disciplines and assure their strength and quality. Outstanding departments and graduate groups must be provided with the resources to continue to excel. Departments or graduate groups that are not in the top tier should be challenged to provide a roadmap that will make them among the best. Their success must be judged against comparable units in top rank institutions.

The Task Force subscribes to Chancellor Katehi's vision of significantly raising our national and international profiles. The key to meeting this challenge is building and supporting outstanding departments.<sup>8</sup> These are the fundamental units of the

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<sup>3</sup> One measure of this is the annual ranking of the Washington Monthly which places UC Davis as 6<sup>th</sup> in the US "based on their contribution to the public good in three broad categories: **Social Mobility** (recruiting and graduating low-income students), **Research** (producing cutting-edge scholarship and PhDs), and **Service** (encouraging students to give something back to their country)."

<sup>4</sup> "Expand our land-grant mission, so that our pursuit of knowledge and our engagement with partners will serve the state and nation, and address the emerging challenges of an interdependent, global society." UC Davis: A Vision of Excellence.

<sup>5</sup> <http://vision.ucdavis.edu/>

<sup>6</sup> "Increases in the quality and impact of the faculty's teaching scholarship, frequency of external recognition of our faculty and associated media coverage that increases the campus's visibility" UC Davis: A Vision for Excellence.

<sup>7</sup> "Conduct administrative unit reviews and high-level external assessments of critical campuswide functions to optimize the alignment of strategy and service with the campus's mission and service stakeholders" UC Davis: a Vision for Excellence.

<sup>8</sup> In **The Gold and The Blue, Vol. 1**, Clark Kerr refers to the department as the "natural" unit of attachment for faculty (pg. 192) and departments as the "supreme organizational units of the research university" (pg. 298)

university. Faculty are hired into departments and are evaluated for merit actions and promotions by their departmental colleagues.<sup>9</sup> Strong departments hire outstanding faculty. This model places clear responsibility on: (1) the faculty to develop and implement a strategic academic plan, which balances the imperative to deliver an outstanding undergraduate education against aspirations to excel in research and educate the next generation of academic leaders; and (2) the administration to provide the leadership and resources to enable the plan to succeed (Section C.1). Faculty aspirations should be encouraged and advanced even within the financial limitations of the university. These responsibilities make it incumbent on all to engage in transparent budget and faculty FTE allocation processes that allocate and direct campus resources in the pursuit of excellence in ways that allow the campus community to clearly understand the decision-making process and the rationale for the decisions that are made (Section G).

## ***2. Fundamental, Necessary, Sustainable***

For its deliberations, the Task Force considered a framework that can guide planning and resource allocation by assessing what is *Fundamental, Necessary* and *Sustainable* for UC Davis.

*Fundamental* pursuits are at the core of what we do as an academic community. Research, scholarship, creative activity and teaching are *fundamental* aspects of the intellectual enterprise of the university.

*Necessary* programs embody or support *fundamental* pursuits. They should reflect core values, investments, passions, and identity of the individual, department, school or college, and university. *Necessary* is central to our identity and worthy of investment. It reflects the UC Davis approach to the way an area of scholarship is conceptualized, taught or investigated. *Necessary* requires an argument for support, but it should be broadly recognized as important and shared as a campus value.

*Sustainable* programs are those that have intrinsic value and represent areas of scholarship that are sustained through an individual's desire and resources or through outside funding and are therefore self-supporting. *Sustainable* does not need to be grounded in the *fundamental* or the *necessary* (though it certainly may be), but it must be *sustained* by the individual and/or group invested in the work and not divert resources from the fundamental or necessary.

Our history is rooted in our land grant mission, which makes the College of Agricultural and Environmental Sciences and the School of Veterinary Medicine *necessary* to our comprehensive identity. Being a comprehensive university means that the major disciplines of the Arts, Biological Sciences, Engineering, Humanities, Life Sciences, Physical Sciences, and Social Sciences are represented, but it does not

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<sup>9</sup> Voting rights are stipulated in Academic Senate By-Law 55  
<http://www.universityofcalifornia.edu/senate/manual/blpart1.html#bl55>

mean that all aspects of a discipline must be represented in encyclopedic fashion. Although it is important to have critical mass and visibility, the specific number and research foci of faculty in a given area should be based on issues of *necessity*, *sustainability* and contributions to the collective mission of the campus, and not merely on the *fundamental* value of being comprehensive. Looking at our research enterprise through this lens, one can see that the act of doing research is seen as *fundamental*. Broad research questions or subjects can be considered *fundamental*; the specific focus of research is, however, usually either *necessary* or *sustainable*.

The Task Force believes that in our expansion as a university community there has been some confusion about these three categories. As certain enterprises have grown, some have “automatically” shifted from *sustainable* to *fundamental* or *necessary*, so that when the monetary support disappears, it is assumed that their value to the campus requires an essentially permanent budget allocation. The resources needed have often been shifted from true *fundamental* programs to those that should be maintained only if external resources exist for their support<sup>10</sup> The Task Force calls for a process of evaluation to ensure that

- a. *Fundamental* issues in pedagogy and research are recognized and prioritized in the development of strategic plans and allocation of resources.
- b. *Necessary* enterprises are clearly identified and supported, and their need is convincingly articulated to stakeholders
- c. *Sustainable* work is continued only if *sustainable* resources exist and a rationale for continued existence is clear. Past practices are not grounds for categorizing a project as *fundamental* or *necessary*.
- d. New *sustainable* programs will continue to be developed.

### **3. Context of Task Force Report**

Over the last two decades the university has experienced a continual erosion of financial support from the State of California.<sup>11</sup> The result has been to increase student fees to what many believe are unacceptable but necessary levels. Despite this, the Task Force believes that the University of California Davis is at the

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<sup>10</sup> This issue has led this Task Force to call for strong review processes.

<sup>11</sup> The UC Committee on Planning and Budget has issued a series of reports dealing with relevant budgetary issues. The Choices Report (2010):

<http://www.universityofcalifornia.edu/senate/reports/ucpb.choices.pdf>

The Cuts Report (2008):

<http://www.universityofcalifornia.edu/senate/reports/cuts.report.04.08.pdf>

beginning of a new era during which it will be firmly placed among the best public universities in the world. Seeking such stature requires a consistent and unbending quest for quality in all of our scholarly endeavors. However, there are challenges in attaining a higher stature and ever bigger challenges in keeping it.

The Task Force is acutely aware of the trends that have brought us to this juncture: the intellectual development of the campus and the need to tackle the decreased state support over the last twenty years. We considered the next decade from the intellectual side while contextualizing the discussions and considering recommendations that may provide some financial relief. However, the Task Force strongly believes that regardless of what it recommends only intervention by the state can restore the UC to its former level of support for education and research, and ensure the access and affordability that are the hallmarks of UC.<sup>12</sup> Just because we are willing to explore many ideas it does not mean that we are resigned to the continual erosion of support from the State of California. In fact, we believe that if the tide that is pushing us towards higher fees and "privatization" is ever to be stemmed, California is the place to do it. The University of California is regarded as the greatest public university in the world by many measures. It is critical to the economic development of California, has educated generations of state residents, attracts the brightest scholars in the world, and produces 10% of the Ph.D.s in the United States. Arguably, the health of UC is vital to the health of education in the U.S. and around the world. Yet, the forces that have resulted in the defunding of the UC are not new. Indeed, the entire scenario that we are now witnessing was laid out nearly twenty years ago when a well-known academic leader asked, "Why did the reduction in the proportion of state appropriations [for university funding] occur?"

*At the most concrete level it occurred simply because state governments have been finding it increasingly difficult to fund higher education. Overall costs of government are rising, federal assistance represents a declining percentage of state expenditures, and many states are under court orders to improve mental-health facilities, prisons, elementary and secondary schools, and other services. As a result, tuition at public universities is now growing more rapidly than at private universities.*

Many possible causes for this trend are discussed before returning to the theme of privatization and the undermining of the public university,

*Privatization – the increasing reliance on non-state funds – creates haves and have nots within the same state university. The professional schools and natural sciences (and, to a lesser extent, the social sciences) may prosper as they receive the lion's share of the external resources: their missions closely mirror the personnel and research needs of the private sector and government. Meanwhile, the humanities, general libraries and education schools wither. Faculty salaries, staff support, stipends for*

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<sup>12</sup> The 2010-11 state budget for UC restores some funding cuts from recent years, but major challenges remain to secure adequate state funding in 2011-13 and in funding the liabilities that have accrued to the UC Retirement Program.

*graduate students, career counseling and other services may vary dramatically across the same campus. It is as if every state university is really two universities, one reasonably financed and the other starving.*

The author finds this outcome ultimately unacceptable,

*But we cannot allow reliance on private funds to undercut the historical mission of our public universities – the public responsibility to transmit cultural traditions across generations, to prepare future teachers, and to foster inquiry and learning for their own sake. These functions are too important to allow to atrophy. If external sponsors and donors are not interested in paying for the quintessential public functions of state universities (and should they really be responsible for them?), we must return to our legislators and citizens for help.*

These words ring as true today as on May 13, 1992 when Mark Yudof, then Dean of the Law School at the University of Texas Austin, published them<sup>13</sup>. The Task Force believes that it is absolutely critical to make the case for the University of California to our legislators and citizens. We must affirm our commitment to be the best state supported higher educational system in the world – one that is capable of leading in scholarship and in promoting a better life for every citizen of California.

## **B. Framework for Task Force Recommendations**

The recommendations of the Task Force are put forward within a specific set of principles:

1. UC Davis is a comprehensive research university responsive to its mission as a land grant institution, recognizing the necessity of all our colleges and schools to be engaged and contribute to a thriving university.
2. Strategic decisions result from a broad planning process, build on our strengths, and enhance our unique interdisciplinary and collaborative culture in support of the UC Davis Vision.
3. Departments and Graduate Groups and Programs are the principal foci for measuring and enhancing institutional excellence, and strengthening these must clearly be a campus priority. Academic departments are the principal organizing units for teaching, research and hiring and promotion of faculty; Strong departments enable strong graduate groups which are the principal means of advancing our interdisciplinary educational activities.

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<sup>13</sup> M. Yudof, *The Burgeoning Privatization of State Universities*, Chronicle of Higher Education, May 13, 1992.

4. Becoming a top five public university is an aspiration shared by faculty and administrative leaders with the active support and engagement of the staff.
5. Fierce competition for scarce state resources will likely continue, making it unlikely that the funding for the University of California will be restored to historical levels in the next two to three years, at best.
6. The campus will set priorities collectively and make budgetary and personnel decisions to support those priorities. Consultation and planning will occur in a framework that focuses our resources, builds on strengths, and takes risks that enable strong new programs to emerge.
7. Resource and workload allocations to departments will enable them to carry out their missions and compete with similar departments at peer institutions.
8. The Administration will focus on enabling excellence in education and research through the new campus Organizational Efficiency Initiative.<sup>14</sup>

## **C. Strategic Academic Planning**

### ***1. Planning Framework***

The quality of our academic programs is founded on the efforts of individual faculty members and amplified through their collaborations with colleagues and students. These activities are most directly fostered through planning and support at the department level. Teaching and research will flourish only when essential support to the units responsible for these functions is available. In the current budget crisis, resources are actually being withdrawn from departments. Further budget cuts should be achieved only by eliminating unnecessary functions that are best identified at the department level.

Eventually the era of cost cutting will end and there is potential for budget enhancements. Planning must begin at the department level and focus on future academic directions, the required administrative support and the measures of quality most suited to their aspirations. Comparisons with similar academic programs at peer institutions are an essential component of this process (Section C.2).

Deans, guided by their departments, should set priorities for their colleges and

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<sup>14</sup> Over the next five years, this promises to optimize central staffing across the campus to eliminate redundancies and unnecessary multiple levels of approval and to focus resources at the department level in direct support of our academic mission.

schools being mindful of and sensitive to the campus perspective. Planning should not presume that a strategic reduction prevents a later strategic investment. Based on these plans the Provost can identify campus-wide strengths and set priorities that will further our aspirations for excellence at all levels. For the Task Force, of particular significance will be providing a high quality education and maintaining the campus's ability to undertake cutting edge research both within and across disciplines.

### ***Recommendations***

1. Develop a Strategic Academic Plan for the campus that encourages a culture of risk-taking and promotes a vision that encourages new viewpoints to be explored and that rewards success.
2. Consider within the Plan:
  - a. A realistic assessment of the resources that are available and make it clear that necessary resources are in place to fund current programs before any new directions are charted.
  - b. Investments in FTE and academic support that are based on the *fundamental* and *necessary* principles.
  - c. The Organizational Efficiency Initiative as a means to focus resources on enhancing academic programs.
  - d. A budget allocation methodology that is transparent with broadly agreed upon values being used to focus resources appropriately.
  - e. Accountability measures to ensure that proposed outcomes are achieved.
3. Seek to redress some of the most severe departmental budget cuts of recent years while ensuring that the campus's goal for continued excellence is met. Some questions to be addressed include:
  - a. What enhancements are essential for moving a department to a higher national ranking?
  - b. What are the top five priorities for faculty recruitment? These need to be justified on the basis of the department research profile and within the interdisciplinary context of the campus, graduate education (within graduate program and graduate group contexts, as appropriate) and undergraduate education.

- c. With the current support, how can a department sustain or enhance quality? What restorations are most essential?
- d. When a department receives additional resources for support, how will it be determined that they have been best used to enhance the quality of the program?

## ***2. Evaluation Framework: Comprehensive Program Review***

UC Davis currently engages in four types of review processes:

1. Across the entire campus, all graduate groups and graduate programs are reviewed every 7 years by the Graduate Council.
2. In the Colleges of Letters and Sciences, Biological Sciences and Agricultural and Environmental Sciences undergraduate degree programs are reviewed by the respective Colleges and ultimately the Undergraduate Council on a seven year cycle.<sup>15</sup> There have been recent improvements in this process.
3. Organized Research Units (ORUs) are reviewed through a joint process involving the Committee on Research and the Office of Research. New guidelines are being developed to ensure that these reviews would occur every five years and that the ORUs would undergo a transition into a different administrative structure, or be disestablished after 15 years.
4. Accredited professional and undergraduate programs are reviewed by their accreditation organizations on a regular schedule.

There are no reviews that assess the progress of an academic unit – college, school or department – in fulfilling its academic plan. The Task Force believes that progress of the campus towards achieving its goal of excellence strictly depends on the vitality of the departments. If faculty in a department make substantial contributions to and rely upon graduate groups, there must be a strong, healthy relationship between the department and the graduate groups. The Task Force recognizes that departments are the home of faculty, and it is important to assess all of their components: undergraduate program, graduate program, participation in graduate groups, centers, campus and extramural support, connections to the campus and the external community, faculty visibility, department stability (age distribution, retentions) financial health and overall atmosphere.

The campus also lacks a comprehensive mechanism to assess centers and institutes that have been formed outside of the ORU structure. Individual colleges or schools

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<sup>15</sup> Undergraduate programs in engineering are reviewed by an external agency, the Accreditation Board for Engineering and Technology.

may undertake such assessments but these are not placed in a campus context for excellence and their overall strategic role. Within the context of the ORU structure, the long term controversy over central funding usually results in a discussion of whether an ORU should be disestablished after a fixed period. The Task Force believes that it is possible for a successful research unit that has received funding through the ORU mechanism to continue to exist after disestablishment as an ORU.

Lastly, over the last decade, the campus has chosen to allocate faculty FTE through an initiative process. We know of no effort to assess the effectiveness of these.

### ***Recommendations***

1. The Task Force recommends that rigorous, outward-looking assessments of academic units, centers and institutes be implemented. These reviews must assure that all units are acting collaboratively.
2. The Provost and the Senate should establish a joint working group to recommend processes for:
  - a. Comprehensive review of departments. This group will work with the appropriate committees and administrators that currently have reviewing authority in order to develop a mechanism that complements current processes. It is important that there be minimal additional workload. Any new process will be greatly aided by a Graduate Council initiative to simplify its review process.
  - b. Review of campus-wide centers and institutes not covered under existing ORU review processes. This can be as simple as applying the same review process to institutes and centers as ORUs. As part of this recommendation the working group will establish guidelines that can apply to centers and institutes that are not campus-wide.
  - c. Review process for campus-wide initiatives that have been the focus of FTE allocations over the last decade.

## **D. Strengthening Graduate Education**

Graduate education at UC Davis is organized within the department structure as departmentally-run graduate programs and, outside the departments, in the form of interdisciplinary graduate groups. There are roughly equal numbers of department-based and group-based advanced degree programs. Departmental graduate programs are critical to the scholarship of many faculty and must be recognized for the contributions that they make to the campus, as seen in the recent National

Research Council report.<sup>16</sup> Their association with departments offers direct means of aligning resources, such as departmental discretionary funds and teaching assistantships, in support of graduate education. All faculty, whether primarily associated with groups or programs, are housed in departments, which as noted in Section A.1, is their “natural” home.<sup>8</sup>

Consistent with the campus Vision Statement, the Task Force believes that graduate groups are engines that advance our interdisciplinary educational and research activities and thereby enhance institutional excellence and reputation. Despite the enthusiasm for graduate groups, obtaining adequate support for them is challenging within an administrative structure in which resources flow to deans and departments, which, at best, indirectly benefits graduate groups. Further, national rankings often undervalue graduate groups due to the metrics used for assessment of quality. This is a fault of the metrics used, not the quality of the programs. In Section G.1, the Task Force proposes a role for the Dean of the Graduate Division to participate in the allocation of faculty FTEs.

Identifying the strategic resource needs of the currently 86 individual graduate units is extremely challenging. However, identifying and considering program-overarching resource needs is vital for effective long term planning. The Task Force recognizes that because of the number of graduate units and their varying support structures there is often minimal support allocated for each graduate unit. Many are supported administratively by a part-time staff person. At the same time, administrative inefficiencies likely exist due to duplications of effort between groups. The inefficiencies are highlighted by the annual selection process of incoming graduate students that involves many admissions committees and staff. Very similar criteria of excellence and competence are considered in the student selection process in all programs, but the specific applications are handled separately by hundreds of faculty and implemented by dozens of staff each year. Finding a means of making this process more efficient should be a priority.

A report by the Academic Planning and Development subcommittee of Graduate Council in 2006 proposed administrative clustering graduate groups or programs with significant programmatic or faculty membership overlap.<sup>17</sup> This recommendation and potentially others should be considered as a means to create administrative efficiencies, reduce workload for faculty and staff, provide a means to give a strong unified voice to graduate education needs and develop excellence in all areas of graduate education by creating “critical mass,” combining resources, and enhancing visibility. Such broader programs would very likely be more competitive for extramural training grant support. However such reorganization efforts must be

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<sup>16</sup> <http://sites.nationalacademies.org/PGA/Resdoc/index.htm>

<sup>17</sup> **Enhancing Graduate Education at UC Davis**, A Report by Academic Planning and Development – A Committee of the Graduate Council at UC Davis (2006).  
<http://www.gradstudies.ucdavis.edu/gradcouncil/APDReport.pdf>

judicious and should not compromise or weaken the graduate academic programs.

Excellence in research and excellence in graduate education are closely linked. Both require outstanding faculty and strong departments. Productive faculty with vibrant research programs attract excellent graduate students thereby increasing the quality of research conducted on the campus and attracting additional high-quality faculty. It is vital that faculty hiring decisions be based, at least in part, on existing or future graduate education needs. Current decision making explicitly includes graduate programs through departmental academic plans. There is no clear path for a graduate group to have a meaningful voice. It is critically important to develop processes that allow graduate groups to be represented when faculty FTE allocations are being made. The Task Force supports more fully integrating graduate groups into campus planning.

### ***Recommendations***

1. Review current practices for funding graduate groups. The Task Force believes that there needs to be on-going discussions as to how to improve upon our current model to give firmer footing for the resource base of graduate groups.
2. Provide incentives for graduate groups to form larger graduate group “umbrellas” or “clusters” wherever useful, independent of current lead dean affiliations.
3. Consider the creation of a new Graduate School or reorganization of the existing Division of Graduate Studies as a means of providing graduate groups with more input into strategic academic planning and faculty FTE allocation decisions.
4. Discuss the future size of the campus considering graduate student enrollments separately from undergraduate student enrollment.
5. Ensure that financial and other support for graduate groups and programs are provided equitably and transparently, independent of their affiliations, but instead based on the quality and size of the group. Consider the Comprehensive Campaign as a means for targeted support of graduate education.
6. Avoid increases in graduate student fees and tuition. Continue to support the reduced fees for international students and, if possible, reduce these costs even further.
7. Clarify the role of lead deans for graduate groups especially in terms of funding and space. Efforts should be made to reconcile competition between graduate and undergraduate programs for the same pool of resources (funding, faculty FTE and faculty teaching credit).

8. Develop new measures for valuing the teaching of graduate courses that usually require intensive faculty preparation time and have no Teaching Assistant support.

## **E. Enrollment Planning (Size, Shape and Composition)**

The question of the ideal composition of UC Davis's student body encompasses a broad range of interconnected fiscal, academic, social, and historical issues. The Task Force strongly recommends our continued commitment to a diverse student body and faculty. The full web of considerations for sound enrollment planning is profoundly complex; we make no attempt to address them comprehensively here<sup>18</sup>. Instead, consistent with the charge to the Task Force, we confine our attention to the narrow but critically important fiscal domain.

At the outset, the Task Force makes a few observations:

1. Enrolling students generates the great majority of the University's unrestricted revenue stream via fees and support from the State.
2. Educating enrolled students directly accounts for about one third of the operating expenses on the General Campus.
3. Depending on their course pattern (major), class level, degree objective (B. Sc. /B. A., M. Sc./M. A., Ph. D.), participation in research and other individualized activities and demand on financial aid resources, individual students fiscally impact the campus to differing degrees. Yet, all general campus students who are California residents generate the same fee revenue.

The first and second observations strongly suggest that, for strategic planning purposes, it makes abundant sense to apportion most expenses on a per-student basis: the education of students is what incurs the costs. The third observation implies that long-term planning would benefit from a detailed understanding of the relationship between student characteristics, and per-student fiscal demand. Enrollment planning along all relevant dimensions – major, college, degree objective, and class level upon entry (freshman vs. transfer at the undergraduate level, M. Sc./M. A. versus Ph. D. at the graduate level) – must remain a multifaceted process that duly accounts for a large number of internal and external factors, including academic and societal demand.

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<sup>18</sup> This should be addressed in an on-going way through strategic academic planning, Section C, and budget allocations, Section G.1.

The Task Force reviewed information relating to the “marginal cost of instruction” from the Office of Administration and Resource Management.<sup>19</sup> Those data organize expenses in the following nine categories: faculty salaries, faculty benefits, teaching assistant salaries, instructional equipment, instructional support, academic support, student services, institutional support, and operation and maintenance of plant. These categories appear to include most expenses borne by the General Campus, with a few notable and significant exceptions, including executive management, student health services, and maintenance of non-instructional and research space. Financial aid is not listed as an expense; instead, it is “pre-subtracted” from student fee revenue, leaving \$5606 per-student figure in student fees for 2008-09. Subtracting this amount from the total per-student cost from the nine categories leaves approximately \$11,000 as the State's share. The actual per-student-FTE allocation from the State General Fund to UC in 2008-09 was \$7,570.<sup>20</sup>

The cost and revenue information that the Task Force received compels the conclusion that increasing the enrollment of California-resident students is not an effective strategy for addressing the campus's budget shortfall. The evidence appears to indicate the opposite: even if the State were to provide a per-student allocation at the current rate for additional students, growing the campus with more resident enrollees would increase the gap between revenue and expenses. This assumes that the campus operates at current levels of per-student expenditure across all categories. In fact, the Task Force believes that current expenditure levels represent “severe hardship” circumstances that are unsustainable in the long term without fundamentally altering the nature of the institution. Though there may be other reasons to grow the number of California-resident enrollees, no positive fiscal case can be made for such action based on the available information.

The picture is considerably different for nonresident enrollees. For the 2009-10 academic year, the nonresident tuition is \$22,000 (\$14,600 for graduate students), which is charged in addition to the fees paid by California-resident students. This amount more than compensates for the \$11,000 State contribution that is not received in the case of nonresident enrollees. Accordingly, the campus may consider strategies for increasing the enrollment of fee-bearing nonresident students, consistent with admission requirements based on the Master Plan. Public institutions in other states have improved their financial picture by opening the doors to out-of-state students who pay full fees. In some cases, the academic requirements of the students become less important than their ability to cover the

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<sup>19</sup> The Task Force greatly benefited from presentations and information by provided by Kelly Ratliff.

<sup>20</sup> The “marginal cost” numbers presented to the Task Force appear to actually be *average* costs, calculated on a per-student basis. The Task Force maintains that average cost per student is the more useful construct for the purposes of strategic planning. Estimating marginal costs is freighted with uncertainties and assumptions, and in any case equivalent information is contained in average costs, whether distributed over the entire student population or over subgroups with similar characteristics.

cost of the fees and tuition. There are strong positive effects on academic performance from having “good peers”.<sup>21</sup> Thus in considering increasing enrollment of non-resident students it will be important to assure quality of the educational programs in order to attract academic peers of the resident student cohort. Increasing the international student pool should also be considered. Studies clearly show the positive impact of immigrants that receive a higher education on the economy of the state in which they were educated.<sup>22</sup>

The Task Force suggests that a broad-brush characterization of per-student expenses may, by itself, be inadequate for sound strategic planning. Such planning activities may benefit from a more detailed awareness of the differences in the fiscal impacts associated with students with different characteristics. Appendix C outlines one possible approach to calculate such costs. The Task Force maintains that information about differentiation of costs by type of instruction is important for well-informed strategic planning, while at the same time stressing that such information should by no means be the only, or even the dominant, consideration in charting the future size, shape, and composition of the campus.

### ***Recommendations***

1. Based on data for the 2008-09 academic year, the Task Force does not recommend increasing the number of undergraduate California residents. Even if the State were to provide funding for additional students, the campus must seriously evaluate the cost of education against the resources that they would bring. The Task Force recognizes that the proposed steep fee increases have the potential to change this recommendation.
2. The Task Force recommends modestly increasing the number of non-resident undergraduates. The revenue from such an increase should be used to maintain or even increase the size of the faculty and thereby ensure a high quality education for both resident and non-resident students.
3. The Task Force is aware of the challenge posed by recruiting non-resident students who are eligible under the Master Plan and also meeting the obligation of the University of California to educate California

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<sup>21</sup> Carell, S. "Does Your Cohort Matter? Measuring Peer Effects in College Achievement" in the Journal of Labor Economics, 27(3): 439 - 464 (a copy can be found here: <http://www.econ.ucdavis.edu/faculty/scarrell/peer3.pdf>).

<sup>22</sup> Peri, G. "The Effect of Immigration on Productivity: Evidence from U.S. States" forthcoming in the Review of Economics and Statistics (a copy can be found here: [http://www.econ.ucdavis.edu/faculty/gperi/publications/immigration\\_productivity/paper\\_tables\\_august\\_13\\_2010.pdf](http://www.econ.ucdavis.edu/faculty/gperi/publications/immigration_productivity/paper_tables_august_13_2010.pdf)).

citizens. As a result, the Task Force further recommends:

- a. Developing a business plan for recruiting non-resident students that includes scenarios for the investments needed to meet different non-resident undergraduate enrollment targets. This plan should strongly focus on unique aspects of UC Davis as a “college town” that fosters community and diversity.
  - b. The Task Force recommends that enrolling non-resident undergraduate students be used as means of challenging departments to be more entrepreneurial by directly allocating to them part of the non-resident tuition. Some portion should also be directly allocated to departments that bear the burden for educating students in foundational and General Education courses outside the major.
4. The Task Force recommends that the campus develop a model that can be used to estimate the instructional demands placed on the campus by students in different majors.

## **F. Online Instruction and Distance Education**

To ensure that excellence in teaching and student access to a high quality education continue to be hallmarks of a UC Davis in tight budgetary times, one avenue to consider is Online Instruction (OI) or Distance Education (DE). OI and DE might positively influence the campus by:

1. Improving time to degree: Nationally<sup>23</sup> just 56% of students enrolled in four year colleges graduate within six years. The UC Davis six year graduation rate is 80% while the four year graduation rate is 50%.<sup>24</sup> DE and OI courses would offer students who must work during the summer and the academic year more opportunities to complete requirements.
2. Creating distinctive, transformative opportunities in course content and process through OI/DE (project based learning), social networking, individualizing instruction: Some recent studies show the effectiveness in K-12 of blending classroom teachers with online material.<sup>25</sup>

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<sup>23</sup> Knapp, L. G., Kelly-Reid, J. & Ginder, S. A. (2010). Enrollment in Postsecondary Institutions, Fall 2008; Graduation Rates, 2002 & 2005 Cohorts and Financial Statistics, Fiscal Year 2008 (Washington, DC: U.S. Department of Education; 2010).

<sup>24</sup> [http://facts.ucdavis.edu/graduation\\_rates\\_incoming\\_freshmen.lasso](http://facts.ucdavis.edu/graduation_rates_incoming_freshmen.lasso)

<sup>25</sup> U.S. Department of Education, Office of Planning, Evaluation, and Policy Development. *Evaluation of Evidence-Based Practices in online learning: A Meta-analysis and review of online learning studies.*

3. Extending UC's reach to high school and community college students and improving recruitment and outreach efforts to diverse populations as well as to others interested in short term course work: OI initiatives such as UC's College Preparatory (UCCP) Initiative Program partner with over 60 organizations to provide support to many high school students.
4. Addressing unmet needs for post-baccalaureate degrees and certificates for occupations in high demand in California. Some UC Davis departments have developed short courses for professionals in targeted areas.
5. Generating revenues and creating workload efficiencies to support UC Davis's mission.

The UC Academic Senate Remote and Online Instruction Committee Report (2009)<sup>26</sup> offers a rich compendium of insights based on a review of the implementation and effectiveness of OI and DE in California, the United States and targeted examples from abroad. The report describes programs offered within the UC system that are totally online and other courses and programs that use some online course work for delivery of instruction. The usage of OI or DE at UC appeared comparable to U.S. research universities but not nearly as high as the community college sector, nor as high as a few universities in the US with a significant investment in this area (University of Massachusetts and University of Texas). More importantly, the report makes a series of recommendations and observations that are crucial. In particular, the report states that, "Instructional technology may offer a significant potential to increase learning effectiveness and access that UC has yet to fully exploit. The Committee recommends that the Academic Senate support faculty and departments interested in the development of remote and online curriculum and programs consistent with the mission of the University. The faculty's authority to develop and implement new approaches to instruction lies within the mandate of academic freedom, subject to oversight by the Academic Senate as mandated by the Standing Orders of the Regents." It is also clear that in whatever form, quality standards must not be compromised.

The UC Committee on the Future Working Group on Education and Curriculum First Round Recommendations call for "timely exploration of online instruction in the undergraduate curriculum, as well as in self-supporting graduate degrees and Extension programs." They described multiple potential opportunities in OI and DE, including: improving time to degree, extending UC's reach with university-bound high school and community college students, satisfying unmet need for post-baccalaureate degrees/certificates and generating revenues. In a similar vein, the

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(Washington, DC: Government Printing Office, 2009).

<sup>26</sup> **Remote and Online Instruction at the University of California**, A Report from the Academic Senate Special Committee on Remote and Online Instruction and Residency, June 2010.

UC system leadership is considering a pilot program to promote on line delivery of courses for undergraduates. Faculty response to this proposal has been mixed<sup>27</sup>.

### ***Recommendations***

1. The Task Force recommends using the report of the Academic Senate Special Committee on Remote and Online Instruction as a guide for future discussions on these issues.
2. The Academic Senate and the administrative leadership should appoint a joint faculty and administrative Work Group to address both the administrative and academic aspects of long-term plan planning for OI and DE. This Work Group may be formed with a special structure: two subgroups, one focusing on the administrative aspects with some Senate participation and the other dealing with academic matters with some administrative leadership participation. The Work Group should:
  - a. Address organizational issues, policy issues, collaboration with other segments and campuses, course approval process, summer school offerings and novel education abroad opportunities.
  - b. Pay particular attention to resisting implementation of courses online just to increase enrollments, without monitoring effectiveness in promoting student learning and excellence in education.
  - c. Survey campus units to determine the degree to which OI or DE or blended instruction are currently being offered in programs and courses as well as the degree of interest or need to offer such programs. The Task Force believes that there is a significant unrecognized effort in the use of these tools by campus faculty.
  - d. Prepare UC Davis to take advantage of the systemwide effort to initiate pilot programs OI and DE. Projects that leverage UCOP funds to help secure extra mural grants should be especially encouraged.
  - e. Consider opportunities to use some form of OI or DE to mitigate systemic problems that will not be solved in the short term such as availability of classroom space.
  - f. Ensure that review processes are in place to:
    - i. Identify potential dangers/challenges of online education.

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<sup>27</sup> <http://chronicle.com/article/In-Crisis-U-of-California/65445/>

- ii. Monitor effectiveness of online learning in a variety of settings and for a variety of pedagogical goals, for example, investigating when and how value is added to a course.
- iii. Encourage healthy skepticism and a cost/benefits evaluative approach as models of OI or DE are developed and tested.
- iv. Ensure that meaningful faculty control over courses and curriculum is maintained.
- v. Monitor research on cost effectiveness of different models at other institutions.

## **G. Realizing Our Vision**

### ***1. Academic Excellence and Resource Allocation***

There are two critical dimensions of resource allocation: budgets and faculty positions (I&R FTE, shortened to FTE in this report). In the recent past, budget discussions with the Senate have been open and inclusive, but they focused exclusively on the budget reductions brought on by the current financial crisis. The Task Force anticipates a new era of increased resource allocations generated from new revenue streams, increased student fees, increased numbers of non-resident undergraduates, and (perhaps) increased State funds. A comprehensive process needs to be established to ensure that the core academic mission of the campus is supported based on agreed upon principles. A review of current allocations must occur with a full understanding of what departmental budgets are expected to cover.

Departments should be encouraged to garner resources in support of their programs (donations, endowment income, increased indirect cost recovery). Those departments that bear the burden of implementing initiatives to enhance revenue, such as increased non-resident and international undergraduate enrollments, should be directly supported for these efforts. One size does not fit all and it is clear that there are differences in costs of specific educational programs necessitating full transparency in the resource allocation process. The more funds are expended on students, the richer the academic experience; but fiscal reality dictates living within budgets and determining what the learning experience must be to educate students and to prepare them for their future careers.

Budget decisions are made by the Chancellor working with her leadership team. At the same time, the Task Force recognizes the role of the Academic Senate in advising the Chancellor on budgetary matters through its Committee on Planning and

Budget.<sup>28</sup> The Task Force believes that both the Senate and the campus administrative leadership would be well-served by a collaborative working relationship. This would take the form of a budget and FTE allocation Workgroup that assesses requests for resources in light of approved strategic academic plans. Although recently the campus has successfully used *ad hoc* groups like the Budget Advisory Committee, nothing has replaced the formerly collaborative process of post-audit reviews of FTE allocations as well as the proactive role that the Senate leadership played in ensuring that new FTE allocations were aligned with Academic Plans and that curricula and courses were being adequately considered in requests made to the campus leadership.<sup>29</sup> It is important to ensure that resources are wisely spent, campus goals are met, cross-departmental commitments are honored and redundancies are avoided.

### ***Recommendations***

1. The Task Force recommends that academic position and budgetary allocation processes be transparent and include substantive Academic Senate involvement. To this end, it is recommended that the FTE Allocation Workgroup be reestablished to provide advice to the Chancellor and her leadership team. The reconstituted Workgroup should include Senate representation that capitalizes on the long-term engagement of key Senate officers in budget and campus academic planning, in particular the Chair of the Senate and the Chair of the Committee on Planning and Budget (CPB). Both the current and the immediate past chairs should also be included.<sup>30</sup>
2. The principles that guide allocation of resources, including FTEs, from top-level administration to deans and department chairs should be clearly communicated and include an articulation of effective mechanisms by which graduate groups are included in these processes.
3. The policies stipulated in PPM 330-16 should be brought up to date. This policy, which describes the UC Davis operating budget process, was approved in 2000 during an era of campus growth. It should be rethought for the current environment and foreseeable future.

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<sup>28</sup> Regents'; Standing Order 105.2 (d), "The Academic Senate is authorized to select a committee or committees to advise a Chancellor concerning a campus budget and to select a committee or committees to advise the President concerning the University budget.

<sup>29</sup> <http://manuals.ucdavis.edu/PPM/330/330-16.htm>

<sup>30</sup> The goal of this recommendation is to provide campus leaders with a consistent, informed Academic Senate voice. The absolute number of Senate participants can be reduced when Chair of the Senate or the Chair of CPB serve consecutive terms. They, in effect, would act as both the current chair and the immediate past chair.

4. The campus should embrace the development of a strategic academic plan that will guide resource allocations and stipulate outcome assessments for the use of allocated funds but at the same time allow flexibility to respond to new and emerging areas of scholarship.
5. The Academic Senate will work to remove redundancies and unnecessary barriers to routine approval processes and evaluations.

## ***2. Transparency***

The Task Force realizes that our collective vision requires a resource allocation model based on demonstrated need and performance. Systematic data collection and transparent reporting are needed to:<sup>31</sup>

1. Analyze current allocation of resources throughout the university for planning and strategy;
2. Clarify how resources are being used to support the teaching, research, and service missions of each unit including that of graduate groups; and
3. Articulate policies and strategies to allocate resources that will accomplish long-term goals.

Detailed and transparent measures of the marginal costs of each university activity provide campus leaders with the information required to sustain and advance our mission of excellence. They must understand the full implications of the options before them, and develop effective means for communicating with the faculty and the broader community how decisions support priorities that are consistent with the campus strategic vision. Department chairs, deans and other unit leaders should be able to understand the reasons underlying decisions made by the administration that affect their unit. Expectations of efficiency and performance should be set at every level and communicated in conjunction with the allocation of resources. Examples of the type of data required to allow for such transparency include, but are not limited to: FTE allocation to departments; a detailed breakdown of the different costs (faculty, staff, capital infrastructure, utilities, etc.) involved in educating undergraduate, professional degree and graduate students; student-to-faculty ratios (within and across departments); and outside grant dollars expended by faculty (within and across departments) including the attendant indirect costs. The Task Force applauds the recent centralization of campus data gathering and analysis efforts in the Office of Budget and Institutional Analysis. This makes it more likely that standardization and quality assurance will proceed evenly across campus.

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<sup>31</sup> The concerns raised here are supported by the recent report of the Washington Advisory Group: External Review of Research at the University of California, Davis (2010). pg. 3.

## ***Recommendations***

1. Develop a clear working definition of transparency. Transparency is not just making available the details of expenditures but also the details of the allocation processes used and criteria for allocations. Who made the decision and why it was made are also components of transparency.<sup>32</sup>
2. Collaboratively develop the template and data formats for budget information at the three main academic levels: central administration, colleges, schools and departments. The reorganization of campus data collection and analysis should offer opportunities for all decision makers to work from a common set of information.
3. Work with CPB and the new Budget and FTE Allocation Workgroup (see Section G.1) to implement data dissemination procedures.

## **H. An Environment for Quality and Excellence**

Currently, UC Davis is highly regarded in the public sector and indeed better known internationally than most other universities across the US, whether public or private because of our engagement in solving real-world problems. Further, the Chancellor has challenged the campus to become a top five public institution. The Task Force believes that while attaining institutional financial stability underpins the future success of the campus, its pursuit should not undermine our pursuit of quality and excellence. We believe that building strong departments as the means to building a strong university should be the backbone for future aspirational strategic planning for the campus. We recognize that external ranking groups may use metrics that are really not indices of quality of the academic enterprise or the success of students and are concerned that the pursuit of some measures that secure higher rankings may ignore the traditional strengths of the campus or distort our core values as a university. As a result, to provide a UC Davis context for increasing our national and international profile, the Task Force deliberated on the issue of what truly makes a great university great and offers the following:

1. Time for and appreciation of learning that takes place both inside and outside of classrooms; outward looking engagement with society and social issues; civil, rigorous, spirited, and original discourse; and diversity among

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<sup>32</sup> Several on the Task Force felt there had been many good faith efforts in the past at transparency. However, on budgetary matters, faculty play advisory roles during their service on Academic Senate committees, which is transitory. As a result, concrete steps should be taken to develop a primer that can be used as the backbone for transparency.

students, faculty and administration.

2. Students provided the opportunity to realize the full extent of their talents regardless of socio-economic status; faculty empowered and enabled to spend time on faculty work and development of the intellectual community; administration that facilitates and has respect for the academic mission, enfranchised faculty and staff, and shared governance.
3. A culture characterized by trust, curiosity, a passion for learning, unbridled imagination, innovation, and risk taking; each and all enabling the institution to be at the forefront of knowledge generation and transmission.
4. Infrastructure that is robust and reliable; a solid financial and business plan; deep pockets to support young and successful faculty, and foundational and emergent programs; widespread recognition of individual and collective excellence; ability to attract top students and the next generation of outstanding faculty.
5. A clear vision that retains the flexibility to enable and foster change while meeting the challenges of the future and educating fully engaged citizens who will serve as intellectual and civic leaders.

These ideals have been allowed to take root at UC Davis and were historically funded at a level that demonstrated the public commitment to providing an outstanding education to its citizens and to creating a research enterprise second to none. Investment of public funds in education is an investment in the future of the society. It levels the financial playing field allowing the most talented students to become our most productive citizens.

This commitment has now waned due to the fiscal crises of the State. We are mindful that this is not a lack of value placed on higher education and an educated workforce tailored to the new knowledge economy, but a reflection of the inability to match revenue streams to societal needs. The dramatic and rapid reduction in state support has forced us to alter our historical practices and administrative structures and policies, often on an *ad hoc* basis without a new strategic plan in place. The Task Force believes a strategic approach to long term financing requires that UC Davis develop not only a solid financial foundation but also a more rational business model. It is unrealistic to think we can shift the burden of losses in public funding to the student community in the form of increased fees and tuition, essentially threatening our commitment to quality as the a key criterion for admission replace it with financial status.

How we engage in and fund a vital research enterprise needs to be evaluated from a financial perspective. Historically, research activities of public universities were co-funded by the federal and state governments. Research infrastructure was

maintained by state allocations with federal funding covering the actual costs of conducting a research project, through both direct and indirect costs. Although the Federal indirect cost rate is negotiated by the institution with federal agencies based upon the actual expenditures required to support the research, the Task Force heard from the administration that research no longer “pays for itself”. The aggregate indirect cost recovery (ICR) no longer covers the costs of conducting the research. If true, then the current program of extramurally-sponsored research is no longer economically viable. Accepting grants that increase the debt of the university is equivalent to accepting underfunded undergraduates that likewise increases the funding gap of the institution. This is a critical issue that needs to be addressed with both the state and federal governments. A somewhat different perspective arises in cases of centers housed in Garamendi<sup>33</sup> buildings. These recoup 100% of their indirect and equipment depreciation costs to cover certain allowable costs. In essence they do pay for the costs of doing the research but not for the greater infrastructure required to enable that research.<sup>34</sup>

The Task Force considered several issues related to development of income streams and enhancement of academic support. The Task Force found a wide variation in existing core levels of support and in opportunities for generation of new income streams. Although it is critical to develop new revenues we also need a thorough assessment of existing allocation practices and the cost associated with the operations of different campus academic units. Some of this is already underway on the campus and systemwide levels. These assessments can help guide us towards more effective ways of “doing business” as well as providing insights that could underpin a new funding model. The Task Force believes that any model must support a collective view of what will continue to make UC Davis excellent and attain a greater stature among institutions of higher education. To this end, the Task Force offers some recommendations that will likely require further investigation, but could set the stage for pathways forward that will reward the best educational practices and research success as well as recognize cutting-edge scholarship. The Task Force does not believe that these alone can lead to an era of financial sustainability unless the State reaffirms its commitment to support higher education. Further budget cuts would result in the need for a much more radical and dramatic response, which would threaten the fabric of the University of California.

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<sup>33</sup> “Garamendi buildings” are funded by bonds authorized by state legislation sponsored by John Garamendi, a former Lieutenant Governor and State Senator and Assemblyman of California.

<sup>34</sup> It is important to recognize that under the Garamendi plan, all indirect costs are returned to the campus with none going to offset part of the state budget. Further, the research within the Garamendi-funded Genome Center Building is overwhelmingly federally funded with full indirect costs being recovered. The Center for Comparative Medicine is another highly successful example of a Garamendi-funded enterprise.

## ***Recommendations***

1. Provide incentives for innovation and development of new revenue streams. The campus is dominated by a risk averse culture towards faculty entrepreneurial activities. The campus should develop mechanisms to encourage faculty activity in the area of revenue generation; enable creative faculty with the appropriate tools (optimized intellectual property rules, state-of-the art information technology support); support the findings of the Blue Ribbon Committee to Review Technology Transfer and Commercialization<sup>35</sup>.
2. Develop new opportunities for expanding our programs involving international students and scholars particularly at the undergraduate level. These must directly engage academic programs and could lead to new programs that would provide additional funding.<sup>36</sup>
3. Move towards a culture in which our scholars are encouraged to take risks. This will include the need to:
  - a. Switch administrative focus from regulatory compliance to activity facilitation. The campus expends significant resources on making sure all activities are in compliance with regulatory processes and procedures<sup>37</sup>. The campus must move to a service oriented approach that facilitates academic activities rather than simply regulating them.
  - b. Develop programs that will enable faculty to innovate in their scholarly activities through new investments and monitor their success through agreed upon metrics.
4. Reward fiscal prudence. Current accountability practices seem limited to assuring funds were spent according to policy and within compliance guidelines but do not evaluate how prudently those funds were used. The campus needs to develop mechanisms to account for expenditures and to reward units that trim costs and develop operational efficiencies. This needs to be done on a continuing basis and would also be a part of comprehensive program (Section C.2) or administrative unit review.

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<sup>35</sup> [http://chancellor.ucdavis.edu/local\\_resources/pdfs/tech\\_transfer.pdf](http://chancellor.ucdavis.edu/local_resources/pdfs/tech_transfer.pdf)

<sup>36</sup> UC Davis is already successful in some relevant areas, hosting over 4,000 student and scholars annually.

<sup>37</sup> Budget Advisory Subcommittee on Administration Report, <http://budget.ucdavis.edu/budget-planning/documents/2009-10/BAC-Administration%20Report%20REVISED%20072109.pdf>

5. Reduce barriers to corporate interactions. University contracting procedures seem designed to discourage all but the most persistent of faculty and corporations from developing a working relationship. The campus could be seen as openly encouraging such activity by hosting “technology days”, strengthening student internship programs using the biotechnology program as a model and promoting programs for employer funded graduate students.
6. Use the summer sessions to strategically address reduced teaching capacity during the academic year. With the reduction in faculty and temporary teaching funds, it is anticipated that it will become increasingly difficult for students to graduate in a timely fashion. It is time to consider the opportunities posed by summer class offerings on a more systematic basis. This could be part of the strategic academic planning (Section C).
7. Promote the participation in new initiatives to increase revenues by articulating the financial benefits of participating in an initiative. For example, online instruction and distance education as well as the increasing development along the I-80 corridor provide new opportunities for degrees such as the Master of Advanced Study to be offered. The incentives for such programs should be clearly focused on the departments that develop and offer these.<sup>38</sup> The campus might consider mean to encourage the development of such programs.

## **I. Concluding Remarks**

### ***1. Key Recommendations***

This report addresses key issues at the core of continued quality and excellence of UC Davis, and highlights the strategic decisions that the campus must make to attain even more success. The key recommendations can be grouped as follows:

- **Strategic academic planning**  
The campus must develop a strong culture of strategic academic planning, underpinned by comprehensive program reviews that evaluate progress towards achieving planning goals. Further, it is critical that strategic academic planning activities at all levels be carried out in a resource-informed and resource-savvy manner.

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<sup>38</sup> Recent discussions with faculty at UCSD indicate that new programs being developed by UCSD's School of Engineering return 90% of the revenue directly to departments, with the remaining 10% going to the dean's office.

- **Graduate education**  
When determining healthy levels for graduate student enrollment, consider not just the undergraduate enrollment but also the research and graduate education missions of the University. Avoid additional increases in graduate student fees and tuition. Consider further decreases in graduate student non-resident tuition for international students. Develop a model for integrating graduate groups into strategic planning activities and the budget and FTE allocation process.
- **Enrollment planning**  
The campus should increase the number of non-resident undergraduates to help provide the resources to maintain, or even increase, the size of the faculty, thereby ensuring a high quality education for both resident and non-resident students. These students may contribute to the campus diversity, but they cannot act as surrogates for the essential diversity within the California-resident student population. They should not displace California-resident students who are worthy of admission and are funded by the state.
- **Resource allocation process**  
The campus must have a well-defined and transparent budget and FTE allocation process that includes robust faculty participation, and that ensures resources are being deployed to support, as efficiently as possible, the strategic academic plans.

## ***2. Critical Observations***

The University of California Davis is distinguished from other institutions by its strength and leadership within academic disciplines, its distinctive collaborative research across disciplines, and its institutional commitment to high quality teaching. UC Davis is at the beginning of a new era that promises to firmly establish it as a public university that is among the best in the world. The Task Force emphasizes the need to recognize, retain and encourage this distinctive nature of our campus.

The Task Force subscribes to Clark Kerr's view that departments are the "supreme organizational units of the research university".<sup>8</sup> Planning, hiring decisions and resource allocation are all centered on these units. They house the faculty who generate the new ideas and undertake the cutting-edge scholarship that make UC Davis a top tier research university. Academic priorities are generally best set at this level by the faculty, and these collectively become the foundation of the strategic academic plans of departments. Colleges and Schools serve as the vehicles for coordinating departmental needs and advocating on their behalf for the resources required to realize their plans. Departments should be held accountable for progress towards achieving their goals.

Although the Task Force recognizes that its charge is not to consider the short term issues regarding budget reductions, its recommendations are not made in a fiscal vacuum. The Task Force believes that several areas would benefit from a broader discussion and more consultation. Increasing the size of the undergraduate student body is not viable if there is a 10% reduction in the size of the faculty. Further, any reasonable apportionment of costs on a per-student basis clearly indicates that increasing California-resident enrollments is not revenue-positive for the campus. Further, increasing non-resident undergraduate enrollments should not come at the expense of enrolling deserving California residents, who must remain the campus's first priority in undergraduate education. The Task Force supports the strongest possible commitment to diversity in all of its dimensions, and in this regard believes that particular attention must be given to our undergraduates. Every effort should be made to recruit undergraduates who are truly representative of the population of California.

## APPENDIX A

### Special Committee on the Future of UC Davis Membership

**Robert Powell (Co-Chair)**

Chemical Engineering and Materials Science  
Divisional Senate Chair

**Linda Bisson (Co-Chair)**

Viticulture and Enology

**Nicole Baumgarth**

VM: Pathology, Microbiology  
and Immunology

**Robert Berman**

SOM: Neurological Surgery

**James Chalfant**

Agricultural & Resource Economics

**Shirley Chiang**

Physics

**Michael Delwiche**

Biological & Agricultural Engineering

**Bruce Gates**

Chemical Engineering and Materials Science

**Bruce Hammock**

Entomology

**John Harada**

Plant Biology

**Robert Huckfeldt**

Political Science

**Oscar Jorda**

Economics

**Joe Kiskis**

Physics

**Steve Kowalczykowski**

Microbiology

**Barbara Merino**

Education

**Bruno Nachtergaele**

Mathematics

**John Oakley**

School of Law

**Mark Rashid**

Civil & Environmental Engineering

**Raymond Rodriguez**

Molecular & Cellular Biology

**Jon Rossini**

Theatre and Dance

**David Simpson**

English

**Alan Taylor**

History

**Claire Waters**

English

**Bart Weimer**

VM: Population, Health and  
Reproduction

**Staff:** Kimberly Pulliam (Senate Analyst)

## **APPENDIX B**

### Committee Meetings

To ensure that the Committee was focusing on the right questions and hearing relevant feedback from the campus community, the Committee scheduled a series of 13 meetings. The meeting schedule was as follows:

- **FEBRUARY 1, 2010, 5:00 P.M. – 7:00 P.M.**
- **FEBRUARY 10, 2010, 5:00 P.M. – 7:00 P.M.**
- **FEBRUARY 17, 2010, 5:00 P.M. – 7:00 P.M.**
- **FEBRUARY 24, 2010, 5:00 P.M. – 7:00 P.M.**
- **MARCH 3, 2010, 5:00 P.M. – 7:00 P.M.**
- **MARCH 10, 2010, 5:00 P.M. – 7:00 P.M.**
- **APRIL 5, 2010, 10:30 A.M. – 12:30 P.M.**
- **APRIL 19, 2010, 2:00 P.M. – 4:00 P.M.**
- **APRIL 26, 2010, 10:30 A.M. – 12:30 P.M.**
- **MAY 7, 2010, 10:30 A.M. – 12:30 P.M.**
- **MAY 24, 2010, 2:00 P.M. – 4:00 P.M.**
- **JUNE 3, 2010, 4:00 P.M. – 6:00 P.M.**
- **OCTOBER 5, 2010, 4:00 P.M. – 6:00 P.M.**

## APPENDIX C

### Measuring the Teaching Resources Needed to Deliver a Major

One possibly useful way to extend and refine per-student expense information might be as follows. First, the nine expense categories might be organized into three sets:

1. The set of costs that negatively impact the research productivity and instructional quality of the campus, if they are not met. The Task Force would place faculty salaries, faculty benefits, TA salaries, instructional support, instructional equipment, and institutional support here.
2. The set of costs that negatively impact the quality of the student experience if they are not met. These would be academic support and student services.
3. The set of costs that negatively impact the quality of the campus's physical assets. This would be operation and maintenance of plant.

Costs in categories B and C should be apportioned to all students equally, as there seems little reason to perceive a dependence on major, class level, or degree objective for these costs. Costs in category A probably do vary by major. It would be useful to understand this dependence. However, it is not a trivial matter to apportion, e.g., faculty salaries to students by major, for a variety of reasons (e.g., students take courses from outside their major, faculty in one department teach students from other departments).

One way<sup>39</sup> to address this would be to examine a cohort of now-graduated students, as follows. Assign each of them to a single disciplinary “bin”.<sup>40</sup> Track each student through their careers on campus, and compile an “instructional demand” in each of the disciplinary bins for each student<sup>41</sup>. This instructional demand would be calculated by examining each course on a given student's transcript, and for each, multiplying the number of units for the course by the inverse of the number of students enrolled in the course. For example, a 4-unit course with 65 students in it

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<sup>39</sup> The Task Force proposes this methodology as a starting point for the broader discussion of addressing the cost of education. Other techniques may also be used. The Task Force suggests that testing various methodologies may be best for providing reasonable confidence limits on the actual costs.

<sup>40</sup> A “bin” may be a major, or something broader, such as a College, depending upon the level of detail desired.

<sup>41</sup> As students change majors, the “bin” could change, or this could be done both by “binning” students based on major at entry, and major at graduation.

would get an instructional demand of 4/65. This value would be added to the student's tally in the appropriate unit and at the appropriate level. For example, if the course were Math 21A, this instructional demand could be added to either to the accumulated instructional demand for that student either in the Department of Mathematics or the Division of Mathematical and Physical Sciences. In this way, each student winds up with a total instructional demand that the student placed on each of the disciplinary bins.

To simplify things, we suggest not trying to track instructional demand by actual faculty member or instructor. Instead, the assignment of instructional demand to disciplinary bins would just be done based on the offering department for each course and it could also be considered at the level of the college or division housing that department. This methodology can be extended to laboratory courses and discussion sections that are led by teaching assistants. There would actually be two instructional-demand numbers for each student and each bin: one for demand on faculty/lecturers, and one for demand on teaching assistants.

At this level, the information from such an analysis would give a picture of how students in different sets of majors "load the system." This can be taken to the next level of estimating the "cost of the student's education" by assigning average salary numbers and average teaching loads (by course units, not by student credit hours) to each of the disciplinary bins.

The data-intensive part of this would be interrogation of transcripts, and matching courses on the transcripts with Registrar records to determine enrollment numbers for each course. Further, this type of exercise might provide useful information, but it will need some refinement since it also misses some possibly important sources of cost differentiation. For example, the physical facilities and equipment used in a course of instruction vary widely by the type of course, and therefore by major. Another element that may confound attempts at precise quantification relates to the large differences in the labor-intensiveness among disciplines and courses. Courses that demand extensive writing, for example, incur particularly heavy burdens on instructor time that scale linearly with class size. In these courses, increasing class size is not simply a matter of finding a bigger room. It should be possible to include these factors, or at least estimate how much their inclusion might affect the cost calculations.