

UNIVERSITY
OF
CALIFORNIA

Budget for Current Operations

Summary of the Budget Request as
Presented to the Regents for Approval

2024–25

LETTER FROM THE PRESIDENT

The hardships of the past several years—an unprecedented pandemic, economic uncertainty, and global unrest—have presented significant challenges for institutions of higher learning. In these uncertain times, institutions like the University of California can—and do—step up to deliver the technologies and solutions intended to improve our lives.

This fall, the University of California welcomed more than 291,000 undergraduate and graduate students to its campuses. These students play an important role in addressing the State’s needs: they are the future health practitioners, artists, philosophers, engineers, and public servants who will help us address our most challenging societal issues. The University, in turn, bears the responsibility of providing our students with the instruction and support necessary to unlock their potential.

We are not alone in addressing this obligation, however.

The University is entering the third year of its multi-year compact with Governor Newsom and the State of California. This partnership exemplifies the shared values and commitment to higher education that have made the University of California the premier public higher education system in the world. State investment in the University helps to ensure stability for its students, faculty, and staff, providing the resources necessary to offer a valuable educational experience in a safe, supportive environment.

State investment also drives change in our communities, the nation, and the world. It advances innovative research to bolster community preparedness and resilience in the face of climate change. It sponsors expansive public service programs to address educational disparities, raise student achievement levels, and close achievement gaps for underrepresented groups throughout the California educational pipeline. Crucially, the State’s investment underscores an important truth: research and public service are integral components of the educational journey at the University of California.

Ongoing state support consistent with the multi-year compact, together with systemwide efforts to address increasing costs, are fundamental to our annual budget proposal. I look forward to our continued collaboration with the Governor, the Legislature, and University stakeholders to achieve the shared goals identified in the compact. California often turns to the University of California to tackle its toughest challenges, and I take immense pride in the accomplishments of our faculty, students, and staff to meet those problems head-on in support of all Californians.




Michael V. Drake, M.D.
President

OVERVIEW

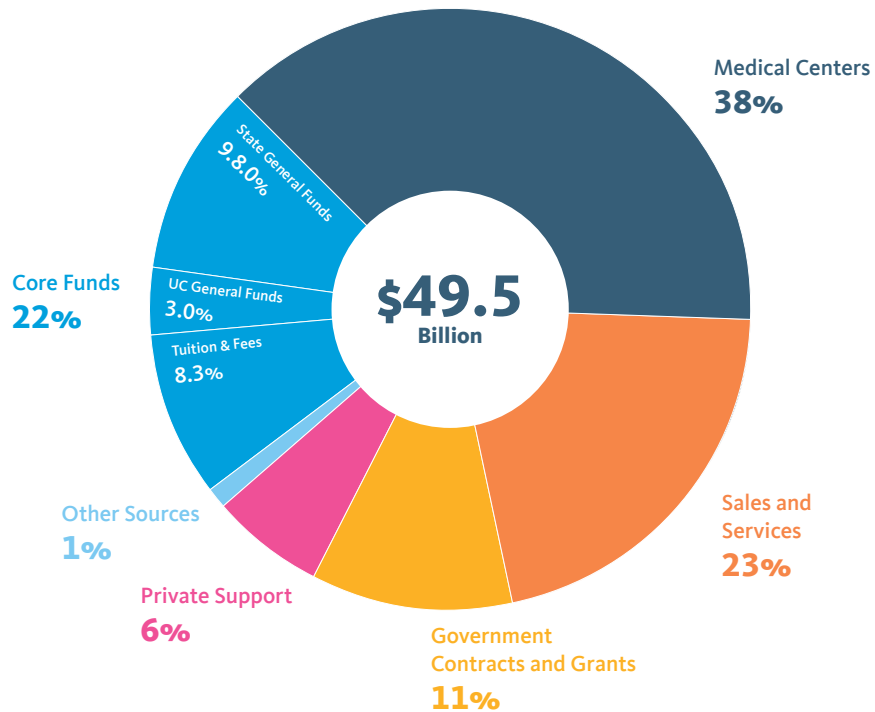
The University's 2024-25 budget plan represents a statement of the University's funding priorities in advance of the Governor's January State budget proposal for the next fiscal year.

The plan is aligned with the multi-year compact between the Governor and the University, which calls upon the University to increase California resident undergraduate enrollment by one percent annually; increase graduate student enrollment; and make progress on a number of policy areas including student success and equity, affordability, intersegmental collaboration, workforce preparedness, and expanding access to online courses. Under the terms of the compact, the Governor will propose annual base budget adjustments of five percent

for the University in 2023–24 through 2026–27. The compact also permits consideration of (1) additional ongoing funding for enrollment growth above one percent, (2) ongoing funding to expand graduate health science programs designed to improve access to healthcare for medically underserved populations, and (3) one-time funding, particularly for capital projects related to energy efficiency, seismic renewal, and deferred maintenance.

Expenditure elements of the budget plan include those related to undergraduate and graduate enrollment growth, sustaining core University operations, and expanding access to a debt-free pathway for California resident undergraduates. Revenue elements of the plan include State support consistent with the compact agreement;

Display 1: Overview of the University of California Budget, 2023–24 (Estimated)



contributions from the University's own efforts to operate more efficiently and optimize the investment of working capital to support the operating budget; and student tuition and fee levels consistent with the multi-year Tuition Stability Plan approved by the Regents in July 2021.

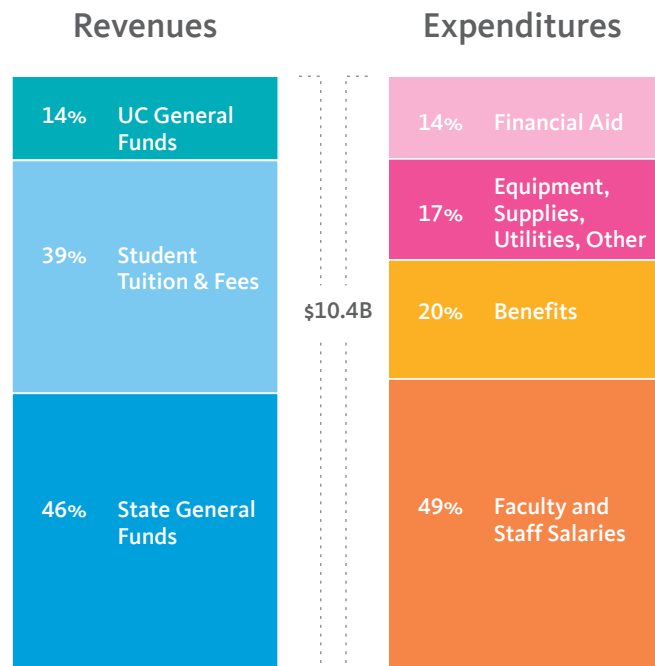
The plan also includes a request for one-time State funding of \$1.2 billion to support critical capital projects throughout the system. Although a similar proposal in the University's 2023-24 budget request was ultimately not funded, State support for these projects—which would advance multiple goals shared by the University and the State, including climate action, enrollment growth, seismic safety, and the restoration and renewal of University facilities—is still needed.

Background

The University's total operating budget—covering ten campuses; six academic health centers and five teaching hospitals; Agricultural Field Stations, Cooperative Extension offices, and the Natural Reserve System; and dozens of institutes, centers, and research laboratories throughout the State—reflects UC's broad and diverse impact on Californians, the nation, and the world.

Total operating revenue, estimated to be approximately \$49.5 billion in 2023-24, funds essential programs related to teaching, research, and public service, as well as a wide range of other activities, including University Extension, housing and dining services, and critical student service programs. (See Display 1.) The University's "core funds," which include revenues from State General Funds, UC General Funds, and student tuition and fees, provide permanent funding for the University's core missions, as well as the administrative and support services needed to perform them. Totalling an estimated \$10.4 billion in 2023-24, these funds represent approximately 22 percent of UC's total operations. While all fund sources are critical to the success of the University, much of the focus of UC's strategic University-wide budget process and interaction with the State is dedicated to the sources and uses of these core funds. (See Display 2.)

Display 2: Revenue and Expenditures from Core Funds, 2023–24 (Estimated)



CONTEXT FOR THE 2024–25 BUDGET PLAN

The budget plan for 2024-25 builds on the success of the prior year's budget cycle—a year in which the State maintained its funding commitment to UC despite a period of economic uncertainty—and reflects continued stability in University resources, recognizes cost pressures on campus budgets, and identifies opportunities for addressing goals shared with the State.

The Multi-Year Compact Between the Governor and the University

The Governor and the University of California announced a new multi-year compact in May 2022 that combines predictable increases in State support for the University with a commitment to advance multiple student-focused goals shared by the Governor and the University.

Under the compact, the Governor will propose annual base budget adjustments of five percent for the University in 2023–24 through 2026–27. The Governor will also consider ongoing additions to the University's funding, including resources to support (a) California resident undergraduate enrollment growth above the targets described in the compact, and (b) graduate health science programs designed to improve healthcare access for medically underserved populations. In addition, the Governor will consider annual requests for one-time funding for the University, particularly to support capital projects in energy efficiency, seismic renewal, and deferred maintenance.

The University, in turn, has committed to specific and ambitious goals in six broad policy areas:

- increasing access to the University of California;
- improving student success and advancing equity;
- increasing the affordability of a UC education;
- increasing intersegmental collaboration to benefit students;
- supporting workforce preparedness and high-demand career pipelines; and
- providing access to online course offerings.

The prospect of predictable annual increases in ongoing State support for the University, together with new revenues for campus operations and student financial aid attributable to the University's Tuition Stability Plan, is of great importance to campuses and the University as a whole. These new resources will directly support campuses' short- and long-term plans to increase enrollment, improve student outcomes, expand and diversify the faculty, offer a debt-free education pathway to more California resident undergraduates, develop new academic programs, and make other essential investments to maintain the University's success in providing a world-class education to generations of exceptionally talented and socioeconomically diverse students. Those students, in turn, go on to make extraordinary contributions to the economic and cultural vitality of California, the nation, and the world.

Enrollment Growth

The University's plans for enrollment growth are consistent with the enrollment expectations set forth in the compact and reflected in the Budget Acts of 2022 and 2023.

Under the compact, the University is to increase California resident undergraduate enrollment by approximately 8,000 full-time equivalent (FTE) over four years (growth of one percent, or about 2,000 FTE, each year in 2023–24 through 2026–27) and increase graduate enrollment by 2,500 FTE during the same period. Funding for this enrollment growth is included as part of the University's annual base budget adjustment of five percent.

The Budget Act of 2022 included two appropriations in support of increased California resident undergraduate enrollment:

- \$51.5 million to increase California resident undergraduate enrollment by 4,730 FTE over a two-year period—from 2021–22 to 2023–24—above and beyond the growth of 2,000 FTE in 2023–24 included in the compact; and
- \$31 million to fund the replacement of 902 nonresident undergraduate students with an equal number of California resident students at the Berkeley, Los Angeles, and San Diego campuses in 2022–23.

Display 3: Total Anticipated California Resident Undergraduate Growth

Growth from 21-22 to 22-23	Growth from 22-23 to 23-24	24-25	25-26	26-27	Growth from 24-25 to 26-27
Actual	Target	Projected			
1,250	6,550	2,927	2,947	2,968	8,842

Total Est. UG Growth 16,642

Figures are approximate; one percent annual growth figures as shown in Budget Act of 2023. Undergraduate swap of nonresidents is contingent on ongoing State support to offset any financial impact.

Altogether, the total anticipated growth in California resident undergraduate enrollment between 2021–22 and 2026–27—funded as part of the compact, the Budget Acts of 2022 and 2023, and future budget acts—is over 16,500 California resident undergraduate FTE, as shown in Display 3.

Campuses have now submitted final enrollment figures for 2022-23, indicating the following:

- California resident undergraduate enrollment, inclusive of summer 2022, grew by 1,250 FTE in 2022-23 over 2021-22 levels—a marked improvement from the 113 FTE estimate referenced in the prior year’s budget proposal. The majority of this increase is the result of increases in average credit hours per term, with students at eight campuses taking more credit hours per term on average in 2022-23 than in 2021-22.
- Enrollment of new transfer students remains a priority for the University. The COVID-19 pandemic’s effects on the transfer pipeline, however, continue to disrupt campus plans for expanding transfer enrollment. A Public Policy Institute of California report found that the transfer-intending population at California Community Colleges (CCC)—students likely to apply to UC campuses—declined by 20%, or about 150,000 students, between fall 2019 and fall 2021. As a result, the University saw a decline of 990 new California

resident transfer students on a headcount basis, or about five percent, in 2022-23 compared to 2021-22.

Preliminary campus estimates for fall 2023 also indicate the following:

- The University expects to enroll approximately 4,600 more California resident undergraduates (including both new and continuing students) in fall 2023 compared to fall 2022 on a headcount basis. More California resident undergraduates will attend a UC campus in fall 2023 than in any other year in the University’s history.

Summer enrollment levels between 2022 and 2023 reflect a modest rebound, growing by 536 FTE over prior year levels. Between 2021 and 2022, summer enrollment declined by almost 1,550 FTE, likely an indirect result of the pandemic.

The University has targeted total growth of 7,800 FTE in California resident enrollment from 2021–22 to 2023-24, inclusive of summer—with growth of 1,250 FTE already achieved in 2022-23—as shown in Display 3. Additional growth of 8,842 FTE will be required between 2024-25 and 2026–27 in order to achieve the total growth target of 16,642 FTE. The University’s enrollment goals for 2024-25 will achieve incremental progress towards meeting or exceeding that target growth.

ELEMENTS OF THE BUDGET PLAN

Expenditure Components of the Plan

The University’s budget plan presented in the Appendix, 2024-25 Budget Plan for Current Operation, is organized around four categories of investments: sustaining core operations, enrollment growth, student financial aid, and additional high-priority investments. Each category is described below.

Sustaining Core Operations

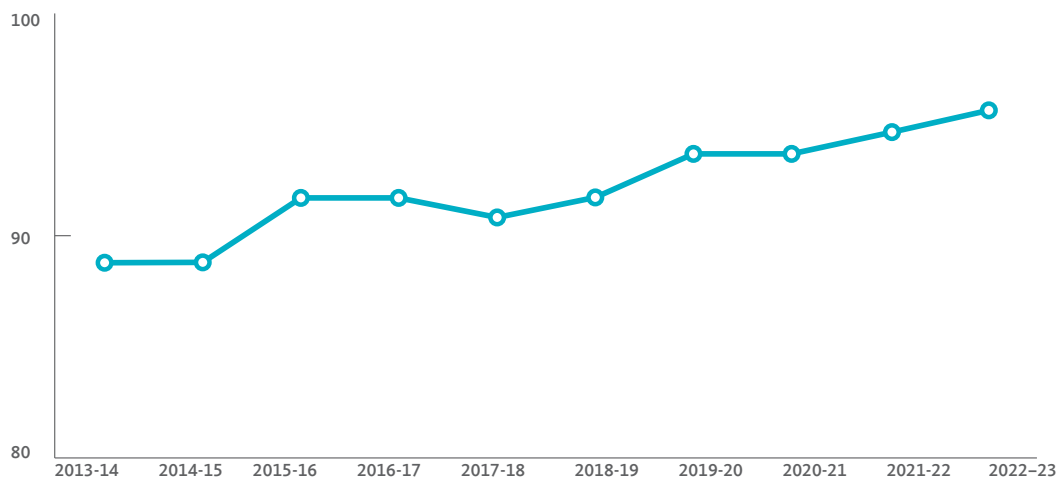
Expanding access for an increasingly diverse generation of students, ensuring that a UC degree remains affordable, and maintaining a safe, valuable student experience requires adequate and consistent investments in the University’s core programs, services, and operations. The investments shown below allow for continued support of the University’s tripartite mission of instruction, research, and public service.

- Faculty and Staff Support.** Creating and transmitting knowledge in a safe and supportive environment is inherently a people-intensive mission. As a result, faculty and staff salaries represent a significant portion of the University’s expenditures from core funds, as they do at other colleges and universities.

- For ladder-rank faculty, the budget plan includes cost increases associated with the faculty merit program, a cornerstone of the University’s strategy for retaining and supporting faculty members as they grow in experience and productivity and progress through the ranks through a rigorous peer-reviewed process. The program is projected to require \$38.7 million in core funds next year.
- Additional investment will be required to further close the competitive gap that exists between faculty salaries at UC and at the University’s “comparison eight” public and private universities. The University’s competitive position relative to this benchmark has improved following the Great Recession, as shown in Display 4, with improvements in recent years partly attributable to a deliberate, multi-year effort—beginning in 2018-19—to address the University’s competitive disadvantage through both a general range adjustment and a special salary plan for ladder-rank faculty. Even with these efforts, the latest available estimates suggest that UC’s faculty salaries remain 3.6 percent below market.

Thus, in addition to funding the faculty merit program, the budget plan includes \$88.5 million for policy-

Display 4: Ladder-Rank Faculty Salaries as a Percentage of Market



covered (i.e., unrepresented) faculty and other academic employees, equivalent to a 4.2 percent increase in core funded salary expenditures for this population. These investments are not expected to fully close the current competitive gap between faculty salaries at UC and those at the University's "comparison eight" public and private universities, since faculty compensation at those institutions is unlikely to remain flat in 2024-25. However, the proposed investment should help prevent further erosion of the University's competitive position.

For policy-covered staff, the budget plan includes a salary increase budget of \$74.5 million, reflecting a salary program of 4.2 percent over current levels. The University believes that this is an essential investment for cultivating and retaining its existing workforce, addressing the impact of rising inflation on the purchasing power of UC salaries, and maintaining equity over time relative to salary increases for the University's represented employees.

For represented employees, UC will implement the contractual increases provided for in previously negotiated contracts, with successor negotiations for several units starting in 2024. Labor contracts may include several types of compensation tools, including across the board increases, step increases, and merit. UC will continue to review market data, its operational needs, comparator contracts, and national trends in assessing represented employee compensation, with the goal of supporting and retaining these key employees. Recently negotiated agreements continue to place considerable cost pressures on campus core funds budgets. As a result, the University projects wage growth for core funded represented employees of approximately \$90.3 million next year, reflecting average salary increases of approximately 8.4 percent over estimated 2023-24 levels.

- **Contributions to the University of California Retirement Plan (UCRP).** For 2024-25, the budget

plan assumes an increase to 14.5 percent in the University's employer contribution rate to UCRP (including an employer contribution of six percent for Savings Choice participants in the Defined Contribution Plan). In addition, the University will continue to repay advances made to UCRP from the Short Term Investment Pool (STIP). For 2024-25, the budget plan assumes an increase in the repayment rate of 2.31 percent to 3.22 percent of covered payroll. Thus, the combination of the University contribution rate to UCRP and its repayment of earlier advances will increase from 16.31 percent of covered compensation in 2023-24 to 17.72 percent in 2024-25. Growth in faculty and staff covered compensation will also increase the amount of the University's annual employer contribution. The combined increase in core funded UCRP expenditures is expected to increase by \$104.6 million (15 percent).

- **Employee and Retiree Health Benefits.** The University projects annual increases of 7.8 percent in the unit cost of employee and retiree health benefits. This increase is consistent with a recent national healthcare survey from Mercer, Aon, and Willis Towers Watson that projected an employer healthcare cost increase of 8.5 percent for 2024—the largest health insurance cost increase in a decade. For retiree health benefits, the overall cost of retiree health is projected to increase by an additional three percent due to projected increases in the number of UC retirees. The budget plan includes \$45.7 million to address the projected increase in employee health benefits and \$11.1 million to address higher retiree health benefit costs.
- **Other Operating Cost Increases.** Prices for items such as instructional equipment, laboratory supplies, computers, machinery, library materials, and purchased utilities tend to rise each year. Under the proposal, the University would seek to limit those cost increases to projected changes in the implicit price deflator for State and local governments (the institutional equivalent of the Consumer Price Index, which applies to household expenses). Altogether, the budget plan includes \$45.0 million for these non-personnel cost increases next year.

Enrollment Growth

As shown in Display 3 earlier in this item, the University grew by 1,250 resident undergraduates in 2022-23 and has targeted growth of 6,550 students in 2023-24, for total growth of 7,800 FTE over 2021-22 levels. Though final 2023-24 enrollment levels will depend on various factors (e.g., retention rates, success with transfer students), preliminary data suggest a return to pre-pandemic activity in student unit taking behavior, which may lead to improved full-time equivalent enrollment in 2023 compared to prior years.

The average number of units attempted by UC undergraduates was lower in 2021-22 compared to 2020-21 and pre-pandemic years, as shown in Display 5. This general trend was similar across all UC campuses. In 2022-23, however, average student credit hours were higher than in 2021-22 across all terms. Even small changes in students' course-taking behavior can have a material impact on the University's full-time equivalent enrollment. An increase in students' average credit hours of merely one percent per term (e.g., from 14.85 units to 15 units) would increase full-time-equivalent enrollment across the University by 2,000 FTE over the course of an academic year even if the number of students enrolled and physically present on campus remained the same

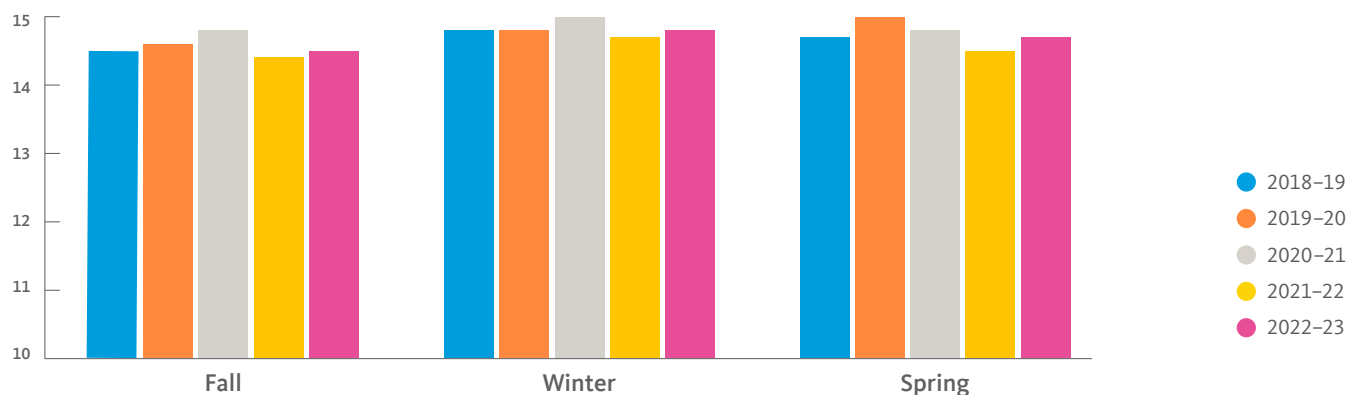
Despite the pandemic's continuing effects on enrollment growth, the University's 2024-25 budget plan reflects a substantial increase in California resident undergraduate

FTE enrollment. Pursuant to the compact, the plan calls for growth of 2,000 resident undergraduate students and 625 new graduate students; in addition, the plan reflects growth of 902 resident undergraduate students from the further reduction in nonresident enrollment at the Berkeley, Los Angeles, and San Diego campuses. Funding for the growth of 2,000 resident undergraduates and 625 graduate students—projected to total \$58.3 million—is included as part of the University's base budget increase under the compact. The only new State funding requested for enrollment growth is \$33.1 million for the continued replacement of nonresident students at Berkeley, Los Angeles, and San Diego (including \$29.1 million to replace lost Nonresident Supplemental Tuition revenue and \$4 million for financial aid to support new aid-eligible California resident students).

Student Financial Aid

- The budget plan includes \$92.3 million of new resources for student financial aid, including \$13.3 million to support enrollment growth under the compact, \$4 million of State support from the continued replacement of nonresident undergraduates with California resident undergraduates, and \$75.0 million from new tuition and fee revenue attributable to the Tuition Stability Plan. In conjunction with the planned expansion of the State's Middle Class Scholarship Program and increases to the maximum

Display 5: Average Attempted Undergraduate Student Credit Hours by Term



Pell Grant award, the University would offer financial aid awards that provide a debt-free pathway to over 37,000 incoming California resident undergraduates in 2024-25.

Other High-Priority Investments: DDS-ASPIRE, PRIME-Rx, Vet SERVE

The budget plan includes a request for \$4.3 million in new ongoing State funds to establish and support three new health sciences programs that are modeled after UC PRIME:

- **DDS-ASPIRE** (Advocacy, Science, Public Interest, and Research), a proposed new program designed to recruit cohorts of future dentists from underserved communities and provide them with a leadership, advocacy, public health, and cohort-building program that is integrated with the standard four-year DDS curriculum and an option for a fifth-year master's degree. DDS-ASPIRE would provide graduates with outstanding clinical skills combined with the ability to identify and meet community needs by shaping policies and advocating for the resources required to address community-specific issues. The program would be part of the UCSF School of Dentistry and is intended to enroll 42 students when fully phased in.
- **PRIME-Rx** (Program in Medicinal Education), a proposed new program open to accepted first-year pharmacy students with the intent to practice in California and who have an interest in serving populations at risk for health disparities, particularly migrant and immigrant communities. PRIME-Rx students will graduate with a PharmD degree, with an option to complete a fifth year to obtain an accelerated one-year master's degree in Public Health, Business Administration, Clinical Research, or Drug Development & Product Management. The program would be part of the UC San Diego School of Pharmacy and Pharmaceutical Sciences and is intended to enroll 40 students when fully phased in.
- **DVM-SERVE** (Serving Every Region through Veterinary Education), a proposed new program aimed at addressing the shortage of veterinarians in

the state of California, which has the lowest number of veterinary graduates per capita nationally. This program would initially begin at UC Merced and Fresno State (CSU Fresno) with the goal to expand through established partnerships to UC Riverside and CSU San Bernardino, as well as additional schools in northern counties. Veterinary medicine is not only important for the care of pets, but also safety and security of animal-origin foods, research into zoonotic diseases, advanced treatment for nonzoonotic diseases, as well as biosecurity, emergency preparedness and response. This PRIME-like program would recruit a cohort of future veterinarians from underserved communities and provide them with education in leadership, public health, and foundational business as well as a community-building program interwoven within a standard four-year DVM education, with an option to complete a fifth-year master's degree in Preventive Veterinary Medicine. Housed in the UC Davis School of Veterinary Medicine, DVM-SERVE would enroll 20 students when fully phased in.

The three proposed programs are modeled on the UC PRIME program, which is recognized as a model for other health professions programs committed to addressing societal needs and increasing the diversity and cultural awareness of the health workforce. The programs would be developed in consultation with the UC PRIME program and would leverage existing institutional relationships with community-based clinics and organizations.

The three programs are well aligned with the compact, which includes consideration of additional ongoing support to UC to support graduate health sciences programs designed to improve access to healthcare for medically underserved populations.





REVENUE AND COST-SAVING COMPONENTS OF THE BUDGET PLAN

The proposed funding strategy to support the budget plan includes three categories of support:

- **Revenues and savings achieved from the University’s own efforts to generate funds and reduce costs.** The University has made strides over the past decade in identifying alternative revenue sources, reducing elements of its cost structure, and optimizing the use of existing resources. The budget plan expects further contributions from these efforts. Specifically:
 - The University continues to expand efforts to leverage its purchasing power in order to negotiate discounts and rebates from vendors and service providers. The budget plan includes additional year-over-year savings of \$11.2 million from purchases attributable to the University’s core funds operating budget next year, equivalent to 25 percent of the projected increase in non-personnel costs that would otherwise occur.
 - Additional opportunities exist to further optimize the investment of the University’s working capital to generate higher investment returns while maintaining appropriate liquidity. The budget plan includes \$50 million in new ongoing revenue attributable to moving \$3.5 billion of working capital from the Total Return Investment Pool (TRIP) to the Blue and Gold Endowment and \$40 million in new ongoing revenue generated through increased earnings on Short Term Investment Pool (STIP) working capital, for a total of \$90 million.
 - The University anticipates growth in nonresident undergraduate enrollment at campuses where nonresident enrollment is currently below the enrollment caps established by Regents Policy 2109: Policy on Nonresident Student Enrollment. The projected growth of 200 nonresident undergraduate students next year—all of which would occur at campuses other than Berkeley, Los Angeles, and San Diego—is expected to generate \$4.1 million in NRST revenue net of the marginal cost of instructing these students.
- **State General Fund support.** The budget plan includes a request for new ongoing State General Fund support consistent with the terms of the compact.
 - **Sustaining core operations and enrollment growth.** The budget plan includes a base budget adjustment of five percent (\$235.2 million) to the University’s 2023-24 ongoing State General Fund appropriation—approximately equivalent to a 2.3 percent increase in the University’s total ongoing core funds budget. The University would use these resources to cover the State’s share of enrollment growth under the compact (2,000 FTE California resident undergraduate and 625 graduate students) with the remainder to be used to sustain University operations.
 - **Enrollment growth.** The budget plan includes \$29.1 million in State support to offset the financial impact to campuses of enrolling 902 additional California resident students at Berkeley, Los Angeles, and San Diego in 2024-25 in lieu of nonresident students, along with \$4 million to cover the resulting increase in California resident students’ need for UC grants. The University also requests \$4.3 million to support the proposed DDS-ASPIRE, PRIME-Rx, and Vet SERVE programs.
- **Revenue from base tuition, the Student Services Fee, and Nonresident Supplemental Tuition.** The budget plan includes projected revenue increases resulting from the Tuition Stability Plan approved by the Regents in July 2021—specifically, a net contribution of \$79.1 million from Tuition and the Student Services Fee, \$36.8 million from NRST, and \$75.0 million to be set aside from these student charges for UC grants and graduate student support (“return-to-aid”).
- The plan also includes projected increases in Tuition and the Student Services Fee revenue attributable to the planned enrollment growth described above,

including \$29.8 million to cover a portion of the cost of instructing these students and \$13.3 million for student financial aid. The plan includes a projected loss of \$29.1 million in NRST revenue due to the reduction in nonresident enrollment at Berkeley, Los Angeles, and San Diego, which would be offset by increased State support as described above.

Projected expenditure increases in the proposed budget plan exceed projected increases in resources from new revenues and cost-saving efforts by \$69.9 million. To address this gap, the University will continue to expand efforts to identify additional operational efficiencies, redirect resources to address higher priority needs, and further develop alternative revenue sources.

ONE-TIME FUNDING REQUEST FOR CAPITAL PROJECTS

In addition to the proposed ongoing investments and resources described above, the University also proposes the following request for one-time funding.

Facilities Renewal, Enrollment Growth, and Clean Energy Capital Investments

The University requests \$1.2 billion in one-time State General Funds to continue UC's program to improve energy efficiency, support enrollment growth, and address other capital needs critical to the University's mission. The program builds upon previous efforts to strategically invest in facility renewal and renovation projects that address multiple University and State priorities—namely, improvements that support existing students and support enrollment growth, continuing UC's transition to fossil-free energy operations, and making meaningful progress to improve seismic safety.

These projects entail the construction and renovation of instruction, research, and student service space, as well as administrative space and infrastructure that support academic programs and growth. Many of the proposed projects also support UC's Seismic Safety Policy, which was developed to provide an acceptable level of earthquake safety for students, employees, and others who occupy University facilities.

Projects to be funded through this program include facility renewal and renovation projects that replace existing equipment with more efficient, modern systems. These projects will serve as highly visible demonstrations for state-of-the-art energy conservation technologies (e.g., heat-pump water heaters and network-controlled LED lighting projects) and learning environments, allowing other State agencies to follow the University's lead in implementing innovative solutions. The projects will result in less energy use, reduced ongoing operational costs, and lower greenhouse gas emissions while also improving conditions for building occupants. Investments in these renewal projects will help UC and the State meet their energy and climate neutrality goals.

APPENDIX: 2024–25 BUDGET PLAN FOR CURRENT OPERATIONS (dollars in millions)**2023–24 Core Funds for Current Operations****Total Core Funds** (State General Funds, Student Tuition and Fee Revenue, and UC General Funds) **\$ 10,410.7****Proposed Changes in Expenditures****Sustaining Core Operations**

Faculty compensation (policy-covered)	\$ 88.5
Faculty merit program	\$ 38.7
Staff compensation (policy-covered)	\$ 74.5
Contractually committed compensation	\$ 90.3
Represented academic employees	\$ 76.0
Represented staff employees	\$ 14.3
Retirement contributions	\$ 104.6
Employee health benefits	\$ 45.7
Retiree health benefits	\$ 11.1
Non-salary price increases	\$ 45.0
Subtotal	\$ 498.3

Enrollment Growth

Compact: 2,000 CA undergrad, 625 grad*	\$ 57.8
Subtotal	\$ 57.8

Student Financial Aid

New enrollment (2,000 undergrad, 625 grad)	\$ 13.3
Add'l 900 aid-eligible undergrads (NR swap)	\$ 4.0
Tuition/Fee/NRST Adjustments	\$ 75.0
Subtotal	\$ 92.3

Additional High-Priority Investments

DDS-ASPIRE, PRIME-Rx, VetSERVE	\$ 4.3
Subtotal	\$ 4.3

Expenditures Total **\$ 652.7****Proposed Changes in Revenues/Resources****Alternative Revenue Sources**

Procurement savings	\$ 11.2
Asset management	\$ 90.0
Nonresident enrollment growth (200), net	\$ 4.1
Subtotal	\$ 105.3

State General Funds

5% Base budget adjustment	\$ 235.2
Convert 902 nonresident to resident slots	
Offset lost nonresident tuition revenue	\$ 29.1
Aid for add'l 902 eligible undergrads	\$ 4.0
DDS-ASPIRE, PRIME-Rx, Vet SERVE	\$ 4.3
Subtotal	\$ 272.6

Tuition and Fees*For campus operations*

Enrollment growth (net of aid)	\$ 29.8
Nonresident tuition reduction from swap	\$ (29.1)
Tuition/Fee Adjustment (net of aid)	\$ 79.1
Nonresident tuition adjustment (net of aid)	\$ 36.8

For student financial aid

From enrollment growth	\$ 13.3
From Tuition/FEE/NRST adjustments	\$ 75.0
Subtotal	\$ 204.9

Revenue/Resources Total **\$ 582.8****Add'l cost savings/revenues required** **\$ 69.9****Additional Request for One-Time State Funds**

Capital Support for Facilities Renewal, Enrollment Growth, and Clean Energy Projects	\$ 1,200.0
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Figures may not sum to totals due to rounding.

* Does not include additional CA undergraduate growth beyond the level in the Compact, which would be funded from the University's 2023-24 State appropriation together with students' tuition and fees.



UCSB GEOG - SAND LAB

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Trimble

