

THE FACTS: PERSONNEL GROWTH AT UC

INTRODUCTION

Growth in various university personnel groups is a topic that emerges periodically, especially during times of budget shortfalls. The current budget crisis has rekindled concerns that growth in “administration” is outpacing growth in student enrollments, and comes at the expense of faculty and instruction. UC recently conducted an analysis of full-time-equivalent (FTE) personnel growth at UC comparing financial and payroll data between fiscal years 1997-98 and 2008-09. The following analysis shows where personnel growth has occurred and identifies the primary factors driving such growth. Findings here are consistent with national trends, as well as with previous UC studies.

DRIVERS OF PERSONNEL GROWTH AT UC

- In the past 11 years, total UC FTE personnel have increased 39 percent, from 109,500 to 152,400.
- While student enrollment has contributed to increases in both academic and non-academic personnel during this period, increases have been driven primarily by expansion in teaching hospitals, research activity and auxiliary enterprises, all of which are predominantly funded by non-state revenue:
 - Teaching hospitals, research initiatives, and auxiliary enterprises fund an ever-increasing proportion of UC personnel costs – more than 73 percent of all UC FTE personnel – and are funded almost entirely from non-state sources (patient revenues, federal grants, dorm fees, etc.).
 - UC medical centers and teaching hospitals account for 52 percent of the increase in non-academic FTE since 1997-98; contract and grant funding for research grew to almost \$4 billion a year from less than \$2 billion, generating 8 percent of this FTE growth.
 - Auxiliary enterprises, such as residence halls and food services, also have contributed significantly to personnel increases systemwide, and represent 10 percent of FTE growth.

RESTRICTIONS ON PERSONNEL FUNDING

- There is a common misconception that all UC funding is the same and can be used in any manner desired. The reality is that the majority of UC’s personnel-related funding is restricted, either legally or by operational necessity, and cannot be used arbitrarily to support any purpose.
- Teaching hospitals and auxiliary enterprises, such as residence halls and food service operations, are largely self-supporting and rely on the revenue they generate to sustain themselves. Further, hospital charges are highly regulated by federal agencies and are subject to negotiations with insurers.
- Research funding is restricted: Federal and other research grants must adhere to strict regulations regarding how funds are spent.
- These restrictions, in effect, prevent the use of hospital, research and auxiliary funds for other university purposes, such as to fund additional FTE or salary increases elsewhere. By the same token, administrative cuts to medical centers or research enterprises will not yield savings that can be applied to other university needs in order to help address shortfalls in state funding.

DISTRIBUTION OF PERSONNEL

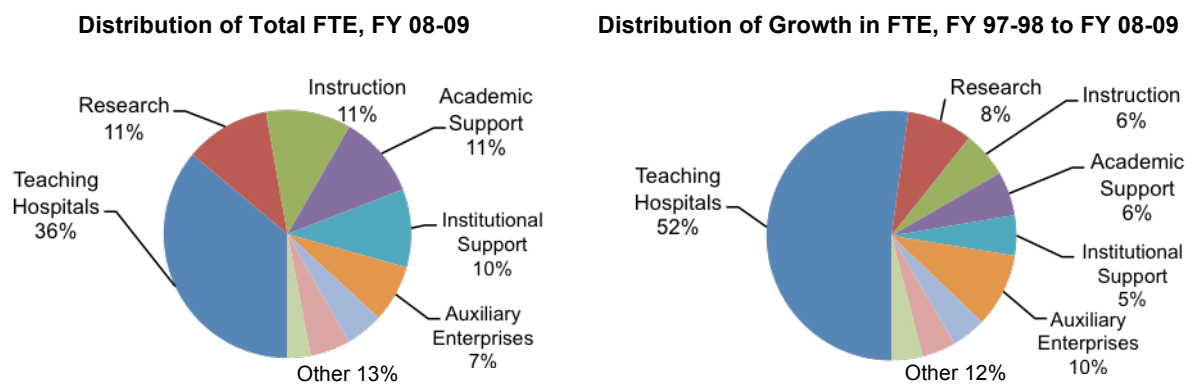
- Proportion of academic and non-academic personnel remains constant; senior managers decline:
 - Academic personnel continue to make up the same relative percentage (26 percent) of total employee FTE as they did in 1997-98. This reflects growth in instruction in combination with the expanding research enterprise. In addition to instructional faculty, academic employees include professional researchers, librarians, and postdoctoral scholars.
 - Conversely, the proportion of non-academic personnel, as a percent of all UC personnel, has remained relatively constant (74 percent).
 - The number of Senior Management Group members has declined slightly, from 315 to 293, accounting for far less than 1 percent of all FTE.

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- **Faculty growth mirrors student growth:** The rate of growth in faculty FTE (36 percent) has kept pace with growth in student enrollments (33 percent). This includes ladder rank and non-ladder rank faculty as well as lecturers. Non-ladder rank faculty includes clinical professors at teaching hospitals, adjunct faculty and visiting professors.
- **Most UC personnel are non-academics:** Almost three-fourths of the 152,400 FTE personnel in 2008-09 – including thousands of nurses, doctors, custodians and other staff who provide services to students, faculty and the public – were employed in one of three non-academic personnel categories: Professional and Support Staff (PSS), Managers and Senior Professionals (MSP) and the Senior Management Group (SMG).
- **Increased reliance on professional staff:** Consistent with an increase in UC’s complexity, and the dramatic proliferation of technology generally, a significant change in UC personnel over the last 11 years has been an increase in the proportion of highly-skilled professional staff – a shift that is consistent with national trends.
 - Within the PSS personnel category, there has been a decrease in FTE in entry-level titles, with an increase in more advanced PSS titles.
 - There has been a modest shift in the distribution of employees from the PSS to the MSP category, with MSP growing from 3 percent to 5 percent of all FTE, while PSS has declined from 70 percent to 68 percent. The MSP personnel category is comprised of a wide range of professional titles, including computer programmers and analysts, doctors and dentists, nursing supervisors, pharmacists and engineers.

Non-Academic (PSS, MSP, & SMG) FTE by Function:

Comparison of Current Distribution Relative to Growth Trends from 1997-98 to 2008-09



Notes: Includes all earnings for represented and policy-covered staff. Student employees make up approx. 6 - 8% of non-academic FTE and 2 - 4% of the earnings. Percentages may not total to 100% due to rounding.

Academic Support includes academic departments, museums, libraries, etc. *Institutional Support* includes central services ranging from fiscal and personnel management, procurement, accounting, and investment, to environmental health, information systems, safety and security, and facilities management. *Auxiliary Enterprises* includes dormitories and parking services, etc.

Other functions: Student Services, Maintenance and Operation of Plant, and Public Service.

Source: UC Corporate Payroll System, Fiscal Year data.

The full report is available at: www.universityofcalifornia.edu/news/documents/ucpersonnelgrowth2010.pdf