

## UC has cut costs and tightened its belt

During the past several years, campuses have cut costs and become more efficient during a period of limited state support, increased student enrollment, and, since 2011, no tuition adjustments. Doing more with less has productively focused UC's efforts on redirecting resources to priorities such as serving additional students and covering cost increases, including collective bargaining agreements and pension contributions. Some of these efforts, however, have negatively affected the student experience and can't continue without causing lasting damage to individual campuses and the university as a whole. Examples of both appear below.

### Systemwide cost-cutting and belt-tightening

- By taking advantage of UC's scale, we have negotiated procurement contracts that **save about \$200 million a year, funds that are now directed to our core missions of teaching, research and public service.** Likewise, a new systemwide risk management approach is generating **savings that total more than \$180 million through 2015-16.**
- We reformed our pension plan this year and are set to **realize \$99 million in average annual savings** over the next 15 years.
- We ended financial aid to out-of-state and international students last year, realizing an **annual savings of over \$40 million by 2019-20.**
- Since 2004, **we have avoided more than \$160 million in energy costs thanks to energy efficiency projects.** In 2015, UC spent \$77 million less on energy than it did at the peak in 2006, due in part to our energy efficiency programs.

### Campus cutbacks that have negatively affected students

- Campuses have delayed making investments that directly improve the student experience, including hiring faculty and maintaining a student-faculty ratio that is in-line with state-recommended levels.
  - On one campus, undergraduate enrollment has jumped by 2,800 students since 2011, yet the campus has not hired more faculty, leading to larger classes and fewer opportunities for direct student engagement with their professors.
  - Over the past eight years, another campus' student-faculty ratio has grown to 27:1, far larger than the targeted ratio as agreed upon with the state of 18.7:1.
  - At another campus, \$3.3 million from student services and other support for graduate students has been cut.
  - Another campus has reduced freshman and transfer seminar programs, forcing a move to larger, lecture-style courses for undergraduate students.

- Campuses have halted, or in many instances made broad cuts in staffing or delayed hiring in areas that directly support or affect the student experience. Among the effects is that the ratio of students to mental health services staff can make it difficult for students to receive timely attention.
  - During a period when one campus expanded its undergraduate population by 13 percent, the number of administrative staff across the campus, many supporting students and their academic experience, shrunk by 12 percent.
  - In a recent survey by the UC Student Association, results showed that the average number of days a student waits for an appointment was 21, with longer wait times in the latter part of the academic quarter, when student stress is highest.
  - While students who need to be seen urgently do not have difficulty accessing care within a day, almost 40 percent wait longer than four weeks from the time they make an appointment for initial assessment to the first therapy visit.
  - At another campus, IT systems that support student advising and financial aid have been chronically underfunded.

#### **Capital growth limitations and deferred maintenance**

- Budgets for updating aging facilities and critical mechanical and other systems have been slashed, leaving campuses at risk for disruptions to teaching and research programs. Moreover, cutbacks in basic building maintenance and custodial services have led to widespread dissatisfaction across the campuses about current working conditions.
  - One campus' deferred facilities maintenance needs have ballooned to exceed \$600 million, limiting classroom space and increasing risk for students and staff within those buildings.
  - Another campus has slashed its annual budget for capital renewal – updating aging facilities and their critical systems – by 75 percent, even though there is significant risk that failing building systems will disrupt teaching and research programs.
  - Without new funds, another campus' \$1 billion backlog of critical repairs to classrooms, lab spaces and other facilities will continue to grow.