

UNIVERSITY OF CALIFORNIA OFFICE OF THE PRESIDENT

COO DIVISION
2016-2020 STRATEGIC PLAN

SUPPORTING A WORLD-CLASS UNIVERSITY

The COO and CFO strategic plans inform our commitment to build solid and sustainable financial and operational models for UC that will maintain and enhance the University's three pillars of excellence:

1. Quality

- 6 campuses are AAU members
- Of the top ten public universities in the US News and World Report, five are UC campuses
- UC campuses train one-half of the medical students and residents in California



2. Access

- 34% of Fall 2014 California freshman are from underrepresented ethnic groups
- 42% of UC undergraduates are Pell Grant recipients
- Over 40% are first-generation college students

3. Affordability

- Over 55% of our undergraduates pay no tuition
- Only half of UC students take out debt and debt levels are \$10,000 less than national averages



REFLECTING CHANGING ECONOMICS

Goals within the COO and CFO strategic plans reflect the changing economics of public higher education:

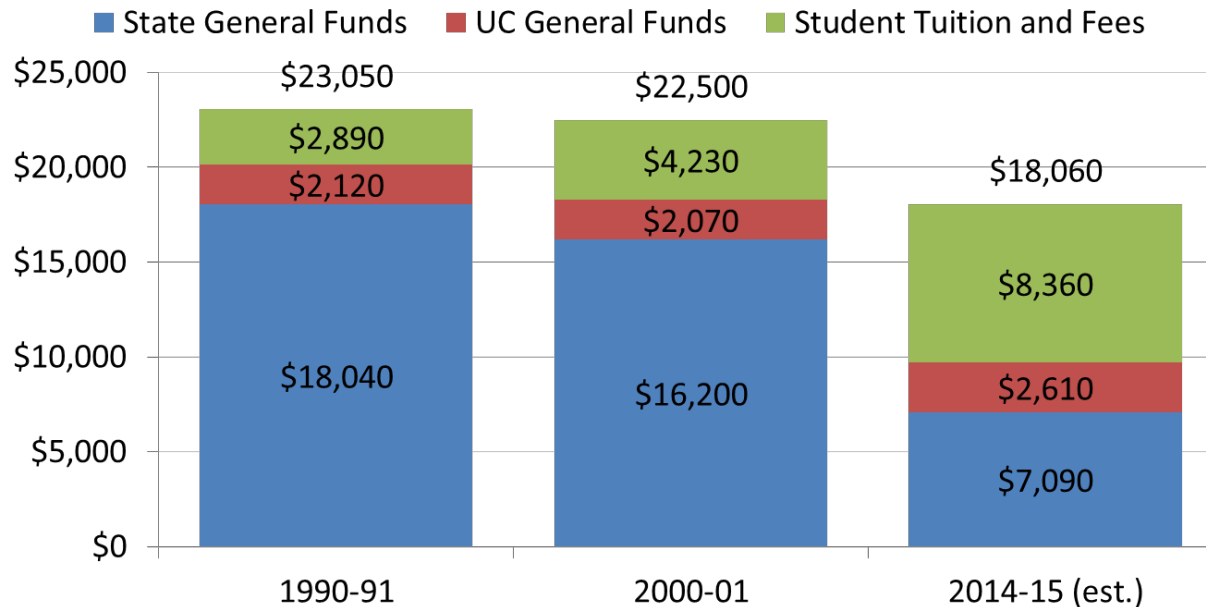
1. Declining State Support

- UC funding crowded out by expenditure growth driven by voter initiatives and federal mandates
- UC receives same absolute level of funding as in 1999-2000 when it had over 80,000 fewer students and one less campus.

2. Need for predictable, moderate tuition

- UC has passed on the volatility of state funding to students
- Over the past 25 years, tuition was held flat or declined for 12 years and then rose by double-digit percentages in 11 years

Average Education Expenditures Per Student



Average inflation-adjusted resources per general campus student. Excludes financial aid.

LEVERAGING SCALE TO CONTROL COST

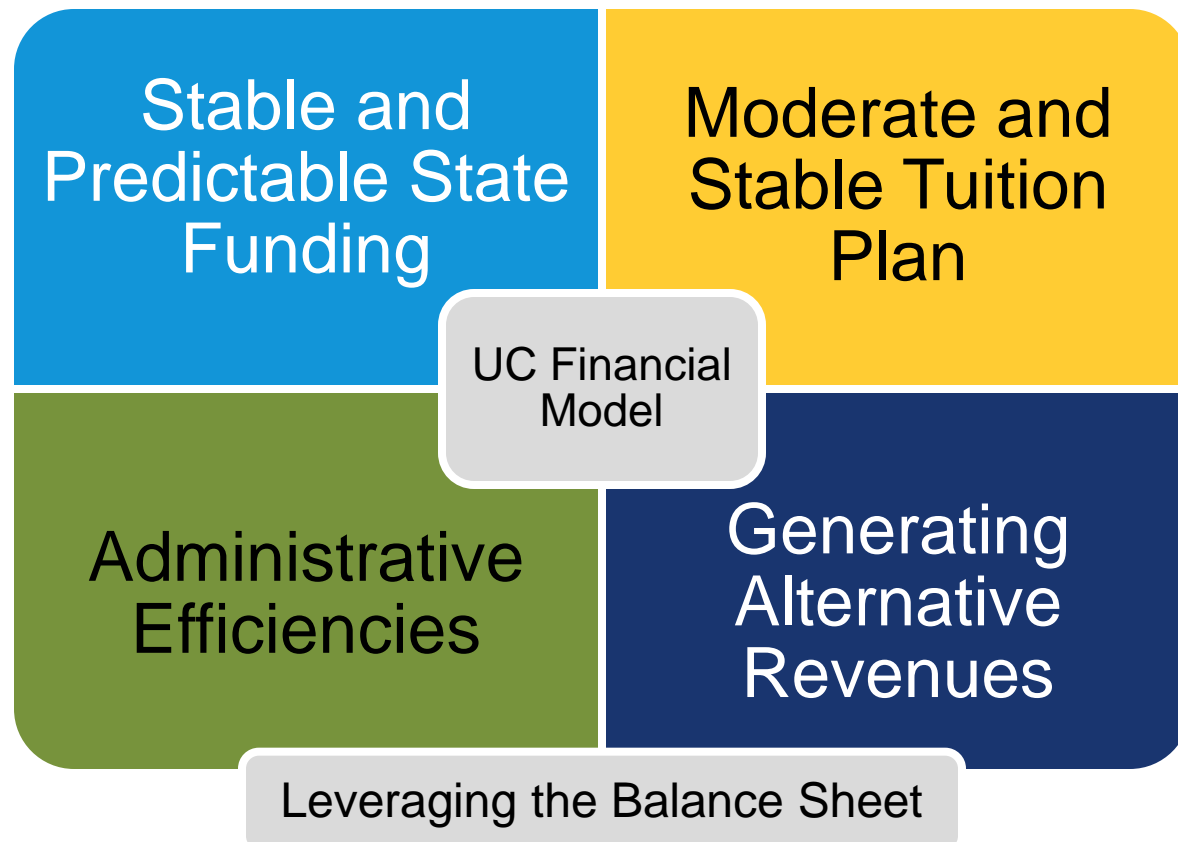
The strategic plan also looks to the size and scale of the university to control our cost growth.

- 1. The university's balance sheet now counts nearly \$100 billion in assets.**
 - Offers opportunities to enhance asset management and shore-up liabilities
 - Also opens up greater opportunities for self-insurance and self-funding of programs

- 2. The size of the university's operations can drive down costs in a variety of areas:**
 - Procurement
 - Administrative enterprise systems
 - Benefits management

ALIGNING FINANCIAL PRIORITIES

- Elements of the strategic plan align with the four financial priority areas already established by the CFO division:



COO/CFO DIVISION CORE VALUES



COO/CFO STRATEGIC OBJECTIVES

- The following 6 strategic objectives are broad-based, long-term aims that will move the divisions towards actualizing their visions. All COO and CFO goals support one of these strategic objectives:

Revenue Generation	Develop a solid and sustainable revenue model to support the University's core mission
Cost Containment	Develop a solid and sustainable administrative expense model to support the University's core mission
Strategic Advantage	Drive accountable, transparent management practices that promote service and balance risk, reputation, cost and compliance
People	Attract, develop and retain diverse, highly-productive and motivated talent who seek a mission-driven experience
Public Service	Leverage the power of the UC academic and research mission to address global challenges
Value of UC	Communicate the value of UC to the broader UC community

COO DIVISION GOAL SNAPSHOT

STRATEGIC OBJECTIVE	GOAL #		LEAD DEPT	GOAL TOPIC	PRIORITY
Revenue Generation	COO	1.01	CFO/COO	Create Path to Stable Funding for UCRP and OPEB	●
Cost Containment	COO	2.01	COO/CFO	Contain Benefit Costs and Maintain Quality	●
	COO	2.02	IT	Leverage Shared IT Infrastructure Services Systemwide	●
Strategic Advantage	COO	3.01	COO/CFO	Deploy UCPath & Expand Shared Systems/Services	●
	COO	3.02	IT	Strengthen Cyber-Risk Management	●
	COO	3.03	HR	Fully Implement Career Tracks	●
	COO	3.04	HR	Improve Administrative Mgmt. of Pension System (Redwood)	●
	COO	3.05	HR	Leverage a Systemwide Executive Recruitment Program	●
	COO	3.06	HR	Enhance Labor Relations/Collective Bargaining Strategy	●
	COO	3.07	PMO	Deploy Best-Practice Management Methodologies	●
	COO	3.08	UCOP Ops	Optimize UCOP Operations	●
People	COO	4.01	HR	Improve Employee Engagement	●
	COO	4.02	HR	Implement Employee Performance Management Framework	●
	COO	4.03	HR	Build People Management and Leadership Curriculum	●
Public Service	COO	5.01	ES	Achieve Net Carbon Neutrality by 2025	●
	COO	5.02	ES	Achieve STARS Platinum Rating / Sustainability Goals	●
	COO	5.03	IT	Transform Precision Medicine with Data Assets	●
Value of UC		N/A		N/A	