

## UNIVERSITY OF CALIFORNIA SUPPLEMENTAL BUDGET REQUEST

The University of California is deeply grateful for the agreement among the State’s leaders to fully restore UC’s base budget starting July 1, 2021. Restoring over \$300 million from prior year cuts means campuses can continue to avoid drastic layoffs, preserve student services, and support other campus operations. In addition, UC appreciates and supports the Governor’s Budget Introduction that proposes \$136.3 million in new ongoing and \$225 million in one-time funding for UC. We continue to request the approval of these funds.

The UC Regents’ 2021-22 Budget Plan from November 2020 requested \$518.3 million in new ongoing funds from the State. In addition, the UC Regents recently approved a supplemental budget request to the State. The supplemental request includes both operations and capital outlay funding totaling \$1.7 billion in both ongoing and one-time funds.

### ADDITIONAL REQUEST FOR ONGOING OPERATIONS FUNDING: \$225.6 MILLION

**Salary adjustment for retention, recruitment, and equity: \$98.4 million.** The University is requesting \$98.4 million for a 2021-22 salary adjustment plan of 3.0 percent increase for all policy-covered faculty and staff. All non-policy covered staff received salary increases in 2020-21 and are scheduled to receive additional salary increases in 2021-22 through the contracts that cover represented service unit classifications. The salary adjustment is proposed to alleviate challenges related to faculty and staff recruitment, retention, and equity. The incremental cost of the plan is estimated to be \$98.4 million, including \$85.6 million in salary expense and \$12.8 million for additional employer contributions to the UC Retirement System.

**Student support programs for disadvantaged populations: \$43 million.** The University is requesting \$43 million for student support programs, including \$23 million for Student Academic Preparation and Educational Partnerships (SAPEP) and \$20 million to specifically support undocumented students, foster youth, and students impacted by incarceration. The SAPEP programs are well positioned to help mitigate some of the academic challenges that the COVID-19 pandemic has created or exacerbated for K-12 students from disadvantaged and underrepresented backgrounds. The funds for helping disadvantaged student populations are for those who have overcome tremendous obstacles in pursuing their educational goals but still face unique challenges.

**Regents November 2020 budget plan: \$84.2 million.** In addition, the University has \$84.2 million in budget requests from the November 2020 Regents budget plan that were not included previously in the Governor’s January Budget Introduction or the Governor’s budget agreement with the Legislature. This amount includes \$30.4 million for closing graduation equity gaps and \$53.8 million in additional funds for sustaining core campus operations.

## ADDITIONAL REQUEST FOR ONE-TIME OPERATIONS FUNDING: \$30 MILLION

**Telehealth investments to expand student mental health: \$10 million.** During the COVID-19 pandemic, telehealth has proven to be a popular and effective strategy for delivering student mental health services. The University requests \$10 million in State support to help fill existing gaps in campuses' capabilities and expand service hours.

**Support for technology and pedagogy for on-line instruction: \$13 million.** High-quality on-line instruction can be a desirable and successful complement to in-person instruction when provided with planning and the appropriate technology. To further improve the efficacy and expansion of on-line instruction, the University requests \$13 million for instructional technology, support for faculty with course design and development, and training.

**Repatriation of tribal remains: \$7 million.** The University requests \$7 million in one-time State funds to provide critical support to advance and accelerate activities related to the repatriation of tribal remains on all of our campuses. The funding would support the proper curation and inventory of materials and engagement with tribal governments.

## ADDITIONAL REQUEST FOR ONE-TIME CAPITAL OUTLAY: \$1.47 BILLION

The University's capital outlay investments intend to improve the seismic safety of campus buildings, address critical deferred maintenance needs, increase energy efficiency, and provide local employment. In light of increased State revenues, the passage of the American Rescue Plan Act, and the consideration of a federal infrastructure bill, the University requests the Governor and Legislature for additional State support for high-priority capital and infrastructure projects. The total request for capital outlay funding is \$1.47 billion. Of this amount, \$250 million would be for critical deferred maintenance and the remaining \$1.22 billion would be for seismic life safety and other high-priority capital and infrastructure projects. These funds will move these projects from concept to shovel-ready and provide much needed local employment opportunities.

## POLICY REQUESTS

### **UCOP Line Item**

In 2017, the California State Auditor (CSA) recommended that the Legislature should annually appropriate an amount directly to the University of California Office of the President (UCOP). Each year thereafter, the UCOP State General Fund line item has been held flat or decreased. UCOP has taken steps to implement the CSA's recommendations related to increasing budget transparency and providing reserve funding to campuses. All 10 Chancellors have requested moving back to the prior funding model in which UCOP was funded through a campus assessment. The Regents, therefore, request that the Legislature eliminate the UCOP line item, provide the State General Fund to the campuses, and allow UCOP to again be funded through a campus assessment.