

**UNIVERSITY OF CALIFORNIA
OFFICE OF THE PRESIDENT
FISCAL YEAR 2010-11 APPROPRIATIONS**

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FISCAL YEAR 2010-11 APPROPRIATIONS**

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BUDGET AT A GLANCE

**University of California Office of the President
FY 2010-11 Appropriations Proposal**

Roll-up UCOP									ADJUSTMENTS against FY 2009-10 Budget to derive FY 2010-11 Budget			
Salary & Benefits by Functional Unit	REVISED FY 2009-10 Budget After Mid Year Reductions				PROPOSED FY 2010-11 Budget							
	FTE	Unrestricted	Restricted	Total Costs	FTE	Unrestricted	Restricted	Total Costs	FTE	Unrestricted	Restricted	Total Costs
1 Core Administration	836.27	\$ 50,974,690	\$ 39,462,527	\$ 90,437,217	843.35	\$ 52,305,911	\$ 44,003,173	\$ 96,309,084	7.08	\$ 1,331,220	\$ 4,540,646	\$ 5,871,866
2 Academic Affairs Programs	473.93	\$ 17,485,322	\$ 21,901,195	\$ 39,386,517	442.00	\$ 17,318,260	\$ 21,852,027	\$ 39,170,287	-31.93	\$ (167,062)	\$ (49,168)	\$ (216,230)
3 Regents' Direct Reports	179.70	\$ 14,076,699	\$ 15,372,307	\$ 29,449,006	184.50	\$ 9,086,530	\$ 22,229,202	\$ 31,315,732	4.80	\$ (4,990,169)	\$ 6,856,895	\$ 1,866,726
4 Academic Senate	10.00	\$ 760,726	\$ -	\$ 760,726	10.00	\$ 803,270	\$ -	\$ 803,270	0.00	\$ 42,544	\$ -	\$ 42,544
Subtotal	1,499.90	\$ 83,297,437	\$ 76,736,029	\$ 160,033,466	1,479.85	\$ 79,513,971	\$ 88,084,402	\$ 167,598,373	-20.05	\$ (3,783,466)	\$ 11,348,373	\$ 7,564,907
Operating Expenses & Support Costs												
1 Consultants & Professional Services		\$ 6,258,619	\$ 17,034,264	\$ 23,292,883		\$ 5,958,044	\$ 19,587,408	\$ 25,545,452				
2 Meetings & Related Costs		\$ 2,474,062	\$ 1,486,074	\$ 3,960,136		\$ 1,900,440	\$ 1,341,364	\$ 3,241,804				
3 Legal Costs		\$ 701,600	\$ 29,333,476	\$ 30,035,076		\$ 1,482,229	\$ 28,501,721	\$ 29,983,950				
4 Travel Related		\$ 2,285,154	\$ 2,935,752	\$ 5,220,906		\$ 2,108,495	\$ 2,666,616	\$ 4,775,111				
5 Utilities & Space Facilities Rental/Lease		\$ 3,015,075	\$ 6,459,114	\$ 9,474,189		\$ 2,070,130	\$ 5,885,468	\$ 7,955,598				
6 Computer, Office Equip/Supplies/Svc Maint		\$ 7,600,157	\$ 14,129,163	\$ 21,729,320		\$ 9,554,134	\$ 21,287,809	\$ 30,841,943				
7 Outside Services & Experts		\$ 10,920,110	\$ 16,363,772	\$ 27,283,882		\$ 11,381,276	\$ 10,757,389	\$ 22,138,665				
8 Other Office		\$ 5,339,330	\$ 9,518,400	\$ 14,857,730		\$ 3,413,130	\$ 12,303,957	\$ 15,717,087				
Grant Flowthrough to non-UC		\$ 861,176	\$ 30,657,748	\$ 31,518,924		\$ 861,176	\$ 28,931,863	\$ 29,793,039				
Subcontracts and agreements		\$ -	\$ 10,194,001	\$ 10,194,001		\$ -	\$ 8,446,991	\$ 8,446,991				
Scholarships		\$ -	\$ 716,000	\$ 716,000		\$ -	\$ 830,274	\$ 830,274				
Royalties (UC Press)		\$ -	\$ 2,730,500	\$ 2,730,500		\$ -	\$ 3,260,000	\$ 3,260,000				
Book Collection (CDL)		\$ 5,949,138	\$ -	\$ 5,949,138		\$ 5,101,212	\$ 1,000,000	\$ 6,101,212				
Cost of Sales (UC Press)		\$ -	\$ 7,236,500	\$ 7,236,500		\$ -	\$ 6,840,000	\$ 6,840,000				
Int'l Office Academic/Instructional/Admin Exp		\$ 7,791,862	\$ 4,468,979	\$ 12,260,841		\$ 5,611,112	\$ 6,092,446	\$ 11,703,558				
Reciprocity Support for Campuses		\$ -	\$ 2,265,149	\$ 2,265,149		\$ -	\$ 2,265,149	\$ 2,265,149				
UCSF HR Affiliation Agreement		\$ 948,008	\$ 1,482,782	\$ 2,430,790		\$ 532,005	\$ 1,482,782	\$ 2,014,787				
Less Mid-Year Reductions		\$ (4,202,981)	\$ -	\$ (4,202,981)		\$ -	\$ -	\$ -				
Subtotal		\$ 49,941,310	\$ 157,011,674	\$ 206,952,984		\$ 49,973,383	\$ 161,481,237	\$ 211,454,620		\$ 32,073	\$ 4,469,563	\$ 4,501,636
Personnel & Operating Costs Before Recharges		\$ 133,238,747	\$ 233,747,703	\$ 366,986,450		\$ 129,487,354	\$ 249,565,639	\$ 379,052,993		\$ (3,751,393)	\$ 15,817,936	\$ 12,066,543
Recharges												
Recharges-External		\$ -	\$ (25,305,101)	\$ (25,305,101)		\$ (85,000)	\$ (37,117,873)	\$ (37,202,873)		\$ (85,000)	\$ (11,812,772)	\$ (11,897,772)
Recharges-UCOP		\$ -	\$ (23,188,278)	\$ (23,188,278)		\$ -	\$ (23,592,497)	\$ (23,592,497)		\$ -	\$ (404,219)	\$ (404,219)
Subtotal		\$ -	\$ (48,493,379)	\$ (48,493,379)		\$ (85,000)	\$ (60,710,370)	\$ (60,795,370)		\$ (85,000)	\$ (12,216,991)	\$ (12,301,991)
Personnel & Operating Costs Net of Recharges		\$ 133,238,747	\$ 185,254,324	\$ 318,493,071		\$ 129,402,354	\$ 188,855,269	\$ 318,257,623		\$ (3,836,393)	\$ 3,600,945	\$ (235,448)
Program Costs & Fund Flowthru												
Core Administration		\$ 900,000	\$ 8,321,298	\$ 9,221,298		\$ 1,005,861	\$ 9,094,728	\$ 10,100,589		\$ 105,861	\$ 773,430	\$ 879,291
Academic Affairs Programs		\$ 36,092,944	\$ 50,500,334	\$ 86,593,278		\$ 39,695,224	\$ 69,748,829	\$ 109,444,053		\$ 3,602,280	\$ 19,248,495	\$ 22,850,775
Regents' Direct Reports		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Academic Senate		\$ 686,763	\$ -	\$ 686,763		\$ 686,763	\$ -	\$ 686,763		\$ -	\$ -	\$ -
Subtotal		\$ 37,679,707	\$ 58,821,632	\$ 96,501,339		\$ 41,387,848	\$ 78,843,557	\$ 120,231,405		\$ 3,708,141	\$ 20,021,925	\$ 23,730,066
Less Mid-Year SAPEP Reductions		\$ -	\$ (1,011,559)	\$ (1,011,559)		\$ -	\$ -	\$ -		\$ -	\$ 1,011,559	\$ 1,011,559
Grand Total	1,499.90	\$ 170,918,454	\$ 243,064,397	\$ 413,982,851	1,479.85	\$ 170,790,202	\$ 267,698,826	\$ 438,489,028	-20.05	\$ (128,252)	\$ 24,634,429	\$ 24,506,177

Core Administration

Business Operations

Chief Financial Officer/Financial Management

External Relations

Health Sciences & Services

Laboratory Management

Academic Affairs Administration

President's Immediate Office

Policy and Analysis

**University of California Office of the President
FY 2010-11 Appropriations Proposal**

CONSOLIDATION: Core Administration													
Salary & Benefits by Functional Unit	REVISED FY 2009-10 Budget After Mid Year Reductions				PROPOSED FY 2010-11 Budget				ADJUSTMENTS against FY 2009-10 Budget to derive FY 2010-11 Budget				
	FTE	Unrestricted	Restricted	Total Costs	FTE	Unrestricted	Restricted	Total Costs	FTE	Unrestricted	Restricted	Total Costs	
1 Business Operations	410.50	\$ 19,851,032	\$ 21,098,009	\$ 40,949,041	420.50	\$ 20,649,095	\$ 24,101,928	\$ 44,751,023	10.00	\$ 798,063	\$ 3,003,919	\$ 3,801,982	
2 CFO / Financial Management	147.85	\$ 4,153,633	\$ 9,907,724	\$ 14,061,357	147.85	\$ 4,159,453	\$ 10,490,590	\$ 14,650,043	0.00	\$ 5,820	\$ 582,866	\$ 588,686	
3 External Relations	59.00	\$ 6,579,421	\$ 1,025,621	\$ 7,605,042	58.00	\$ 6,906,669	\$ 1,075,979	\$ 7,982,648	-1.00	\$ 327,248	\$ 50,358	\$ 377,606	
4 Health & Science Services	20.00	\$ 2,354,606	\$ 484,432	\$ 2,839,038	21.00	\$ 2,456,908	\$ 633,487	\$ 3,090,395	1.00	\$ 102,302	\$ 149,055	\$ 251,357	
5 Laboratory Management	13.00	\$ -	\$ 3,015,976	\$ 3,015,976	12.33	\$ -	\$ 2,872,895	\$ 2,872,895	-0.67	\$ -	\$ (143,081)	\$ (143,081)	
6 Academic Affairs Administration	148.92	\$ 12,780,151	\$ 3,930,765	\$ 16,710,916	146.67	\$ 12,864,981	\$ 4,572,995	\$ 17,437,976	-2.25	\$ 84,829	\$ 642,230	\$ 727,059	
7 President's Executive Office	12.00	\$ 2,058,820	\$ -	\$ 2,058,820	12.00	\$ 1,969,632	\$ 186,962	\$ 2,156,594	0.00	\$ (89,188)	\$ 186,962	\$ 97,774	
8 Policy and Analysis	25.00	\$ 3,197,027	\$ -	\$ 3,197,027	25.00	\$ 3,299,173	\$ 68,337	\$ 3,367,510	0.00	\$ 102,146	\$ 68,337	\$ 170,483	
Subtotal	836.27	\$ 50,974,690	\$ 39,462,527	\$ 90,437,217	843.35	\$ 52,305,911	\$ 44,003,173	\$ 96,309,084	7.08	\$ 1,331,220	\$ 4,540,646	\$ 5,871,866	
Operating Expenses & Support Costs													
1 Consultants & Professional Services		\$ 4,485,735	\$ 12,955,106	\$ 17,440,841		\$ 4,443,537	\$ 12,900,188	\$ 17,343,725					
2 Meetings & Related Costs		\$ 822,369	\$ 502,658	\$ 1,325,027		\$ 664,951	\$ 281,431	\$ 946,382					
3 Legal Costs		\$ 520,475	\$ 1,089,111	\$ 1,609,586		\$ 1,308,793	\$ 327,473	\$ 1,636,266					
4 Travel Related		\$ 1,153,824	\$ 833,847	\$ 1,987,671		\$ 1,115,287	\$ 640,027	\$ 1,755,314					
5 Utilities & Space Facilities Rental/Lease		\$ 1,380,860	\$ 3,064,513	\$ 4,445,373		\$ 268,433	\$ 2,303,528	\$ 2,571,961					
6 Computer, Office Equip/Supplies/Svc Maint		\$ 3,826,889	\$ 11,867,746	\$ 15,694,635		\$ 6,185,004	\$ 19,214,216	\$ 25,399,220					
7 Other Services		\$ 9,748,273	\$ 6,002,440	\$ 15,750,713		\$ 9,971,420	\$ 5,938,417	\$ 15,909,837					
8 Other Office		\$ 3,271,812	\$ 5,986,788	\$ 9,258,600		\$ 1,749,690	\$ 6,994,212	\$ 8,743,902					
UCSF HR Affiliation Agreement		\$ 948,008	\$ 1,482,782	\$ 2,430,790		\$ 532,005	\$ 1,482,782	\$ 2,014,787					
Less Mid-Year Reductions		\$ (2,700,691)	\$ -	\$ (2,700,691)		\$ -	\$ -	\$ -					
Subtotal		\$ 23,457,554	\$ 43,784,991	\$ 67,242,545		\$ 26,239,120	\$ 50,082,274	\$ 76,321,394		\$ 2,781,566	\$ 6,297,283	\$ 9,078,849	
Personnel & Operating Costs Before Recharges		\$ 74,432,244	\$ 83,247,518	\$ 157,679,762		\$ 78,545,031	\$ 94,085,447	\$ 172,630,478		\$ 4,112,787	\$ 10,837,929	\$ 14,950,716	
Recharges													
Recharges-External		\$ -	\$ (7,297,774)	\$ (7,297,774)		\$ (85,000)	\$ (8,276,318)	\$ (8,361,318)		\$ (85,000)	\$ (978,544)	\$ (1,063,544)	
Recharges-UCOP		\$ -	\$ (12,933,989)	\$ (12,933,989)		\$ -	\$ (13,130,453)	\$ (13,130,453)		\$ -	\$ (196,464)	\$ (196,464)	
Subtotal		\$ -	\$ (20,231,763)	\$ (20,231,763)		\$ (85,000)	\$ (21,406,771)	\$ (21,491,771)		\$ (85,000)	\$ (1,175,008)	\$ (1,260,008)	
Personnel & Operating Costs Net of Recharges		\$ 74,432,244	\$ 63,015,755	\$ 137,447,999		\$ 78,460,031	\$ 72,678,676	\$ 151,138,707		\$ 4,027,787	\$ 9,662,921	\$ 13,690,708	
Program Costs & Fund Flowthru													
Consolidated		\$ 900,000	\$ 8,321,298	\$ 9,221,298		\$ 1,005,861	\$ 9,094,728	\$ 10,100,589		\$ 105,861	\$ 773,430	\$ 879,291	
Subtotal		\$ 900,000	\$ 8,321,298	\$ 9,221,298		\$ 1,005,861	\$ 9,094,728	\$ 10,100,589		\$ 105,861	\$ 773,430	\$ 879,291	
Grand Total	836.27	\$ 75,332,244	\$ 71,337,053	\$ 146,669,297	843.35	\$ 79,465,892	\$ 81,773,404	\$ 161,239,296	7.08	\$ 4,133,648	\$ 10,436,351	\$ 14,569,999	

BUSINESS OPERATIONS

Immediate Office

Budget & Capital Resources

Human Resources & Benefits

Information Resources & Communications

The narratives are summaries addressing major highlights of the budget, including significant increases and decreases, major initiatives, and external drivers of cost. Due to the size and complexity of the budget, narratives do not convey all changes in the department budget. For full budget details, see the table that follows each narrative.

Business Operations Division

Nathan Brostrom, Executive Vice President

The Division of Business Operations is responsible for policy development and oversight of the University's budget, business and organizational operations. Functions include those within the Immediate Office; systemwide budgeting in Budget & Capital Resources; budgeting for the Office of the President; Human Resources; Institutional Advancement, and Informational Resources & Communications.

Operational Impacts of 2009-10 Budget Reductions:

For FY 2009-10, the Division implemented a permanent mid-year budget reduction against unrestricted funds of \$2.4 million including \$822,000 in personnel expense (8 FTE) and \$1.6 million in operating and support costs. In addition, the Division will achieve approximately \$785,000 in temporary savings.

Significant Budget Changes and Proposals for 2010-11 Budget

For FY 2010-11, the Division of Business Operations proposes to increase its base budget by \$11.4 million or 14.6%. Most of the overall increase is attributable to investment in new technology applications within Information Resources & Communications and of which \$9.1 million represents temporary funding. As narrated below and later in this section, there are also increases in Human Resources to cover the costs of the Retirement Administration Service Center; and in the Design and Construction unit within Budget & Capital Resources. At the division level, increases include additional unrestricted funds of \$3.3 million and additional restricted funds of \$8.1 million.

Business Operations Immediate Office

For FY 2010-11, the Immediate Office of Business Operations has increased its overall budget by \$129,000. This amount is the net of a \$529,000 decrease in unrestricted funds and a \$658,000 increase in restricted funds, due to the shifting of personnel from unrestricted funds to restricted funds.

Budget and Capital Resources

For FY 2010-11, Budget and Capital Resources has increased its overall budget by \$430,000. This amount is the net of a \$585,000 increase in unrestricted funds and a \$155,000 decrease in restricted funds. The increase in unrestricted funds is mostly attributable to the addition of 3 new positions in Design and Construction. The decrease in restricted funds was applied to operating and support costs.

Human Resources

The Office of Human Resources has increased its base budget by \$2.9 million. This represents increases of \$654 thousand in unrestricted funds and \$2.3 million in restricted funds. The increase in restricted funds is partially attributable to 3 additional positions in the Retirement Administration Service Center, and partially attributable to a substantial increase in the fees paid to Fidelity Investments, UC's retirement savings program administrator. The increase in unrestricted funds is attributable to the realignment of the budget for outside legal costs (a shift from restricted to unrestricted). The Systemwide Budget Office provides funding in the form of General Funds to offset outside legal costs incurred by the Office of Human Resources.

Information Resources and Communications

IR&C has increased its overall budget by \$7.9 million. Of this amount, \$2.6 million represents unrestricted funds and \$5.3 million represents restricted funds. Almost all of the increase may be attributed to investment in technology including campus mainframe consolidations, campus collaborations such as revamping the payroll interface, Shared Research Computing Services supporting UC researchers, rewriting the undergraduate application system, and developing a Decision Support System for Institutional Research.

Potential Impacts of Contingency Reductions

The impacts of contingency reductions are reflected in the departmental narratives and are not summarized at the Division level.

**University of California Office of the President
FY 2010-11 Appropriations Proposal**

DIVISION: Business Operations													
Salary & Benefits by Functional Unit	REVISED FY 2009-10 Budget After Mid Year Reductions				PROPOSED FY 2010-11 Budget				ADJUSTMENTS against FY 2009-10 Budget to derive FY 2010-11 Budget				
	FTE	Unrestricted	Restricted	Total Costs	FTE	Unrestricted	Restricted	Total Costs	FTE	Unrestricted	Restricted	Total Costs	
1 Business Operations Immediate Office	46.50	\$ 4,412,010	\$ 530,782	\$ 4,942,792	48.50	\$ 4,068,642	\$ 1,375,999	\$ 5,444,641	2.00	\$ (343,368)	\$ 845,217	\$ 501,849	
2 Budget and Capital Resources	51.00	\$ 4,821,984	\$ 823,974	\$ 5,645,958	53.00	\$ 5,404,330	\$ 854,090	\$ 6,258,420	2.00	\$ 582,346	\$ 30,116	\$ 612,462	
3 Human Resources and Benefits	166.00	\$ 3,409,885	\$ 12,288,072	\$ 15,697,957	170.00	\$ 3,585,876	\$ 13,522,403	\$ 17,108,279	4.00	\$ 175,991	\$ 1,234,331	\$ 1,410,322	
4 Information Resources and Communications	147.00	\$ 7,207,153	\$ 7,455,181	\$ 14,662,334	149.00	\$ 7,590,247	\$ 8,349,436	\$ 15,939,683	2.00	\$ 383,094	\$ 894,255	\$ 1,277,349	
Subtotal	410.50	\$ 19,851,032	\$ 21,098,009	\$ 40,949,041	420.50	\$ 20,649,095	\$ 24,101,928	\$ 44,751,023	10.00	\$ 798,063	\$ 3,003,919	\$ 3,801,982	
Operating Expenses & Support Costs													
1 Consultants & Professional Services		\$ 2,348,321	\$ 11,387,528	\$ 13,735,849		\$ 2,985,444	\$ 11,036,210	\$ 14,021,654					
2 Meetings & Related Costs		\$ 120,076	\$ 306,619	\$ 426,695		\$ 157,514	\$ 62,395	\$ 219,909					
3 Legal Costs		\$ 387,161	\$ 1,076,611	\$ 1,463,772		\$ 1,114,046	\$ 290,907	\$ 1,404,953					
4 Travel Related		\$ 224,834	\$ 342,044	\$ 566,878		\$ 357,184	\$ 146,075	\$ 503,259					
5 Utilities & Space Facilities Rental/Lease		\$ 1,224,241	\$ 2,633,388	\$ 3,857,629		\$ 138,203	\$ 1,982,833	\$ 2,121,036					
6 Computer, Office Equip/Supplies/Svc Maint		\$ 3,312,053	\$ 11,034,675	\$ 14,346,728		\$ 5,279,216	\$ 18,482,348	\$ 23,761,564					
7 Outside Services & Experts		\$ 119,135	\$ 3,457,808	\$ 3,576,943		\$ 161,990	\$ 3,343,967	\$ 3,505,957					
8 Other Office		\$ 1,269,423	\$ 3,922,749	\$ 5,192,172		\$ 231,822	\$ 5,331,806	\$ 5,563,628					
S&E related to Institutional Adv (transf from ER)		\$ 63,351	\$ -	\$ 63,351		\$ -	\$ -	\$ -					
S&E related to Mail Svcs (transfer from FA)		\$ 12,628	\$ 145,674	\$ 158,302		\$ -	\$ -	\$ -					
S&E related to Bldg Svcs (transfer from FA)		\$ 32,049	\$ 303,090	\$ 335,139		\$ -	\$ -	\$ -					
UCSF HR Affiliation Agreement		\$ 948,008	\$ 1,482,782	\$ 2,430,790		\$ 532,005	\$ 1,482,782	\$ 2,014,787					
Less Mid-Year Reductions		\$ (1,618,899)	\$ -	\$ (1,618,899)		\$ -	\$ -	\$ -					
Subtotal		\$ 8,442,381	\$ 36,092,968	\$ 44,535,349		\$ 10,957,424	\$ 42,159,323	\$ 53,116,747		\$ 2,515,043	\$ 6,066,355	\$ 8,581,398	
Personnel & Operating Costs Before Recharges		\$ 28,293,413	\$ 57,190,977	\$ 85,484,390		\$ 31,606,519	\$ 66,261,251	\$ 97,867,770		\$ 3,313,106	\$ 9,070,274	\$ 12,383,380	
Recharges													
Recharges-External		\$ -	\$ (3,875,000)	\$ (3,875,000)		\$ -	\$ (4,672,802)	\$ (4,672,802)		\$ -	\$ (797,802)	\$ (797,802)	
Recharges-UCOP		\$ -	\$ (12,778,989)	\$ (12,778,989)		\$ -	\$ (12,975,453)	\$ (12,975,453)		\$ -	\$ (196,464)	\$ (196,464)	
Subtotal		\$ -	\$ (16,653,989)	\$ (16,653,989)		\$ -	\$ (17,648,255)	\$ (17,648,255)		\$ -	\$ (994,266)	\$ (994,266)	
Personnel & Operating Costs Net of Recharges		\$ 28,293,413	\$ 40,536,988	\$ 68,830,401		\$ 31,606,519	\$ 48,612,996	\$ 80,219,515		\$ 3,313,106	\$ 8,076,008	\$ 11,389,114	
Program Costs & Fund Flowthru													
Consolidated		\$ -	\$ 5,942,978	\$ 5,942,978		\$ -	\$ 5,942,978	\$ 5,942,978		\$ -	\$ -	\$ -	
Subtotal		\$ -	\$ 5,942,978	\$ 5,942,978		\$ -	\$ 5,942,978	\$ 5,942,978		\$ -	\$ -	\$ -	
Grand Total	410.50	\$ 28,293,413	\$ 46,479,966	\$ 74,773,379	420.50	\$ 31,606,519	\$ 54,555,974	\$ 86,162,493	10.00	\$ 3,313,106	\$ 8,076,008	\$ 11,389,114	

Business Operations – Immediate Office ***Michael Reese, Associate Vice President***

Mission & Functions

The ***Business Operations*** division is responsible for the development and implementation of prudent control practices and recognized management techniques and establishment of division goals and guiding principles. Oversight and policy development is provided for all University business functions, including Systemwide Budget, Human Resources and Benefits, Facilities Administration, Financial Management, and Information Resources and Communication.

- Provide management oversight, leadership, direction and coordination of the activities carried out by the departments directly reporting to the Executive Vice President for Business Operations.
- Develop, coordinate and advocate for the UC Systemwide budget in consultation with The Regents, the President, the Provost, the Academic Senate, and the campuses and allocate the resources to the campuses, both operating and capital, on an annual basis.
- Provide management oversight for the Office of the President through implementation of prudent control practices, recognized management techniques, and effective policy development and oversight.
- Initiate new business projects and practices at the Office of the President and in coordination with the campuses to ensure that UC resources are utilized as efficiently and effectively as possible.
- Oversee the development and implementation of Regental and Presidential policies in all areas of the UC business functions to ensure effective and efficient processes for the activities of the University, including human resources policies, business and financial management policies, and information technology policies.
- Develop and administer a budget process for the Office of the President that provides a clear understanding of available fund sources and expenditures.
- Work with the Administrative Vice Chancellors and Budget Officers to establish a funding mechanism to support the technology needs of the University.
- Provide systemwide coordination of critical safety, security and information technology issues.
- In FY 2008-09, acquired oversight of Institutional Advancement (IA). IA develops and interprets fundraising and support group policies; and provides services to the campuses in approving campus gift actions as well as assisting in structuring gift agreements and providing counsel related to virtually every aspect of large gift giving.

Operational Impacts of 2009-10 Budget Reductions:

The Immediate Office for Business Operations took a permanent FY 2009-10 mid-year budget reduction of \$249,852 including \$177,375 in Employee Expense (1.0 Executive Director) and \$72,477 in Operating and Support Costs. In addition, the Immediate Office will achieve approximately \$94,000 in temporary savings by transferring ½ of an Administrative Specialist to the Provost and keeping a vacant Mail Services Supervisor frozen through June 30, 2010.

Significant Budget Changes and Proposals for 2010-11 Budget

For FY 2010-11, the Immediate Office for Business Operations will reallocate 45% of the Executive Vice President for Business Operations and 35% of an Executive Secretary from unrestricted funds to restricted funds. For the EVP of Business Operations, salary distributions will include 10% to the Short Term Investment Pool Income Fund, 25% to the UCRS Fund, and 10% to the Employee Benefits Administration Fund. For the Executive Secretary, salary distributions will include 25% to the UCRS Fund, and 10% to the Employee Benefits Administration Fund. For each position, the remaining distribution will be divided between General and Common Funds. In addition the Immediate Office is adding a net of 1.5 positions to the FY 2010-11 Budget. These include a part-time Assistant to the Public Records Officer and an additional Budget Analyst for the UCOP Budget Office. The Budget Analyst will be funded 100% on the STIP Income Fund.

For FY 2010-11, the Mail Services Supervisor and a Security Officer have been eliminated. In addition, professional contract positions employed by Trane Inc. will be converted to UCOP employees. They will be employed as a Building Services Manager and a Building Services Supervisor. It is anticipated that these conversions will be more than offset by a corresponding decrease in Professional Services.

During FY 2009-10, the two Divisional Strategic Resources Coordination Teams, one in Business Operations and the other in Academic Affairs, were consolidated into a single unit under the Immediate Office for Business Operations. The FY 2010-11 budget contemplates 19.0 FTE, of which, 8.0 FTE will require new funding, pending approval of the Regents, estimated at approximately \$640,000 including benefits. They include 2 Coordinators (MSP 1), 2 Principal Administrative Analysts (PSS 5), and 4 Administrative Assistant III positions.

Potential Impacts of Contingency Reductions

For FY 2010-11, the Immediate Office for Business Operations has reduced unrestricted funds in excess of \$529,000. This amount exceeds the maximum 10% contingency

reduction of \$475,000 and thus the Immediate Office has not prepared any contingency reduction plans having already complied with largest anticipated contingency option.

**University of California Office of the President
FY 2010-11 Appropriations Proposal**

Department: Business Operations Immediate Office									ADJUSTMENTS against FY 2009-10 Budget to derive FY 2010-11 Budget			
Salary & Benefits by Functional Unit	REVISED FY 2009-10 Budget After Mid-Year Reductions				PROPOSED FY 2010-11 Budget							
	FTE	Unrestricted	Restricted	Total Costs	FTE	Unrestricted	Restricted	Total Costs	FTE	Unrestricted	Restricted	Total Costs
1 Immediate Office - EVP Business Operations ¹	4.50	\$ 1,012,821	\$ -	\$ 1,012,821	5.50	\$ 734,369	\$ 391,452	\$ 1,125,821	1.00	(278,452)	391,452	\$ 113,000
2 UCOP Budget Office ²	7.00	\$ 746,858	\$ -	\$ 746,858	8.00	\$ 766,481	\$ 137,593	\$ 904,074	1.00	19,623	137,593	\$ 157,216
3 Institutional Advancement	4.00	\$ -	\$ 456,674	\$ 456,674	4.00	\$ -	\$ 478,881	\$ 478,881	0.00	-	22,207	\$ 22,207
4 Project/Change Management Office ³	3.00	\$ 429,678	\$ -	\$ 429,678	3.00	\$ 418,019	\$ 32,552	\$ 450,571	0.00	(11,659)	32,552	\$ 20,893
5 Strategic Resource Coordination Team ⁴	19.00	\$ 1,616,444	\$ -	\$ 1,616,444	19.00	\$ 1,593,189	\$ 101,859	\$ 1,695,048	0.00	(23,255)	101,859	\$ 78,604
6 Mail Services ⁵	4.00	\$ 137,939	\$ 43,883	\$ 181,822	3.00	\$ 57,266	\$ 67,894	\$ 125,160	-1.00	(80,673)	24,011	\$ (56,662)
7 Building Services ⁶	5.00	\$ 468,270	\$ 30,225	\$ 498,495	6.00	\$ 499,318	\$ 165,768	\$ 665,086	1.00	31,048	135,543	\$ 166,591
Subtotal	46.50	\$ 4,412,010	\$ 530,782	\$ 4,942,792	48.50	\$ 4,068,642	\$ 1,375,999	\$ 5,444,641	2.00	\$ (343,368)	\$ 845,217	\$ 501,849
Operating Expenses & Support Costs												
1 Consultants & Professional Services		\$ 75,000	\$ 2,500	\$ 77,500		\$ 216,950	\$ 11,164	\$ 228,114				
2 Meetings & Related Costs		\$ 12,000	\$ 1,000	\$ 13,000		\$ 23,144	\$ 461	\$ 23,605				
3 Legal Costs		\$ -	\$ -	\$ -		\$ 1,794	\$ -	\$ 1,794				
4 Travel Related		\$ 21,000	\$ 15,000	\$ 36,000		\$ 15,004	\$ 103	\$ 15,107				
5 Utilities & Space Facilities Rental/Lease		\$ 300,000	\$ -	\$ 300,000		\$ 88,967	\$ 23,608	\$ 112,575				
6 Computer/Office Equip/Supplies/Svc Maint		\$ 10,000	\$ 10,000	\$ 20,000		\$ 33,422	\$ 105,649	\$ 139,071				
7 Outside Services & Experts		\$ -	\$ -	\$ -		\$ 30,421	\$ 117,223	\$ 147,644				
8 Other Office		\$ 173,778	\$ 25,000	\$ 198,778		\$ 31,577	\$ 253,906	\$ 285,483				
S&E related to Institutional Adv (transfer from ER)		\$ 63,351	\$ -	\$ 63,351		\$ -	\$ -	\$ -				
S&E related to Mail Svcs (transfer from FA)		\$ 12,628	\$ 145,674	\$ 158,302		\$ -	\$ -	\$ -				
S&E related to Bldg Svcs (transfer from FA)		\$ 32,049	\$ 303,090	\$ 335,139		\$ -	\$ -	\$ -				
Less Mid-Year Reductions		\$ (72,477)	\$ -	\$ (72,477)								
Subtotal		\$ 627,329	\$ 502,264	\$ 1,129,593		\$ 441,279	\$ 512,114	\$ 953,393		\$ (186,050)	\$ 9,850	\$ (176,200)
Personnel & Operating Costs Before Recharges		\$ 5,039,339	\$ 1,033,046	\$ 6,072,385		\$ 4,509,921	\$ 1,888,113	\$ 6,398,034		\$ (529,418)	\$ 855,067	\$ 325,649
Recharges												
Recharges-External		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Recharges-UCOP		\$ -	\$ (478,989)	\$ (478,989)		\$ -	\$ (675,453)	\$ (675,453)		\$ -	\$ (196,464)	\$ (196,464)
Subtotal		\$ -	\$ (478,989)	\$ (478,989)		\$ -	\$ (675,453)	\$ (675,453)		\$ -	\$ (196,464)	\$ (196,464)
Personnel & Operating Costs Net of Recharges		\$ 5,039,339	\$ 554,057	\$ 5,593,396		\$ 4,509,921	\$ 1,212,660	\$ 5,722,581		\$ (529,418)	\$ 658,603	\$ 129,185
Program Costs & Fund Flowthru												
Program Detail		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Subtotal		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Grand Total	46.50	\$ 5,039,339	\$ 554,057	\$ 5,593,396	48.50	\$ 4,509,921	\$ 1,212,660	\$ 5,722,581	2.00	\$ (529,418)	\$ 658,603	\$ 129,185

Budget and Capital Resources

Patrick Lenz – Vice President

Mission & Functions

Budget and Capital Resources supports and provides recommendations to the President and UC leadership regarding the effective allocation, utilization, and management of systemwide resources, and represents the University of California on all budget matters in the State capitol. The department:

- Promotes the allocation and stewardship of operating and capital resources in support of the University's mission, assuring compliance with standards and policies;
- Identifies opportunities and challenges through the proactive analysis of systemwide operating and capital resource management trends;
- Communicates and advocates for the University's resource needs;
- Develops strategic and operational initiatives that promote innovative, effective, and accountable management of systemwide resources;
- Develops and administers resource allocation methodologies in support of the strategic goals of the Regents and the campuses;
- Provides technical analysis, consultation, and administrative support for campus resource transactions; and
- Represents and advocates for the University's interests with agencies and entities that regulate capital resources.

Budget and Capital Resources (BCR) is comprised of the following units:

Capital Planning

The Capital Planning Unit manages the review and approval processes for the University's State and Non-State Capital Improvement Programs. It serves as a central point of contact for the State, the campuses, other units within the Office of the President, and the Regents on issues related to the development, coordination, justification and funding of capital improvement projects. The Unit provides feedback on the rationale of project proposals, identifies funding options, and ensures that projects comply with University policies and procedures in coordination with various units within the Office of the President. The Unit coordinates the University's annual budget request for State funding. Unit staff has primary responsibility for the coordination of capital related items that are presented to the Regents' Committees on Finance and Grounds and Buildings.

Design and Construction

The Design & Construction unit provides assistance and oversees University capital project design and construction delivery strategies, design professional selections, policy and technical support, contract administration, code and regulatory issues, and capital project evaluation for all ten UC campuses, medical centers, and other university facilities.

Facilities Management Services

In close collaboration with the Design and Construction and Physical and Environmental Planning units, the Facilities Management Services unit develops strategies and policies to support effective and efficient operation, maintenance, and renewal of the University of California's capital assets, and cost-effective energy utilization consistent with sustainability goals. The office serves the ten campuses and national laboratory, five medical centers, and the Division of Agriculture and Natural Resources in the following service areas: Agency Liaison, Industry Liaison, Deferred Maintenance, Energy, Facilities Renewal, Legislation, and Utilities.

Operating Budget

Supports the President in development, negotiation, and management of the University's operating budget, including analysis of budgetary needs, policies, and priorities; development of recommendations that help the Board of Regents fulfill its responsibilities in maintaining the public trust; development and implementation of methodologies for distributing resources among campuses, and assisting the Chancellors and other campus officers in addressing planning and budget issues.

Physical and Environmental Planning

The Physical and Environmental Planning unit provides guidance and reporting to the Regents on University land use and site planning, long range development plans, CEQA compliance, and environmental documents for all ten UC campuses, medical centers, and other university facilities.

Sustainability staff provide guidance for the preparation and implementation of the UC Policy on Sustainability Practices. The Policy contains sections on: Green Building Design, Building Renovation, Clean Energy, Climate Protection, Sustainable Transportation, Sustainable Operations, Recycling and Waste Management, Environmentally Preferable Purchasing, and Sustainable Food services.

Real Estate Services Group

The Real Estate Services Group (RESG) is responsible for policy and oversight of transactions and other activities pertaining to University-related real estate (i.e., real estate used in the University's mission).

RESG develops and oversees real estate policies; negotiates and documents purchases, sales and ground leases; supports campus leasing activities; performs due diligence; and provides consulting services, training, and documents and forms to serve its customers.

RESG is also responsible for accepting, managing and selling endowment real estate on behalf of The Regents and for consulting on real estate matters with the campus foundations.

Operational Impacts of 2009-10 Budget Reductions

BCR took a permanent FY 2009-10 mid-year budget reduction of \$98,208 in Operating and Support Costs. In an effort to further reduce spending against unrestricted funds, BCR shifted \$76,671 in Employee Expenses from General and Common Funds to Lottery Funds. Finally, BCR will achieve approximately \$406,000 in temporary savings by keeping three positions frozen through June 30, 2010.

With respect to the permanent reduction in Operating and Support Costs, the department:

- reduced the number of visits to campuses resulting in increased transaction times and additional business costs;
- delayed reclassifications (promotions) for veteran staff members who have taken on additional work at higher levels as a result of VSP departures and the UCOP hiring freeze;
- limited the number of large print jobs, including the number of printed Regent Budgets and copies of other high level presentations; and
- continued to disregard the recommended three year replacement cycle for desktop computers; instead the majority of staff are using computers that should have been replaced in 2008.

Significant Budget Changes and Proposals for 2010-11 Budget:

For FY 2010-11, the BCR proposes to add three additional positions to the Design and Construction unit. They include an Associate Director, a Manager, and a Specialist. Partial funding for these new positions will be provided internally through the elimination of a Senior Administrative Analyst. The net cost including benefits (@ 24%) is estimated at approximately \$325,000.

Potential Impacts of Contingency Reductions:

Additional permanent cuts in FY 2010-11, (at any level) would necessitate the further reduction of staff through layoffs. Department employees are spread very thin, with

limited - if any - overlap in knowledge, skills and experience. Most staff members have had to take on additional responsibilities in an effort to backfill workload associated with lost positions and do not have the capacity to take on more work. Likewise, additional cuts to the operating budget cannot be considered as these funds currently represent only 7% of our permanent budget.

Therefore, BCR plans to use temporary salary savings from the current year (excluding savings associated with the FY 2009-10 required vacancy rate), and salary savings expected to accrue in FY 2010-11 to meet the 5% reduction scenario. The 7% and 10% scenarios can be met with a combination of the 5% scenario plus the delayed hiring (March 2011) of staff to positions currently held vacant

**University of California Office of the President
FY 2010-11 Appropriations Proposal**

Department: Budget and Capital Resources									ADJUSTMENTS against FY 2009-10 Budget to derive FY 2010-11 Budget			
	REVISED FY 2009-10 Budget After Mid Year Reductions				PROPOSED FY 2010-11 Budget							
Salary & Benefits by Functional Unit	FTE	Unrestricted	Restricted	Total Costs	FTE	Unrestricted	Restricted	Total Costs	FTE	Unrestricted	Restricted	Total Costs
1 Senior Leadership/Strategic Planning/Operations	12.00	\$ 1,384,897	\$ 50,069	\$ 1,434,966	12.00	\$ 1,451,095	\$ 52,504	\$ 1,503,599	0.00	66,198	2,435	\$ 68,633
2 Operating Budget	8.00	\$ 750,713	\$ 72,890	\$ 823,603	8.00	\$ 787,214	\$ 76,434	\$ 863,648	0.00	36,501	3,544	\$ 40,045
3 State Capital Planning ¹	10.00	\$ 1,011,909	\$ 46,118	\$ 1,058,027	9.00	\$ 997,771	\$ 48,360	\$ 1,046,131	-1.00	(14,138)	2,242	\$ (11,896)
4 Non-State Capital Planning	3.00	\$ 120,667	\$ 152,508	\$ 273,175	3.00	\$ 126,535	\$ 149,974	\$ 276,509	0.00	5,868	(2,534)	\$ 3,334
5 Facilities Management Services	3.00	\$ 243,111	\$ 200,557	\$ 443,668	3.00	\$ 254,933	\$ 210,309	\$ 465,242	0.00	11,822	9,752	\$ 21,574
6 Design and Construction ²	3.00	\$ 294,166	\$ -	\$ 294,166	6.00	\$ 720,832	\$ -	\$ 720,832	3.00	426,666	-	\$ 426,666
7 Physical & Environmental Planning	5.00	\$ 372,599	\$ 68,436	\$ 441,035	5.00	\$ 390,717	\$ 71,764	\$ 462,481	0.00	18,118	3,328	\$ 21,446
8 Real Estate Services Group	7.00	\$ 643,922	\$ 233,396	\$ 877,318	7.00	\$ 675,233	\$ 244,745	\$ 919,978	0.00	31,311	11,349	\$ 42,660
Subtotal	51.00	\$ 4,821,984	\$ 823,974	\$ 5,645,958	53.00	\$ 5,404,330	\$ 854,090	\$ 6,258,420	2.00	\$ 582,346	\$ 30,116	\$ 612,462
Operating Expenses & Support Costs												
1 Consultants & Professional Services		\$ 283,348	\$ 164,855	\$ 448,203		\$ 221,597	\$ 38,678	\$ 260,275				
2 Meetings & Related Costs		\$ 25,202	\$ 3,865	\$ 29,067		\$ 24,720	\$ 907	\$ 25,627				
3 Legal Costs		\$ 1,384	\$ 169	\$ 1,553		\$ 1,100	\$ 40	\$ 1,140				
4 Travel Related		\$ 40,197	\$ 11,715	\$ 51,912		\$ 31,427	\$ 2,749	\$ 34,176				
5 Utilities & Space Facilities Rental/Lease		\$ 60,970	\$ 43,575	\$ 104,545		\$ 47,690	\$ 10,223	\$ 57,913				
6 Computer/Office Equip/Supplies/Svc Maint		\$ 26,990	\$ 9,783	\$ 36,773		\$ 21,095	\$ 2,295	\$ 23,390				
7 Outside Services & Experts		\$ 54,696	\$ 770	\$ 55,466		\$ 42,779	\$ 181	\$ 42,960				
8 Other Office		\$ 9,492	\$ 6,812	\$ 16,304		\$ 16,341	\$ 1,598	\$ 17,939				
Less Mid-Year Reductions		\$ (98,208)	\$ -	\$ (98,208)		\$ -	\$ -	\$ -				
Subtotal		\$ 404,071	\$ 241,544	\$ 645,615		\$ 406,749	\$ 56,671	\$ 463,420		\$ 2,678	\$ (184,873)	\$ (182,195)
Personnel & Operating Costs Before Recharges		\$ 5,226,055	\$ 1,065,518	\$ 6,291,573		\$ 5,811,079	\$ 910,761	\$ 6,721,840		\$ 585,024	\$ (154,757)	\$ 430,267
Recharges												
Recharges-External		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Recharges-UCOP		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Subtotal		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Personnel & Operating Costs Net of Recharges		\$ 5,226,055	\$ 1,065,518	\$ 6,291,573		\$ 5,811,079	\$ 910,761	\$ 6,721,840		\$ 585,024	\$ (154,757)	\$ 430,267
Program Costs & Fund Flowthru												
Program Detail		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Subtotal		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Grand Total	51.00	\$ 5,226,055	\$ 1,065,518	\$ 6,291,573	53.00	\$ 5,811,079	\$ 910,761	\$ 6,721,840	2.00	\$ 585,024	\$ (154,757)	\$ 430,267

Human Resources Department

Dwaine B. Duckett – Vice President of Human Resources

Mission & Functions

The ***Human Resources Department*** provides systemwide leadership of a progressive human resources system to build and sustain a diverse faculty and staff that will most effectively support the University of California's mission of teaching, research, and public service.

The systemwide Human Resources Department (HR) serves a mix of constituencies, both academic and staff, in an array of functions and activities. UC designs, plans and administers its own pension and medical plans, which consume about 80% of HR staffing, resources and funding. These programs are funded by health and welfare benefit funds and the retirement plan trust – funds that cannot be commingled with state and common funds for other purposes. State and common funds primarily support UCOP HR services, a large and legally mandated Labor Relations function, and critical HR functions including compensation, policy, senior management program administration, diversity and Affirmative Action/EEO oversight, employee relations, strategic planning and program design, and information systems support.

Operational Impacts of 2009-10 Budget Reductions

Human Resources implemented a permanent FY 2009-10 mid-year budget reduction of \$609,866 including \$189,266 in Employee Expenses and \$420,600 in Operating and Support Costs. In addition, HR will achieve approximately \$58,463 in temporary savings by keeping a vacant Programmer Analyst III frozen through June 30, 2010. Permanent reductions included eliminating four vacant positions and reducing expenditures in almost every area. Since unrestricted funds, though limited, comprise a significant portion of the funding for certain functions in the department, cuts in this area have a large impact on department operations and services. This is especially true in labor and employee relations, support of compensation programs (including Senior Management Group compensation programs) and information systems support.

Significant Budget Changes and Proposals for 2010-11 Budget

For FY 2010-11, the baseline budget is similar to the current budget for FY 2009-10. The major increase in restricted funds is due to a higher forecast of fees paid to Fidelity, UC's retirement savings program administrator. The contractual fees paid to Fidelity are usually offset to some degree when market performance is strong. When market performance is less robust, fees are offset to a lesser degree, resulting in higher net fees to UC. Restricted funding also increased due to an increase in FTE in the Retirement

Administration Service Center to bring staffing to a level approaching the optimal number needed to operate the Service Center as an ongoing operational unit.

The increase in unrestricted funds is primarily due to a change in the way outside legal fees are displayed in the budget. These fees are reimbursed by a special year end allocation from the Systemwide Budget Office. Finally, the staff, salaries and operating budget for HR Financial Services have been transferred from HR to Financial Management. This includes 16 FTE and approximately \$1.2 million in salaries and benefits, as well as \$381,600 in operating and support costs, all from restricted fund sources.

Potential Impacts of Contingency Reductions

In order to accomplish the unrestricted savings called for in the 5%, 7% and 10% scenarios, the HR Department will have to exercise increasingly careful management of resources.

5% Reduction

Reductions in UCSF Affiliation costs seem possible based on current savings projections. Additional savings will be required in outside consulting costs. This and other reductions would reduce the department's ability to respond to unexpected requests and expenses. Cuts from operating expenses in HR units will begin to limit many common funded activities in Compensation and Labor/Employee Relations, and further erode the ability to support key information systems and the Learning Management System, which delivers required systemwide training to faculty and staff.

7% Reduction

Increasing the reduction in UCSF Affiliation costs may be possible, and careful management of HR support services will be required. Larger cuts will be required in outside consulting costs. Higher cuts in operating costs of HR units will especially impact the Learning Management System and the department's ability to respond to Regents' priorities in Compensation and Labor/Employee Relations. The 7% reduction will also impact HR's ability to conduct professional development programs for UC management. Funding for the Business Officers' Institute (BOI) would be reduced. Finally, replacement of obsolete PC's will be adversely impacted, with resulting reductions in productivity.

10% Reduction

Due to the relatively low level of common funding in HR, and cuts already made in 2009-10, this scenario requires significant reduction in services in the areas of outside consulting, equipment replacement and unit operating expenses. Additional

cuts to funding for the UCSF Affiliation will reduce available services. The greatest burden will be felt in the department's ability to respond to important unplanned requests for information or action. This scenario could eliminate the flexibility to enhance the Learning Management System for new applications, and calls into question the ability to support the existing system. In addition, this will likely eliminate any professional development for UC leaders and others. BOI funding would not be available.

**University of California Office of the President
FY 2010-11 Appropriations Proposal**

Department: Human Resources												
	REVISED FY 2009-10 Budget After Mid Year Reductions				PROPOSED FY 2010-11 Budget				ADJUSTMENTS against FY 2009-10 Budget to derive FY 2010-11 Budget			
	FTE	Unrestricted	Restricted	Total Costs	FTE	Unrestricted	Restricted	Total Costs	FTE	Unrestricted	Restricted	Total Costs
Salary & Benefits by Functional Unit												
1 Immediate Office of the VP for HR	9.00	\$ 484,936	\$ 1,604,167	\$ 2,089,103	10.00	\$ 510,134	\$ 1,857,006	\$ 2,367,140	1.00	25,198	252,839	\$ 278,037
2 Talent Management and Staff Development	4.00	\$ 147,718	\$ 267,442	\$ 415,160	5.00	\$ 313,715	\$ 320,151	\$ 633,866	1.00	165,997	52,709	\$ 218,706
3 Benefits Programs and Strategy	31.00	\$ 401,665	\$ 2,291,362	\$ 2,693,027	33.00	\$ 359,890	\$ 2,774,116	\$ 3,134,006	2.00	(41,775)	482,754	\$ 440,979
4 Employee / Labor Relations & Policies	44.00	\$ 1,750,638	\$ 3,140,549	\$ 4,891,187	41.00	\$ 1,730,751	\$ 2,926,132	\$ 4,656,883	-3.00	(19,887)	(214,417)	\$ (234,304)
5 Compensation Programs and Strategy	7.00	\$ 624,928	\$ 156,232	\$ 781,160	7.00	\$ 671,386	\$ 167,846	\$ 839,232	0.00	46,458	11,614	\$ 58,072
6 Retirement Administration Service Center	71.00	\$ -	\$ 4,828,320	\$ 4,828,320	74.00	\$ -	\$ 5,477,152	\$ 5,477,152	3.00	-	648,832	\$ 648,832
7 HR Financial Services (transfer to CFO)	0.00	\$ -	\$ -	\$ -	0.00	\$ -	\$ -	\$ -	0.00	-	-	\$ -
Subtotal	166.00	\$ 3,409,885	\$ 12,288,072	\$ 15,697,957	170.00	\$ 3,585,876	\$ 13,522,403	\$ 17,108,279	4.00	\$ 175,991	\$ 1,234,331	\$ 1,410,322
Operating Expenses & Support Costs												
1 Consultants & Professional Services		\$ 1,003,149	\$ 7,894,900	\$ 8,898,049		\$ 1,602,950	\$ 8,656,425	\$ 10,259,375				
2 Meetings & Related Costs		\$ 78,005	\$ 287,147	\$ 365,152		\$ 106,901	\$ 59,991	\$ 166,892				
3 Legal Costs		\$ 385,777	\$ 1,076,442	\$ 1,462,219		\$ 1,111,152	\$ 290,867	\$ 1,402,019				
4 Travel Related		\$ 124,137	\$ 212,029	\$ 336,166		\$ 221,059	\$ 103,621	\$ 324,680				
5 Utilities & Space Facilities Rental/Lease		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -				
6 Computer, Office Equip/Supplies/Svc Maint		\$ 106,763	\$ 381,991	\$ 488,754		\$ 21,791	\$ 699,379	\$ 721,170				
7 Outside Services & Experts		\$ -	\$ 3,263,719	\$ 3,263,719		\$ 88,790	\$ 3,226,563	\$ 3,315,353				
8 Other Office		\$ 1,086,153	\$ 3,890,937	\$ 4,977,090		\$ 104,726	\$ 5,013,784	\$ 5,118,510				
UCSF HR Affiliation Agreement		\$ 948,008	\$ 1,482,782	\$ 2,430,790		\$ 532,005	\$ 1,482,782	\$ 2,014,787				
Less Mid-Year Reductions		\$ (420,600)	\$ -	\$ (420,600)		\$ -	\$ -	\$ -				
Subtotal		\$ 3,311,392	\$ 18,489,947	\$ 21,801,339		\$ 3,789,374	\$ 19,533,412	\$ 23,322,786		\$ 477,982	\$ 1,043,465	\$ 1,521,447
Personnel & Operating Costs Before Recharges		\$ 6,721,277	\$ 30,778,019	\$ 37,499,296		\$ 7,375,250	\$ 33,055,815	\$ 40,431,065		\$ 653,973	\$ 2,277,796	\$ 2,931,769
Recharges												
Recharges-External		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Recharges-UCOP		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Subtotal		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Personnel & Operating Costs Net of Recharges		\$ 6,721,277	\$ 30,778,019	\$ 37,499,296		\$ 7,375,250	\$ 33,055,815	\$ 40,431,065		\$ 653,973	\$ 2,277,796	\$ 2,931,769
Program Costs & Fund Flowthru												
Benefits Counseling \$2,770,169												
Health Care Facilitator \$1,625,000												
Vocational Rehabilitation \$1,119,507												
Staff Development \$428,302												
Subtotal		\$ -	\$ 5,942,978	\$ 5,942,978		\$ -	\$ 5,942,978	\$ 5,942,978		\$ -	\$ -	\$ -
		\$ -	\$ 5,942,978	\$ 5,942,978		\$ -	\$ 5,942,978	\$ 5,942,978		\$ -	\$ -	\$ -
Grand Total	166.00	\$ 6,721,277	\$ 36,720,997	\$ 43,442,274	170.00	\$ 7,375,250	\$ 38,998,793	\$ 46,374,043	4.00	\$ 653,973	\$ 2,277,796	\$ 2,931,769

Information Resources and Communications

David Ernst, Associate Vice President

Mission & Functions

Information Resources and Communications (IR&C) provides information technology services to the Office of the President, individual campuses, and University-wide constituencies. Its major functions include:

- Strategic systemwide IT planning, policy, analysis and governance
- Base payroll programming for all UC locations
- Payroll service provider for 7 UC campuses, Hastings and ASUCLA
- At Your Service Online (employee access to benefits & pay information)
- UC Retirement System (systemwide annuitant payments)
- Endowment & Investment Accounting System (manages UC endowments)
- Undergraduate Admissions and related applications (Pathways becoming applyUC)
- Effort Reporting System programming and service provider for 3 campuses
- Corporate Data (collects systemwide data for analysis and reporting)
- Records Management (archives key documents and correspondence)
- Systemwide software procurement in partnership with Strategic Sourcing
- Managing the contract with CENIC, advanced network provider for the UC system
- FCC Licensing (coordinates campus licensing on behalf of the Regents)
- Web Services (maintains UCOP web sites and develops applications)
- Technical Support for UCOP staff and departments
- IT infrastructure (data center) supporting the activities above plus the California Digital Library, other UCOP departmental applications, and a variety of campus systems

Operational Impacts of 2009-10 Budget Reductions

IR&C has reduced its unrestricted funds budget by about \$1.2 million or 10%, through a transfer of activities to restricted funding and the elimination of 2 net FTE. At the same time responsibilities have increased, as campuses and UCOP departments transfer legacy workloads to IR&C while asking for updated tools and technologies.

Significant Budget Changes and Proposals for 2010-11 Budget

IR&C's 2010-11 budget reflects the inclusion of \$7.9 million in temporary restricted funding for major IT initiatives including the applyUC project and the Shared Research

Computing Services pilot project, as well as ongoing activities with temporary restricted funding provided by Systemwide Budget; plus \$2.2 million in permanent unrestricted funding supporting research and library use of the CalREN high speed network. The applyUC project will save Student Affairs approximately \$2.3 million annually; mainframe consolidations will save campuses upwards of \$1.7 million annually; and the Shared Research Computing Services pilot is demonstrating a greener and lower-cost technology for academic computing needs across the system.

IR&C is aggressively leveraging technology and economies of scale to increase efficiency and decrease operational costs for other UCOP departments and campuses. Examples include:

- Campus mainframe consolidations: Santa Barbara and Irvine completed; Berkeley under way. Significant ongoing savings in UC's hardware, software, staffing and facility costs.
- Campus collaborations: IR&C works closely with CIOs, Controllers and others to find solutions to IT problems of mutual interest, including:
 - Developing guidance on outsourcing email
 - Revamping payroll interface based on success of the "web new hire" pilot
 - Accelerating the use of shared data center facilities at SDSC
 - Managing projects of the Information Technology Leadership Council
- Shared Research Computing Services: supporting UC researchers through scalable, cost-efficient, energy-saving computer clusters. Pilot project to be completed in FY 2010-11.
- Undergraduate admissions: rewriting the undergraduate applications system ("applyUC") to provide better functionality for Campus Admissions Offices while eliminating millions of dollars in annual payments to third-party data processors. New system will go live in FY 2010-11.
- Decision Support System: modernizing information systems utilized by University management and the new Institutional Research unit.

Potential Impacts of Contingency Reductions:

IR&C is working with the UCOP Budget Office on contingency reductions involving adoption of a recharge model for some UCOP-wide services currently supported by unrestricted funds.

**University of California Office of the President
FY 2010-11 Appropriations Proposal**

Department: Information Resources and Communications									ADJUSTMENTS against FY 2009-10 Budget to derive FY 2010-11 Budget			
	REVISED FY 2009-10 Budget After Mid Year Reductions				PROPOSED FY 2010-11 Budget							
Salary & Benefits by Functional Unit	FTE	Unrestricted	Restricted	Total Costs	FTE	Unrestricted	Restricted	Total Costs	FTE	Unrestricted	Restricted	Total Costs
1 Immediate Office of the Associate VP	9.00	\$ 1,156,972	\$ -	\$ 1,156,972	8.00	\$ 1,060,284	\$ 40,725	\$ 1,101,009	-1.00	(96,688)	40,725	\$ (55,963)
2 Records Mgmt	4.00	\$ 237,065	\$ -	\$ 237,065	4.00	\$ 242,703	\$ -	\$ 242,703	0.00	5,638	-	\$ 5,638
3 Application & Technology Support Services	7.00	\$ 958,869	\$ 145,465	\$ 1,104,334	5.00	\$ 779,450	\$ -	\$ 779,450	-2.00	(179,419)	(145,465)	\$ (324,884)
4 Technology Support Services	31.00	\$ 756,154	\$ 2,867,412	\$ 3,623,566	28.00	\$ 770,286	\$ 2,724,992	\$ 3,495,278	-3.00	14,132	(142,420)	\$ (128,288)
5 Data Center	18.00	\$ -	\$ 1,097,811	\$ 1,097,811	21.00	\$ -	\$ 1,569,918	\$ 1,569,918	3.00	-	472,107	\$ 472,107
6 Technology Service Desk	19.00	\$ 1,081,701	\$ 381,873	\$ 1,463,574	20.00	\$ 1,334,901	\$ 405,279	\$ 1,740,180	1.00	253,200	23,406	\$ 276,606
7 Web Development & Operational Systems	12.00	\$ 248,080	\$ 883,544	\$ 1,131,624	12.00	\$ 264,235	\$ 939,280	\$ 1,203,515	0.00	16,155	55,736	\$ 71,891
8 Data Warehouse & Corporate Systems	10.00	\$ 925,210	\$ 59,464	\$ 984,674	8.00	\$ 834,837	\$ 62,356	\$ 897,193	-2.00	(90,373)	2,892	\$ (87,481)
9 Undergraduate Admission	2.00	\$ -	\$ 184,315	\$ 184,315	3.00	\$ -	\$ 345,815	\$ 345,815	1.00	-	161,500	\$ 161,500
10 Employee Systems	7.00	\$ 190,431	\$ 638,112	\$ 828,543	5.00	\$ 37,217	\$ 627,786	\$ 665,003	-2.00	(153,214)	(10,326)	\$ (163,540)
11 Payroll/Personnel Services	16.00	\$ 1,652,671	\$ 49,646	\$ 1,702,317	17.00	\$ 1,765,164	\$ 184,430	\$ 1,949,594	1.00	112,493	134,784	\$ 247,277
12 UCRS Maintenance	4.00	\$ -	\$ 380,746	\$ 380,746	5.00	\$ -	\$ 528,202	\$ 528,202	1.00	-	147,456	\$ 147,456
13 Operational Campus Support	8.00	\$ -	\$ 766,793	\$ 766,793	10.00	\$ 130,385	\$ 920,653	\$ 1,051,038	2.00	130,385	153,860	\$ 284,245
14 Project Office	0.00	\$ -	\$ -	\$ -	3.00	\$ 370,785	\$ -	\$ 370,785	3.00	370,785	-	\$ 370,785
Subtotal	147.00	\$ 7,207,153	\$ 7,455,181	\$ 14,662,334	149.00	\$ 7,590,247	\$ 8,349,436	\$ 15,939,683	2.00	\$ 383,094	\$ 894,255	\$ 1,277,349
Operating Expenses & Support Costs												
1 Consultants & Professional Services		\$ 986,824	\$ 3,325,273	\$ 4,312,097		\$ 943,947	\$ 2,329,943	\$ 3,273,890				
2 Meetings & Related Costs		\$ 4,869	\$ 14,607	\$ 19,476		\$ 2,749	\$ 1,036	\$ 3,785				
3 Legal Costs		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -				
4 Travel Related		\$ 39,500	\$ 103,300	\$ 142,800		\$ 89,694	\$ 39,602	\$ 129,296				
5 Utilities & Space Facilities Rental/Lease		\$ 863,271	\$ 2,589,813	\$ 3,453,084		\$ 1,546	\$ 1,949,002	\$ 1,950,548				
* 6 Cal Ren/CENIC		\$ -	\$ -	\$ -		\$ 2,221,680	\$ 3,400,000	\$ 5,621,680				
* 7 Computer, Office Equip/Supplies/Svc Maint		\$ 3,168,300	\$ 10,632,901	\$ 13,801,201		\$ 2,981,228	\$ 14,275,025	\$ 17,256,253				
8 Outside Services and Experts		\$ 64,439	\$ 193,319	\$ 257,758		\$ -	\$ -	\$ -				
9 Other Services		\$ -	\$ -	\$ -		\$ 80,424	\$ 62,518	\$ 142,942				
10 Convert to Salaries+Benefits above		\$ -	\$ -	\$ -		\$ (1,246)	\$ -	\$ (1,246)				
Less Mid-Year Reductions		\$ (1,027,614)	\$ -	\$ (1,027,614)		\$ -	\$ -	\$ -				
Subtotal		\$ 4,099,589	\$ 16,859,213	\$ 20,958,802		\$ 6,320,022	\$ 22,057,126	\$ 28,377,148		\$ 2,220,433	\$ 5,197,913	\$ 7,418,346
Personnel & Operating Costs Before Recharges		\$ 11,306,742	\$ 24,314,394	\$ 35,621,136		\$ 13,910,269	\$ 30,406,562	\$ 44,316,831		\$ 2,603,527	\$ 6,092,168	\$ 8,695,695
Recharges												
Recharges-External		\$ -	\$ (3,875,000)	\$ (3,875,000)		\$ -	\$ (4,672,802)	\$ (4,672,802)		\$ -	\$ (797,802)	\$ (797,802)
Recharges-UCOP		\$ -	\$ (12,300,000)	\$ (12,300,000)		\$ -	\$ (12,300,000)	\$ (12,300,000)		\$ -	\$ -	\$ -
Subtotal		\$ -	\$ (16,175,000)	\$ (16,175,000)		\$ -	\$ (16,972,802)	\$ (16,972,802)		\$ -	\$ (797,802)	\$ (797,802)
Personnel & Operating Costs Net of Recharges		\$ 11,306,742	\$ 8,139,394	\$ 19,446,136		\$ 13,910,269	\$ 13,433,760	\$ 27,344,029		\$ 2,603,527	\$ 5,294,366	\$ 7,897,893
Program Costs & Fund Flowthru												
Program Detail		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Subtotal		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Grand Total	147.00	\$ 11,306,742	\$ 8,139,394	\$ 19,446,136	149.00	\$ 13,910,269	\$ 13,433,760	\$ 27,344,029	2.00	\$ 2,603,527	\$ 5,294,366	\$ 7,897,893

Footnotes:

* Temporary Restricted funding \$7,912,661 has been included under Operating Expenses & Support Costs (#6 and #7)
Temporary Unrestricted funding \$1,202,410 has been excluded from the above data (project will not be funded by UCOP after FY 10-11).

Salary & Benefits by Functional Unit

Categories used on past budget submissions were developed by Monitor Consultants which did not reflect dept structure. Dept has realigned personnel to current structure

FY 09-10 budget moved personnel to restricted funds and released unrestricted permanently
Intent of dept was to pay employees temporarily only on restricted and then return to unrestricted
FY 09-10 current yr only, unrestricted funds were returned to dept

FY 2010-2011 Temporary Funding for Major Projects

1 applyUC project (goes live in FY10-11)	\$ -	\$ 1,448,000	\$ 1,448,000
2 Decision Support System (initial phase) (one-time funding from UCOP)	\$ 1,202,410	\$ -	\$ 1,202,410
3 Shared Research Computing Services (SW) (completion of pilot)		\$ 1,000,000	\$ 1,000,000
4 ITLC Projects (IT Leadership Committee)	\$ -	\$ 230,000	\$ 230,000
5 Cal Ren (SW) 05397-funding ends in 2012-2013. Perm Unrest Bdg in table 2,221,680		\$ 3,400,000	\$ 3,400,000
6 Employee Systems Initiative (SW) includes salary and benefits for 1.5 FTE		\$ 834,661	\$ 834,661
7 Video Conferencing (SW or UCOP) includes salary and benefits for 1.75 FTE		\$ 1,000,000	\$ 1,000,000
Temporary Funding for Major Projects Total	\$ 1,202,410	\$ 7,912,661	\$ 9,115,071

CHIEF FINANCIAL OFFICER

CFO Immediate Office

Financial Management

The narratives are summaries addressing major highlights of the budget, including significant increases and decreases, major initiatives, and external drivers of cost. Due to the size and complexity of the budget, narratives do not convey all changes in the department budget. For full budget details, see the table that follows each narrative.

Chief Financial Officer / Financial Management

Peter Taylor– Executive Vice President

Mission & Functions

Financial Management is responsible for systemwide financial and tax policies, controls, and accounting, all treasury and external finance functions, systemwide procurement and strategic sourcing, systemwide risk management, and mortgage programs.

- **Systemwide Internal and External Banking Services:** Responsible for systemwide banking services and policy used in the administration of all UC funds.
- **Systemwide Cash Management:** Responsible for the University's Cash Management Function (approximately \$1.5 billion per month), which includes positioning daily cash, concentrating all account activity, processing all UCOP wire requests, funding all check and electronic (primarily payroll) disbursement accounts, sweeping all available depository accounts, and generating all Corporate Accounting entries.
- **Systemwide Financial Controls and Accountability:** Responsible for systemwide development and oversight of local programs to promote internal control and compliance with accounting and financial control standards. Coordinate campus Controller reporting relationships and the development and delivery of systemwide financial management training program (Business Officer Institute).
- **External Finance:** Responsible for the development of University debt strategy, capacity, and affordability; all systemwide external debt issues including policy development, debt issuance, and management as well as the coordination of capital and debt management requirements at all University locations.
- **Systemwide Finance Policy, Accounting and Reporting:** Responsible for UC financial accounting policy and the consolidated financial reporting under GAAP for campuses, medical centers, UCRS and foundations. Maintains the Corporate Financial Reporting (CFR) system and coordinates the systemwide annual fiscal close and external audit. Responsible for UC debt accounting, reporting and administration.
- **Systemwide Endowment and Investment Accounting:** Responsible for centralized accounting and financial reporting (GAAP) for endowment funds, campus foundations, and other UC affiliated organizations and deferred gifts. Also responsible for participant accounting for the GEP, HIP and STIP, and

- for accounting and recording investment activity for the UCRP and UCRSP funds, including pool processing for the UCRP and DOE Laboratory segments.
- **Financial Planning and Analysis (FPA):** Responsible for financial planning and support for auxiliary business operations, including reviewing new campus construction, facilities or business development for project objectives and financial feasibility. Manages the Debt Management System (DMS) to assist campuses in planning efforts.
 - **Risk Services:** Responsible for development and implementation of systemwide risk financing programs including insurance and self-insurance and the management of claims and litigation associated with these programs. Provides oversight of EH&S and implementation of systemwide loss control and loss prevention programs.
 - **Strategic Sourcing and Systemwide Procurement Policy:** Provides systemwide support for collaboration among various campuses for the strategic sourcing program and procurement as well as for e-commerce systems, including catalog management.
 - **Systemwide Travel Management:** Responsible for the new systemwide Travel Management program, negotiate contracts for agencies, hotels, rental cars, and airlines, and monitor usage and cost savings.
 - **Office of Loan Programs:** Responsible for designing, developing and administering customized mortgage programs to support faculty/staff recruitment and retention, as well as providing loan processing approval, funding, loan servicing and accounting, loan portfolio sales and management of investor relations.
 - **Business Resource Center:** Responsible for processing transactions related to general purchasing, travel and entertainment, payroll, recharges and grant awards for all OP departments except the Officers of The Regents.
 - **HR Financial Services:** Responsible for performing financial management and reporting functions with respect to the UC Retirement System and Health & Welfare Program. These functions include financial transactions, financial reporting and analysis, financial audit coordination, and internal control assessment and monitoring. This department was transferred to the CFO's office from Human Resources in the current year.

Operational Impacts of 2009-10 Budget Reductions

The CFO / FM implemented permanent FY0910 mid-year budget reductions of \$210,339 including \$71,813 in Employee Expenses and \$138,526 in Operating and Support Costs.

Significant Budget Changes and Proposals for 2010-11 Budget:

For FY1011, the **Chief Financial Officer** (CFO) department's total personnel and operating costs are \$17.6 million including \$14.7 million in personnel costs, \$4.1 million in operating expenses and support costs, \$2.3 million in program costs and fund flowthru, and campus recharges of (\$3.5) million. For FY10-11, total salaries decrease by 1%, before the application of UCRP contribution restart charges which cause total salaries and benefits to increase by 4.2%. Total operating costs remained substantially unchanged from the prior year.

The total budget for unrestricted funds remained substantially unchanged from FY0910 to FY1011 at \$4.6 million. Total unrestricted operating expenses and support costs remain materially unchanged for FY1011 as the CFO's office sustained a \$138,526 decrease in unrestricted operation expenses and support costs during the FY0910 mid-year cuts.

Potential Impacts of Contingency Reductions

Over the last two years, the CFO's department has worked extensively and aggressively to reduce our budget, while still maintaining the same quality of work and service. Due to this diligence, we have not only reduced our unrestricted fund budget by 4.3% in the current year (excluding the 6% UCRP contribution restart increase to total salaries), but by 37% cumulatively since FY0809. In light of the aggressive cost cutting measures taken to date, the CFO's department believes it has no capacity for further reductions and has not developed any contingency reductions. The CFO's department is dedicated to operating in a cost-effective manner and will continuously strive to pursue cost reducing measures as appropriate.

**University of California Office of the President
FY 2010-11 Appropriations Proposal**

DIVISION: CFO / Financial Management												
Salary & Benefits by Functional Unit	REVISED FY 2009-10 Budget After Mid Year Reductions				PROPOSED FY 2010-11 Budget				ADJUSTMENTS against FY 2009-10 Budget to derive FY 2010-11 Budget			
	FTE	Unrestricted	Restricted	Total Costs	FTE	Unrestricted	Restricted	Total Costs	FTE	Unrestricted	Restricted	Total Costs
1 Chief Financial Officer Immediate Office	2.00	\$ 289,566	\$ 271,877	\$ 561,443	4.00	\$ 416,486	\$ 423,977	\$ 840,463	2.00	126,920	152,100	\$ 279,020
2 Immediate Office of the Vice President	2.00	\$ 244,787	\$ 180,331	\$ 425,118	0.00	\$ -	\$ -	\$ -	-2.00	(244,787)	(180,331)	\$ (425,118)
3 Control & Accountability	1.50	\$ 197,592	\$ 84,682	\$ 282,274	1.50	\$ 201,913	\$ 94,087	\$ 296,000	0.00	4,321	9,405	\$ 13,726
4 Banking Services, Treasury Cash Management	5.00	\$ -	\$ 545,991	\$ 545,991	5.00	\$ -	\$ 572,540	\$ 572,540	0.00	-	26,549	\$ 26,549
5 Travel Management Services	3.00	\$ 283,390	\$ -	\$ 283,390	3.00	\$ 278,591	\$ 16,833	\$ 295,424	0.00	(4,799)	16,833	\$ 12,034
6 Strategic Sourcing	10.80	\$ 210,444	\$ 990,996	\$ 1,201,440	10.80	\$ 218,242	\$ 1,041,620	\$ 1,259,862	0.00	7,798	50,624	\$ 58,422
7 Risk Services	15.00	\$ -	\$ 1,547,884	\$ 1,547,884	15.00	\$ -	\$ 1,683,821	\$ 1,683,821	0.00	-	135,937	\$ 135,937
8 Financial Management	2.50	\$ 244,595	\$ 223,634	\$ 468,229	2.50	\$ 256,489	\$ 234,509	\$ 490,998	0.00	11,894	10,875	\$ 22,769
9 Payroll Coordination & Tax Services	5.00	\$ 429,443	\$ 80,466	\$ 509,909	5.00	\$ 450,325	\$ 84,378	\$ 534,703	0.00	20,882	3,912	\$ 24,794
10 Endowment & Investment Accounting	8.00	\$ -	\$ 708,598	\$ 708,598	8.00	\$ -	\$ 755,990	\$ 755,990	0.00	-	47,392	\$ 47,392
11 Costing Policy and Analysis	2.00	\$ 81,973	\$ 177,718	\$ 259,691	2.00	\$ 60,581	\$ 242,331	\$ 302,912	0.00	(21,392)	64,613	\$ 43,221
12 General Accounting	8.80	\$ 409,145	\$ 452,622	\$ 861,767	8.80	\$ 429,040	\$ 490,193	\$ 919,233	0.00	19,895	37,571	\$ 57,466
13 Financial Planning & Analysis	1.00	\$ 74,881	\$ 58,834	\$ 133,715	1.00	\$ 78,522	\$ 61,695	\$ 140,217	0.00	3,641	2,861	\$ 6,502
14 External Financing	5.00	\$ -	\$ 708,399	\$ 708,399	5.00	\$ -	\$ 742,846	\$ 742,846	0.00	-	34,447	\$ 34,447
15 Office of Loan Programs	11.75	\$ -	\$ 967,162	\$ 967,162	11.75	\$ -	\$ 1,014,191	\$ 1,014,191	0.00	-	47,029	\$ 47,029
16 Business Resources Center	48.50	\$ 1,687,817	\$ 1,704,750	\$ 3,392,567	48.50	\$ 1,769,264	\$ 1,769,264	\$ 3,538,528	0.00	81,447	64,514	\$ 145,961
17 Financial Services Human Resources	16.00	\$ -	\$ 1,203,780	\$ 1,203,780	16.00	\$ -	\$ 1,262,315	\$ 1,262,315	0.00	-	58,535	\$ 58,535
Subtotal	147.85	\$ 4,153,633	\$ 9,907,724	\$ 14,061,357	147.85	\$ 4,159,453	\$ 10,490,590	\$ 14,650,043	0.00	\$ 5,820	\$ 582,866	\$ 588,686
Operating Expenses & Support Costs												
1 Consultants & Professional Services		\$ 139,126	\$ 639,265	\$ 778,391		\$ 94,834	\$ 817,169	\$ 912,003				
2 Meetings & Related Costs		\$ 58,488	\$ 50,256	\$ 108,744		\$ 36,137	\$ 61,325	\$ 97,462				
3 Legal Costs		\$ 67,314	\$ 12,500	\$ 79,814		\$ 55,935	\$ 36,566	\$ 92,501				
4 Travel Related		\$ 51,695	\$ 224,792	\$ 276,487		\$ 42,956	\$ 254,490	\$ 297,446				
5 Utilities & Space Facilities Rental/Lease		\$ -	\$ 160,795	\$ 160,795		\$ -	\$ 125,695	\$ 125,695				
6 Computer, Office Equip/Supplies/Svc Maint		\$ 30,481	\$ 241,633	\$ 272,114		\$ 25,328	\$ 217,646	\$ 242,974				
7 Other Services		\$ 131,026	\$ 1,098,373	\$ 1,229,399		\$ 108,877	\$ 953,668	\$ 1,062,545				
8 Other Office		\$ 139,380	\$ 1,144,559	\$ 1,283,939		\$ 101,001	\$ 1,137,424	\$ 1,238,425				
Less Mid-Year Reductions		\$ (138,526)	\$ -	\$ (138,526)		\$ -	\$ -	\$ -				
Subtotal		\$ 478,984	\$ 3,572,173	\$ 4,051,157		\$ 465,068	\$ 3,603,983	\$ 4,069,051		\$ (13,916)	\$ 31,810	\$ 17,894
Personnel & Operating Costs Before Recharges		\$ 4,632,617	\$ 13,479,897	\$ 18,112,514		\$ 4,624,521	\$ 14,094,573	\$ 18,719,094		\$ (8,096)	\$ 614,676	\$ 606,580
Recharges												
Recharges-External		\$ -	\$ (3,299,980)	\$ (3,299,980)		\$ -	\$ (3,453,516)	\$ (3,453,516)		\$ -	\$ (153,536)	\$ (153,536)
Recharges-UCOP		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Subtotal		\$ -	\$ (3,299,980)	\$ (3,299,980)		\$ -	\$ (3,453,516)	\$ (3,453,516)		\$ -	\$ (153,536)	\$ (153,536)
Personnel & Operating Costs Net of Recharges		\$ 4,632,617	\$ 10,179,917	\$ 14,812,534		\$ 4,624,521	\$ 10,641,057	\$ 15,265,578		\$ (8,096)	\$ 461,140	\$ 453,044
Program Costs & Fund Flowthru												
Systemwide PPS Payroll Replacement Project		\$ -	\$ 800,000	\$ 800,000		\$ -	\$ 1,600,000	\$ 1,600,000		\$ -	\$ 800,000	\$ 800,000
Systemwide Audit Contract Fees		\$ -	\$ 695,000	\$ 695,000		\$ -	\$ 729,750	\$ 729,750		\$ -	\$ 34,750	\$ 34,750
Subtotal		\$ -	\$ 1,495,000	\$ 1,495,000		\$ -	\$ 2,329,750	\$ 2,329,750		\$ -	\$ 834,750	\$ 834,750
Grand Total	147.85	\$ 4,632,617	\$ 11,674,917	\$ 16,307,534	147.85	\$ 4,624,521	\$ 12,970,807	\$ 17,595,328	0.00	\$ (8,096)	\$ 1,295,890	\$ 1,287,794

EXTERNAL RELATIONS

Immediate Office

Federal Government Relations

State Government Relations

Alumni Affairs/Advocacy

Communications

The narratives are summaries addressing major highlights of the budget, including significant increases and decreases, major initiatives, and external drivers of cost. Due to the size and complexity of the budget, narratives do not convey all changes in the department budget. For full budget details, see the table that follows each narrative.

External Relations

Daniel M. Dooley – Senior Vice President, External Relations

Mission & Functions

External Relations works to identify, support and advocate for the educational, research and public service values of the University of California through coordinated advocacy, legislative, communication and public affairs activities. These activities are organized around common themes that emphasize the value of the University as a public institution and as a driver of California's socioeconomic fabric as well as the superior educational opportunities provided to qualified students. The activities of External Relations are undertaken in support of the President and the campuses in order to bring together constituencies to build enduring financial, legislative and stakeholder support for UC.

The departments in External Relations have direct responsibility for conducting specific systemwide functions for the University. Primary functions include:

- Federal Governmental Relations (in Washington, D.C.) represents and advocates for the University on federal budget, legislation and public policy issues impacting the University.
- State Governmental Relations (in Sacramento) represents and advocates for the University on State legislation and public policy issues impacting the University and works in conjunction with Budget and Capital Resources to advocate on State budget matters. This office also takes the lead in organizing third-party engagement (advocacy) activities, in coordination with other units.
- Communications develops, coordinates and implements systemwide communications strategies for the University, working closely with the campuses. It also provides strategic oversight for the management of systemwide issues and has responsibility for news media relations.
- Alumni Affairs works with the campus-based alumni associations to engage alumni of the University and build their participation in supporting the University of California. The office also supports the systemwide leadership of the Alumni Associations of the University of California (AAUC).

Operational Impacts of 2009-10 Budget Reductions

Since adoption of the 2009-10 budget approved by the Regents, External Relations has implemented additional budget reductions as part of an expense-cutting effort across the Office of the President. The division implemented a 20% reduction in supplies and

expense budgets from unrestricted funds, including a 40% reduction in the budget for the printing of publications. One net position was eliminated, and several more were held vacant for the 2009-10 fiscal year, to achieve additional savings. A planned consolidation of advocacy and alumni activities in a new Alumni and Constituent Affairs unit, as reflected in the 2009-10 budget, was shelved in favor of the more cost-efficient approach of merging advocacy operations into the State Governmental Relations office. Senior Vice President Dooley has continued to serve simultaneously as Vice President for Agriculture and Natural Resources, and an executive assistant has a similarly split role; in normal circumstances, both would be full-time positions in External Relations.

Significant Budget Changes and Proposals

The 2010-11 budget proposed for External Relations reflects the above adjustments and includes a further reduction in spending of \$327,248 from unrestricted funds and elimination of 1 FTE. The division has been engaged in two overarching activities in 2009-10: (1) the path-breaking creation of a consolidated Communications unit that brings together communications functions that were previously scattered across multiple departments of the Office of the President, and (2) the development and implementation of strategies to build public, stakeholder and legislative support for the University's budget and policy priorities as it seeks to preserve quality and accessibility for Californians. The 2010-11 budget proposal for the division seeks a baseline level of funding support necessary to support these activities. Additional resources from sources other than unrestricted funds are necessary, in many cases, to implement specific initiatives in External Relations, particularly those focused on marketing and advertising.

Potential Impact of Contingency Reductions

In developing **contingency plans** for 2010-11 in the event further budget reductions are necessary, External Relations has proposed that a number of positions be funded from the Searles Fund endowment in order to make appropriate use of these funds, achieve savings in other unrestricted funds, and minimize operational impacts. The division also has proposed that savings from the split of responsibilities between External Relations and ANR for the Senior Vice President and an executive assistant be counted toward ongoing savings, despite the substantial workload added to other divisional staff as a result of this split. Finally, the division has included a further 10% cut in supplies and expenses budgets from unrestricted funds – a substantial reduction in the division's capacity given the significant cuts that already have occurred. It is likely that the division would be unable to meet some requests made of it – for publications, web services, events for external audiences, advocacy activities, and the like – with a further cut of this magnitude.

**University of California Office of the President
FY 2010-11 Appropriations Proposal**

DIVISION: External Relations												
	REVISED FY 2009-10 Budget After Mid Year Reductions				PROPOSED FY 2010-11 Budget				ADJUSTMENTS against FY 2009-10 Budget to derive FY 2010-11 Budget			
Salary & Benefits by Functional Unit	FTE	Unrestricted	Restricted	Total Costs	FTE	Unrestricted	Restricted	Total Costs	FTE	Unrestricted	Restricted	Total Costs
1 Immediate Office	3.00	\$ 729,945	\$ -	\$ 729,945	2.00	\$ 765,440	\$ -	\$ 765,440	-1.00	35,495	-	\$ 35,495
2 Federal Government Relations	10.00	\$ 1,013,314	\$ 434,039	\$ 1,447,353	10.00	\$ 1,062,587	\$ 455,144	\$ 1,517,731	0.00	49,273	21,105	\$ 70,378
3 State Governmental Relations	11.00	\$ 1,368,935	\$ -	\$ 1,368,935	11.00	\$ 1,486,624	\$ -	\$ 1,486,624	0.00	117,689	-	\$ 117,689
4 Alumni and Constituent Affairs	3.00	\$ 353,903	\$ -	\$ 353,903	2.00	\$ 244,348	\$ -	\$ 244,348	-1.00	(109,555)	-	\$ (109,555)
5 New Consolidated Communications Unit	32.00	\$ 3,113,324	\$ 591,582	\$ 3,704,906	33.00	\$ 3,347,670	\$ 620,835	\$ 3,968,505	1.00	234,346	29,253	\$ 263,599
Subtotal	59.00	\$ 6,579,421	\$ 1,025,621	\$ 7,605,042	58.00	\$ 6,906,669	\$ 1,075,979	\$ 7,982,648	-1.00	\$ 327,248	\$ 50,358	\$ 377,606
Operating Expenses & Support Costs												
1 Consultants & Professional Services		\$ 109,282	\$ 264,453	\$ 373,735		\$ 142,587	\$ 155,000	\$ 297,587				
2 Meetings & Related Costs		\$ 171,242	\$ 45,383	\$ 216,625		\$ 82,579	\$ 2,000	\$ 84,579				
3 Legal Costs		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -				
4 Travel Related		\$ 178,209	\$ 52,942	\$ 231,151		\$ 149,789	\$ 10,100	\$ 159,889				
5 Utilities & Space Facilities Rental/Lease		\$ -	\$ -	\$ -		\$ 686	\$ -	\$ 686				
6 Computer, Office Equip/Supplies/Svc Maint		\$ 149,456	\$ 65,675	\$ 215,131		\$ 280,546	\$ 5,947	\$ 286,493				
7 Outside Services & Experts		\$ 59,332	\$ 21,861	\$ 81,193		\$ 136,332	\$ 35,462	\$ 171,794				
8 Other Office		\$ 1,134,832	\$ 129,479	\$ 1,264,311		\$ 668,278	\$ 16,491	\$ 684,769				
Less Mid-Year Reductions		\$ (360,472)	\$ -	\$ (360,472)		\$ -	\$ -	\$ -				
Subtotal		\$ 1,441,881	\$ 579,793	\$ 2,021,674		\$ 1,460,797	\$ 225,000	\$ 1,685,797		\$ 18,916	\$ (354,793)	\$ (335,877)
Personnel & Operating Costs Before Recharges		\$ 8,021,302	\$ 1,605,414	\$ 9,626,716		\$ 8,367,466	\$ 1,300,979	\$ 9,668,445		\$ 346,164	\$ (304,435)	\$ 41,729
Recharges												
Recharges-External		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Recharges-UCOP		\$ -	\$ (155,000)	\$ (155,000)		\$ -	\$ (155,000)	\$ (155,000)		\$ -	\$ -	\$ -
Subtotal		\$ -	\$ (155,000)	\$ (155,000)		\$ -	\$ (155,000)	\$ (155,000)		\$ -	\$ -	\$ -
Personnel & Operating Costs Net of Recharges		\$ 8,021,302	\$ 1,450,414	\$ 9,471,716		\$ 8,367,466	\$ 1,145,979	\$ 9,513,445		\$ 346,164	\$ (304,435)	\$ 41,729
Program Costs & Fund Flowthru												
Program Detail		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Subtotal		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Grand Total	59.00	\$ 8,021,302	\$ 1,450,414	\$ 9,471,716	58.00	\$ 8,367,466	\$ 1,145,979	\$ 9,513,445	-1.00	\$ 346,164	\$ (304,435)	\$ 41,729

HEALTH SCIENCES & SERVICES

The narratives are summaries addressing major highlights of the budget, including significant increases and decreases, major initiatives, and external drivers of cost. Due to the size and complexity of the budget, narratives do not convey all changes in the department budget. For full budget details, see the table that follows each narrative.

Health Sciences & Services

John D. Stobo, Senior Vice President

Mission & Functions

Health Sciences & Services (HSS) provides leadership and strategic direction to advance the education, research, and public service programs of the University's health sciences instructional system and clinical enterprise. In addition, HSS supports and promotes strategic and operational initiatives at the academic medical centers, which are reflective of and responsive to their local/regional competitive healthcare markets and dynamic needs.

Operational Impacts of 2009-10 Budget Reductions:

- Same as 5% temporary budget reduction contingency referenced below

Significant Budget Changes and Proposals for 2010-11 Budget

- Proposed Increases
 - Health Sciences & Services Immediate Office upgraded () Assistant II position to Administrative Analyst, midpoint, unrestricted funds
 - Health, Medical, & Technology Services Vacant Position was adjusted to the midpoint, MSP 4, unrestricted funds
 - Anatomical Donation Program (ADP) increased FTE by .50, restricted funds
 - Funding of the Clinical Enterprise Management Recognition Program (CEMRP)
 - Permanent funding to eliminate Sub 02 deficit resulting from establishing vacancies to midpoint and reclassification, unrestricted funds
- Proposed Decreases
 - Health Sciences & Services Immediate Office, MSO II FTE moved over to Strategic Resource Coordination Team, effective November, 2009, unrestricted funds

Potential Impacts of Contingency Reductions:

5% Reduction - Temporary Only

Director of Clinical Payment Policies a vacant MSP 4 position is being placed on hold. AVP Munoz will have to assume the responsibilities and duties of this critical position. Academic Geriatric Resource Program (AGRP) budget will be reduced for the remaining reduction balance. This budget reduction precludes the program from carrying out a priority project and convening the AGRP Faculty Advisory Committee which drives much of the program's systemwide activities. Any further percent in cuts to the program

would severely compromise the campus programs and their ability to carry out the program's objectives each year for all (6) programs since its inception 25 years ago in unrestricted funds

7% Reduction

No permanent or temporary funds available to meet a 7% budget cut

10% Reduction

No permanent or temporary funds available to meet a 10% budget cut.

**University of California Office of the President
FY 2010-11 Appropriations Proposal**

DIVISION: Health Sciences and Services									ADJUSTMENTS against FY 2009-10 Budget to derive FY 2010-11 Budget			
	REVISED FY 2009-10 Budget After Mid Year Reductions				PROPOSED FY 2010-11 Budget							
Salary & Benefits by Functional Unit	FTE	Unrestricted	Restricted	Total Costs	FTE	Unrestricted	Restricted	Total Costs	FTE	Unrestricted	Restricted	Total Costs
1 Health Sciences & Services Immed Office	4.00	\$ 889,393	\$ -	\$ 889,393	3.00	\$ 853,342	\$ -	\$ 853,342	-1.00	(36,051)	-	\$ (36,051)
2 Health, Medical & Technology Services	6.00	\$ 781,032	\$ -	\$ 781,032	5.00	\$ 698,730	\$ -	\$ 698,730	-1.00	(82,302)	-	\$ (82,302)
3 Vacancy: Health, Medical & Technology Svcs	0.00	\$ -	\$ -	\$ -	1.00	\$ 140,368	\$ -	\$ 140,368	1.00	140,368	-	\$ 140,368
4 Health Sciences	10.00	\$ 567,776	\$ 484,432	\$ 1,052,208	4.40	\$ 537,748	\$ -	\$ 537,748	-5.60	(30,028)	(484,432)	\$ (514,460)
5 Academic Geriatric Resource Prgm	0.00	\$ -	\$ -	\$ -	0.60	\$ 57,638	\$ -	\$ 57,638	0.60	57,638	-	\$ 57,638
6 Anatomical Donation Program	0.00	\$ -	\$ -	\$ -	2.00	\$ -	\$ 171,567	\$ 171,567	2.00	-	171,567	\$ 171,567
7 Calif Health Benefits Review Program	0.00	\$ -	\$ -	\$ -	3.00	\$ -	\$ 293,911	\$ 293,911	3.00	-	293,911	\$ 293,911
8 Vacancy: Calif Bfts Rvw Prgm	0.00	\$ -	\$ -	\$ -	1.00	\$ -	\$ 95,886	\$ 95,886	1.00	-	95,886	\$ 95,886
9 New Proposed: Calif Bfts Rvw Prgm	0.00	\$ -	\$ -	\$ -	1.00	\$ -	\$ 72,123	\$ 72,123	1.00	-	72,123	\$ 72,123
10 Coverage of Sub 2 (reclass and prov to midpoint)	0.00	\$ -	\$ -	\$ -	0.00	\$ 35,613	\$ -	\$ 35,613	0.00	35,613	-	\$ 35,613
11 Clinical Enterprise Mgt Recognition Program	0.00	\$ 116,405	\$ -	\$ 116,405	0.00	\$ 133,469	\$ -	\$ 133,469	0.00	17,064	-	\$ 17,064
Subtotal	20.00	\$ 2,354,606	\$ 484,432	\$ 2,839,038	21.00	\$ 2,456,908	\$ 633,487	\$ 3,090,395	1.00	\$ 102,302	\$ 149,055	\$ 251,357
Operating Expenses & Support Costs												
1 Consultants & Professional Services		\$ 20,000	\$ 450,000	\$ 470,000		\$ -	\$ 450,000	\$ 450,000				
2 Meetings & Related Costs		\$ 8,000	\$ 47,500	\$ 55,500		\$ 8,000	\$ 45,448	\$ 53,448				
3 Legal Costs		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -				
4 Travel Related		\$ 100,000	\$ 27,574	\$ 127,574		\$ 80,000	\$ 35,074	\$ 115,074				
5 Utilities & Space Facilities Rental/Lease		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -				
6 Computer, Office Equip/Supplies/Svc Maint		\$ 12,350	\$ 24,000	\$ 36,350		\$ 20,000	\$ 21,000	\$ 41,000				
7 Outside Services & Experts		\$ -	\$ 24,000	\$ 24,000		\$ -	\$ 66,000	\$ 66,000				
8 Other Office		\$ 50,064	\$ 108,999	\$ 159,063		\$ 37,400	\$ 48,239	\$ 85,639				
9 National Advisory Council Honoraria		\$ -	\$ -	\$ -		\$ -	\$ 34,800	\$ 34,800				
Less Mid-Year Reductions		\$ 0	\$ -	\$ 0		\$ -	\$ -	\$ -				
Subtotal		\$ 190,414	\$ 682,073	\$ 872,487		\$ 145,400	\$ 700,561	\$ 845,961		\$ (45,014)	\$ 18,488	\$ (26,526)
Personnel & Operating Costs Before Recharges		\$ 2,545,020	\$ 1,166,505	\$ 3,711,525		\$ 2,602,308	\$ 1,334,048	\$ 3,936,356		\$ 57,288	\$ 167,543	\$ 224,831
Recharges												
Recharges-External		\$ -	\$ (122,794)	\$ (122,794)		\$ -	\$ (150,000)	\$ (150,000)		\$ -	\$ (27,206)	\$ (27,206)
Recharges-UCOP		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Subtotal		\$ -	\$ (122,794)	\$ (122,794)		\$ -	\$ (150,000)	\$ (150,000)		\$ -	\$ (27,206)	\$ (27,206)
Personnel & Operating Costs Net of Recharges		\$ 2,545,020	\$ 1,043,711	\$ 3,588,731		\$ 2,602,308	\$ 1,184,048	\$ 3,786,356		\$ 57,288	\$ 140,337	\$ 197,625
Program Costs & Fund Flowthru												
Academic Geriatric Research Program		\$ 900,000	\$ -	\$ 900,000		\$ 859,861	\$ -	\$ 859,861		\$ (40,139)	\$ -	\$ (40,139)
California Health Benefits Review Program		\$ -	\$ 833,320	\$ 833,320		\$ -	\$ 772,000	\$ 772,000		\$ -	\$ (61,320)	\$ (61,320)
Anatomical Materials Program		\$ -	\$ 50,000	\$ 50,000		\$ -	\$ 50,000	\$ 50,000		\$ -	\$ -	\$ -
Subtotal		\$ 900,000	\$ 883,320	\$ 1,783,320		\$ 859,861	\$ 822,000	\$ 1,681,861		\$ (40,139)	\$ (61,320)	\$ (101,459)
Grand Total	20.00	\$ 3,445,020	\$ 1,927,031	\$ 5,372,051	21.00	\$ 3,462,169	\$ 2,006,048	\$ 5,468,217	1.00	\$ 17,149	\$ 79,017	\$ 96,166

LABORATORY MANAGEMENT

The narratives are summaries addressing major highlights of the budget, including significant increases and decreases, major initiatives, and external drivers of cost. Due to the size and complexity of the budget, narratives do not convey all changes in the department budget. For full budget details, see the table that follows each narrative.

Laboratory Management

Bruce Darling, Executive Vice President

Mission & Functions

Laboratory Management Office (LMO) provides the leadership and core staff necessary to support the ongoing and future excellence of the Lawrence Berkeley National Laboratory (LBNL) and the limited liability corporations, Los Alamos National Security, LLC (LANS) and Lawrence Livermore National Security, LLC (LLNS). In addition LMO provides support to the Chair of the Regents' Committee on Oversight of the Department of Energy Laboratories and UC senior management in meeting their laboratory related responsibilities. LMO continues to develop a responsible, cost effective approach to meeting the University's ongoing fiduciary responsibilities, including maximizing fee income for research while retaining the capability and commitment for effective UC governance and oversight at LBNL. LMO also provides support to the Chair of the Boards of Governors for LANS and LLNS and supports the UC's partnership responsibilities with LANS and LLNS, in the management of Los Alamos National Laboratory (LANL) and Lawrence Livermore National Laboratory (LLNL).

Its major functions are organized around three functional activities:

Lab Programs and Research

- Serves as the "face" of UC through its daily contact with the labs
- Ensures effective UC leadership and influence for Lab programs, science and technology
- Supports an effective Lab environment for science and technology and program accomplishments

Lab Business and Operations

- Represents UC's interest in annual performance fee objectives negotiations
- Ensures that UC is adequately informed with regard to matters affecting Regents fiduciary obligations
- Conducts day-to-day oversight of LBNL operations, and business and staffing of the Contract Assurance Council

Contract Administration & Closeout

- Administers prime contract for LBNL
- Provides contract interpretation and compliance
- Ensures the University's termination rights and obligations are met, resolves open audits, government and third party claims
- Leads UC's contract closeout activities for old Contracts 98 (LBNL), 36 (LANL) and 48 (LLNL)

Operational Impacts of 2009-10 Budget Reductions

- Not mandated due to funding is 100% restricted. Associate Vice President, Lab Programs responsibilities have been filled with a re-hired retiree and consultant personnel.

Significant Budget Changes and Proposals for 2010-11 Budget

- Proposed Increases
None
- Proposed Reductions

Laboratory Management Office total budget is in restricted funding from the LLC Fees, LBNL, LANL and LLNL Contract Close Out funds, and is therefore not subject to the potential budget reductions. LMO has reduced its budget of restricted funds by about \$100,000 or approximately 2.9%.

Net changes to the restricted budget largely pertain to the change from 1.00 FTE and budget for Associate Vice President, Lab Programs to a combination of .43 FTE and consultant services for that position.

Potential Impacts of Contingency Reductions

The Laboratory Management Office is budgeted on restricted funds and not subject to the contingency reduction planning

**University of California Office of the President
FY 2010-11 Appropriations Proposal**

DIVISION: Laboratory Management									ADJUSTMENTS against FY 2009-10 Budget to derive FY 2010-11 Budget			
	REVISED FY 2009-10 Budget After Mid Year Reductions				PROPOSED FY 2010-11 Budget							
Salary & Benefits by Functional Unit	FTE	Unrestricted	Restricted	Total Costs	FTE	Unrestricted	Restricted	Total Costs	FTE	Unrestricted	Restricted	Total Costs
1 Immediate Office of the Vice President	2.00	\$ -	\$ 577,012	\$ 577,012	2.00	\$ -	\$ 610,884	\$ 610,884	0.00	-	\$ 33,872	\$ 33,872
2 Laboratory Programs	1.00	\$ -	\$ 376,280	\$ 376,280	0.43	\$ -	\$ 147,772	\$ 147,772	-0.57	-	\$ (228,508)	\$ (228,508)
3 Lab Programmatic Assessment & Oversight	1.00	\$ -	\$ 175,763	\$ 175,763	0.90	\$ -	\$ 165,152	\$ 165,152	-0.10	-	\$ (10,611)	\$ (10,611)
4 Operations & Administration	1.00	\$ -	\$ 404,078	\$ 404,078	1.00	\$ -	\$ 403,968	\$ 403,968	0.00	-	\$ (110)	\$ (110)
5 Operations	4.00	\$ -	\$ 788,703	\$ 788,703	4.00	\$ -	\$ 818,120	\$ 818,120	0.00	-	\$ 29,417	\$ 29,417
6 Contracts/Administration	4.00	\$ -	\$ 694,140	\$ 694,140	4.00	\$ -	\$ 726,999	\$ 726,999	0.00	-	\$ 32,859	\$ 32,859
Subtotal	13.00	\$ -	\$ 3,015,976	\$ 3,015,976	12.33	\$ -	\$ 2,872,895	\$ 2,872,895	-0.67	\$ -	\$ (143,081)	\$ (143,081)
Operating Expenses & Support Costs												
1 Consultants & Professional Services		\$ -	\$ 50,000	\$ 50,000		\$ -	\$ 76,500	\$ 76,500				
2 Meetings & Related Costs		\$ -	\$ 5,000	\$ 5,000		\$ -	\$ 5,000	\$ 5,000				
3 Legal Costs		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -				
4 Travel Related		\$ -	\$ 90,000	\$ 90,000		\$ -	\$ 80,000	\$ 80,000				
5 Utilities & Space Facilities Rental/Lease		\$ -	\$ 210,000	\$ 210,000		\$ -	\$ 195,000	\$ 195,000				
6 Computer, Office Equip/Supplies/Svc Maint		\$ -	\$ 117,798	\$ 117,798		\$ -	\$ 175,000	\$ 175,000				
7 Outside Services & Experts		\$ -	\$ 10,000	\$ 10,000		\$ -	\$ -	\$ -				
8 Other Office		\$ -	\$ 1,238	\$ 1,238		\$ -	\$ -	\$ -				
Less Mid-Year Reductions		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -				
Subtotal		\$ -	\$ 484,036	\$ 484,036		\$ -	\$ 531,500	\$ 531,500		\$ -	\$ 47,464	\$ 47,464
Personnel & Operating Costs Before Recharges		\$ -	\$ 3,500,012	\$ 3,500,012		\$ -	\$ 3,404,395	\$ 3,404,395		\$ -	\$ (95,617)	\$ (95,617)
Recharges												
Recharges-External		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Recharges-UCOP		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Subtotal		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Personnel & Operating Costs Net of Recharges		\$ -	\$ 3,500,012	\$ 3,500,012		\$ -	\$ 3,404,395	\$ 3,404,395		\$ -	\$ (95,617)	\$ (95,617)
Program Costs & Fund Flowthru												
Program Detail		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Subtotal		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Grand Total	13.00	\$ -	\$ 3,500,012	\$ 3,500,012	12.33	\$ -	\$ 3,404,395	\$ 3,404,395	-0.67	\$ -	\$ (95,617)	\$ (95,617)

ACADEMIC AFFAIRS ADMINISTRATION

Immediate Office

Office of Research & Graduate Studies

Students Affairs

Academic Personnel

Education Partnerships

Academic Planning, Programs & Coordination

Agriculture and Natural Resources

The narratives are summaries addressing major highlights of the budget, including significant increases and decreases, major initiatives, and external drivers of cost. Due to the size and complexity of the budget, narratives do not convey all changes in the department budget. For full budget details, see the table that follows each narrative.

**University of California Office of the President
FY 2010-11 Appropriations Proposal**

DIVISION: Academic Affairs Administrative Areas												
	REVISED FY 2009-10 Budget After Mid Year Reductions				PROPOSED FY 2010-11 Budget				ADJUSTMENTS against FY 2009-10 Budget to derive FY 2010-11 Budget			
Salary & Benefits by Functional Unit	FTE	Unrestricted	Restricted	Total Costs	FTE	Unrestricted	Restricted	Total Costs	FTE	Unrestricted	Restricted	Total Costs
1 Provost & Exec VP Immediate Office	5.50	\$ 1,027,356	\$ -	\$ 1,027,356	6.50	\$ 1,067,703	\$ 37,360	\$ 1,105,063	1.00	\$ 40,347	\$ 37,360	\$ 77,707
2 Office of Research and Graduate Studies	57.67	\$ 2,677,696	\$ 3,245,442	\$ 5,923,138	56.67	\$ 2,567,130	\$ 3,665,917	\$ 6,233,047	-1.00	\$ (110,566)	\$ 420,475	\$ 309,909
3 Student Affairs	38.00	\$ 3,967,930	\$ -	\$ 3,967,930	38.00	\$ 4,160,876	\$ -	\$ 4,160,876	0.00	\$ 192,946	\$ -	\$ 192,946
4 Academic Personnel	11.00	\$ 1,395,499	\$ -	\$ 1,395,499	11.00	\$ 1,463,359	\$ -	\$ 1,463,359	0.00	\$ 67,860	\$ -	\$ 67,860
5 Education Partnerships	13.75	\$ 765,661	\$ 685,323	\$ 1,450,984	14.50	\$ 739,494	\$ 869,718	\$ 1,609,212	0.75	\$ (26,167)	\$ 184,395	\$ 158,228
6 Academic Planning, Programs and Coordination	15.00	\$ 1,920,979	\$ -	\$ 1,920,979	16.00	\$ 2,103,057	\$ -	\$ 2,103,057	1.00	\$ 182,078	\$ -	\$ 182,078
7 Agriculture and Natural Resources	8.00	\$ 1,025,030	\$ -	\$ 1,025,030	4.00	\$ 763,362	\$ -	\$ 763,362	-4.00	\$ (261,668)	\$ -	\$ (261,668)
Subtotal	148.92	\$ 12,780,151	\$ 3,930,765	\$ 16,710,916	146.67	\$ 12,864,981	\$ 4,572,995	\$ 17,437,976	-2.25	\$ 84,829	\$ 642,230	\$ 727,059
Operating Expenses and Support Costs												
1 Consultants & Professional Services		\$ 1,750,506	\$ 163,860	\$ 1,914,366		\$ 1,091,347	\$ 365,309	\$ 1,456,656				
2 Meetings & Related Costs		\$ 382,609	\$ 47,900	\$ 430,509		\$ 296,966	\$ 105,263	\$ 402,229				
3 Legal Costs		\$ 66,000	\$ -	\$ 66,000		\$ 138,812	\$ -	\$ 138,812				
4 Travel Related		\$ 489,344	\$ 96,495	\$ 585,839		\$ 386,920	\$ 114,288	\$ 501,208				
5 Utilities & Space Facilities Rental/Lease		\$ 156,619	\$ 60,330	\$ 216,949		\$ 94,500	\$ -	\$ 94,500				
6 Computer, Office Equip/Supplies/Svc Maint		\$ 266,698	\$ 383,965	\$ 650,663		\$ 517,789	\$ 312,275	\$ 830,064				
7 Other Services		\$ 9,377,663	\$ 1,390,398	\$ 10,768,061		\$ 9,496,131	\$ 1,539,320	\$ 11,035,451				
8 Other		\$ 210,500	\$ 231,000	\$ 441,500		\$ 165,427	\$ 425,452	\$ 590,879				
Memberships		\$ 24,750	\$ -	\$ 24,750		\$ 48,000	\$ -	\$ 48,000				
Other Division Activities		\$ 90,060	\$ -	\$ 90,060		\$ 310,000	\$ -	\$ 310,000				
Vice Provost Initiatives		\$ -	\$ -	\$ -		\$ 97,734	\$ -	\$ 97,734				
Less Mid-Year Reductions		\$ (477,661)	\$ -	\$ (477,661)								
Subtotal		\$ 12,337,088	\$ 2,373,948	\$ 14,711,036		\$ 12,643,626	\$ 2,861,907	\$ 15,505,533		\$ 306,538	\$ 487,959	\$ 794,497
Personnel & Operating Costs Before Recharges		\$ 25,117,239	\$ 6,304,713	\$ 31,421,952		\$ 25,508,607	\$ 7,434,902	\$ 32,943,509		\$ 391,367	\$ 1,130,189	\$ 1,521,556
Recharges												
Student Affairs		\$ -	\$ -	\$ -		\$ (85,000)	\$ -	\$ (85,000)		\$ (85,000)	\$ -	\$ (85,000)
Recharges-UCOP		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Subtotal		\$ -	\$ -	\$ -		\$ (85,000)	\$ -	\$ (85,000)		\$ (85,000)	\$ -	\$ (85,000)
Personnel & Operating Costs Net of Recharges		\$ 25,117,239	\$ 6,304,713	\$ 31,421,952		\$ 25,423,607	\$ 7,434,902	\$ 32,858,509		\$ 306,367	\$ 1,130,189	\$ 1,436,556
Program Costs & Fund Flowthru												
Student Affairs		\$ -	\$ -	\$ -		\$ 146,000	\$ -	\$ 146,000		\$ 146,000	\$ -	\$ 146,000
Subtotal		\$ -	\$ -	\$ -		\$ 146,000	\$ -	\$ 146,000		\$ 146,000	\$ -	\$ 146,000
Grand Total	148.92	\$ 25,117,239	\$ 6,304,713	\$ 31,421,952	146.67	\$ 25,569,607	\$ 7,434,902	\$ 33,004,509	-2.25	\$ 452,367	\$ 1,130,189	\$ 1,582,556

Provost & Executive Vice President Academic Affairs' Immediate Office

Lawrence Pitts, Provost and Executive Vice President Academic Affairs

See the Academic Affairs Immediate Office program narrative for a description of the department mission and functions

Operational Impacts of the 2009-10 Budget Cuts

To meet FY 2009-10 midyear budget cuts, the Academic Affairs Immediate Office reduced its permanent budget for personnel expenses by \$45,763 and temporary budget by \$176,193. These reductions were achieved through turnover savings, position downgrades, and the delay of recruitment for vacant positions. In addition, there was an \$11,663 reduction to operating expenses including travel, meetings and general operating costs.

Other midyear changes to the unrestricted funds budget in FY 2009-10 include the following:

- 4.00 FTE and \$395,174 transferred to Business Operations for consolidation of the Strategic Resources Coordination Team
- .50 FTE and \$31,232 transferred from Business Operations for an Administrative Specialist position

Significant Budget Changes and Proposals

- **Proposed Increase**
1.00 FTE and \$81,594 to add .50 FTE at the Senior Analyst level and another .50 FTE at the Administrative Specialist level.
- **Proposed Increase**
An increase of \$225,690 to the budget for Operating Expenses associated with Division-wide administrative activities is proposed, making current existing temporary allocations permanent.
- **Proposed Decreases**
\$37,360 in unrestricted personnel costs are shifted to restricted funding, an \$43,420 additional net decrease in unrestricted personnel costs due to position and budgeted salary changes and a \$4,151 decrease in operating expenses.

Potential Impacts of Contingency Reductions

The Immediate Office cannot sustain an additional permanent budget cut of 5, 7, or 10%. Should additional cuts be necessary, these reductions would have to be taken elsewhere in the division.

**University of California Office of the President
FY 2010-11 Appropriations Proposal**

Department: Provost and EVP Academic Affairs-Immediate Office Administration												
	REVISED FY 2009-10 Budget After Mid Year Reductions				PROPOSED FY 2010-11 Budget				ADJUSTMENTS against FY 2009-10 Budget to derive FY 2010-11 Budget			
Salary & Benefits by Functional Unit	FTE	Unrestricted	Restricted	Total Costs	FTE	Unrestricted	Restricted	Total Costs	FTE	Unrestricted	Restricted	Total Costs
1 Provost & Exec VP Immediate Office	5.50	\$ 1,027,356	\$ -	\$ 1,027,356	6.50	\$ 1,067,703	\$ 37,360	\$ 1,105,063	1.00	\$ 40,347	\$ 37,360	\$ 77,707
Subtotal	5.50	\$ 1,027,356	\$ -	\$ 1,027,356	6.50	\$ 1,067,703	\$ 37,360	\$ 1,105,063	1.00	\$ 40,347	\$ 37,360	\$ 77,707
Operating Expenses & Support Costs												
1 Consultants & Professional Services		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -				
2 Meetings & Related Costs		\$ 8,600	\$ -	\$ 8,600		\$ 15,000	\$ -	\$ 15,000				
3 Legal Costs		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -				
4 Travel Related		\$ 24,714	\$ -	\$ 24,714		\$ 15,000	\$ -	\$ 15,000				
5 Utilities & Space Facilities Rental/Lease		\$ 16,000	\$ -	\$ 16,000		\$ 12,500	\$ -	\$ 12,500				
6 Computer, Office Equip/Supplies/Svc Maint		\$ -	\$ -	\$ -		\$ 3,000	\$ -	\$ 3,000				
7 Other Services		\$ -	\$ -	\$ -		\$ 4,000	\$ -	\$ 4,000				
8 Other		\$ 19,000	\$ -	\$ 19,000		\$ -	\$ -	\$ -				
Memberships		\$ -	\$ -	\$ -		\$ 3,000	\$ -	\$ 3,000				
Less Mid-Year Reductions		\$ (11,663)	\$ -	\$ (11,663)								
Subtotal		\$ 56,651	\$ -	\$ 56,651		\$ 52,500	\$ -	\$ 52,500		\$ (4,151)	\$ -	\$ (4,151)
Personnel & Operating Costs Before Recharges		\$ 1,084,007	\$ -	\$ 1,084,007		\$ 1,120,203	\$ 37,360	\$ 1,157,563		\$ 36,196	\$ 37,360	\$ 73,556
Recharges												
Recharges		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Subtotal		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Personnel & Operating Costs Net of Recharges		\$ 1,084,007	\$ -	\$ 1,084,007		\$ 1,120,203	\$ 37,360	\$ 1,157,563		\$ 36,196	\$ 37,360	\$ 73,556
Program Costs & Fund Flowthru												
		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Subtotal		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Grand Total	5.50	\$ 1,084,007	\$ -	\$ 1,084,007	6.50	\$ 1,120,203	\$ 37,360	\$ 1,157,563	1.00	\$ 36,196	\$ 37,360	\$ 73,556

**University of California Office of the President
FY 2010-11 Appropriations Proposal**

Department: Academic Affairs Immediate Office-Division Activities Administration												
Salary & Benefits by Functional Unit	REVISED FY 2009-10 Budget After Mid Year Reductions				PROPOSED FY 2010-11 Budget				ADJUSTMENTS against FY 2009-10 Budget to derive FY 2010-11 Budget			
	FTE	Unrestricted	Restricted	Total Costs	FTE	Unrestricted	Restricted	Total Costs	FTE	Unrestricted	Restricted	Total Costs
				\$ -				\$ -				\$ -
Subtotal	0.00	\$ -	\$ -	\$ -	0.00	\$ -	\$ -	\$ -	0.00	\$ -	\$ -	\$ -
Operating Expenses & Support Costs												
1 Consultants & Professional Services		\$ 22,000	\$ -	\$ 22,000		\$ -	\$ -	\$ -				
2 Meetings & Related Costs		\$ 8,250	\$ -	\$ 8,250		\$ 15,000	\$ -	\$ 15,000				
3 Legal Costs		\$ 66,000	\$ -	\$ 66,000		\$ 125,000	\$ -	\$ 125,000				
4 Travel Related		\$ 2,750	\$ -	\$ 2,750		\$ 5,000	\$ -	\$ 5,000				
5 Utilities & Space Facilities Rental/Lease		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -				
6 Computer, Office Equip/Supplies/Svc Maint		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -				
7 Other Services		\$ 60,500	\$ -	\$ 60,500		\$ -	\$ -	\$ -				
8 Other		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -				
Memberships		\$ 24,750	\$ -	\$ 24,750		\$ 45,000	\$ -	\$ 45,000				
Other Division Activities		\$ 90,060	\$ -	\$ 90,060		\$ 310,000	\$ -	\$ 310,000				
Less Mid-Year Reductions		\$ -	\$ -	\$ -								
Subtotal		\$ 274,310	\$ -	\$ 274,310		\$ 500,000	\$ -	\$ 500,000		\$ 225,690	\$ -	\$ 225,690
Personnel & Operating Costs Before Recharges		\$ 274,310	\$ -	\$ 274,310		\$ 500,000	\$ -	\$ 500,000		\$ 225,690	\$ -	\$ 225,690
Recharges												
Recharges		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Subtotal		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Personnel & Operating Costs Net of Recharges		\$ 274,310	\$ -	\$ 274,310		\$ 500,000	\$ -	\$ 500,000		\$ 225,690	\$ -	\$ 225,690
Program Costs & Fund Flowthru												
		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Subtotal		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Grand Total*	0.00	\$ 274,310	\$ -	\$ 274,310	0.00	\$ 500,000	\$ -	\$ 500,000	0.00	\$ 225,690	\$ -	\$ 225,690

Office of Research and Graduate Studies **Steven Beckwith, Vice President**

See the Office of Research and Graduate Studies program narrative for a description of the department mission and functions

Operational Impacts of 2009-10 Budget Reductions

The **Office of Research and Graduate Studies** reduced its budget by more than \$5.5 million in 2009-10. The department went from a total FTE count of 161 and an operating budget of \$21.2 million in 2008-09 to a total of 120 FTE and a \$15.7 million operating budget in 2009-10. In addition, the department cut over \$6 million in research funding that would have flowed through to the campuses. The department achieved the majority of these cuts in 2008-09 through a major reorganization. Some areas were underfunded within the department (Graduate Studies) while others will continue to undergo restructuring to reduce staff and gain even more efficiencies (Research Grant Programs Office).

Significant Budget Changes and Proposals

The **Office of Research and Graduate Studies** underwent significant reorganization in 2009-10 and subsequently has not increased its operating budget of unrestricted funds of \$4.82 million for 2010-11. The department is continuing to reorganize--especially around its Graduate Studies and research grant administration units. Overall for 2010-11, the entire department has a net decrease of 1.45 FTE on unrestricted funds and a total decrease of 8.03 FTE from restricted and unrestricted funds combined for a total of 111.82 FTE.

- **Proposed Increase**

The Graduate Studies unit has increased by 2.00 FTE (for a total of 3.00 FTE) and \$192,904 in personnel expenses. One of the additional Graduate Studies FTE is funded through restricted funds. UCOP reorganization has consolidated many functions from other Academic Affairs departments into the **Office of Research and Graduate Studies**. The reorganization of the Graduate Studies area will provide additional support for Graduate Studies efforts that were underfunded in 2009-10.

- **Proposed Increase**

An increase of \$71,041 to the budget for operating expenses on unrestricted funds is proposed.

- **Proposed Decrease**
A decrease of 2.00 FTE and \$102,820 to the budget for personnel expenses on unrestricted funds in the Research Policy Analysis and Coordination unit is proposed.
- **Proposed Decrease**
A decrease of 1.00 FTE and \$245,661 to the budget for personnel expenses on unrestricted funds associated with International Strategies Development is proposed.

Potential Impacts of Contingency Reductions

If required to take additional budget cuts in 2010-11, the department's operations will be greatly impacted since most units have already undergone a deep reorganization to achieve the cuts from 2009-10.

In particular, with a 5% reduction, the Innovation Alliances and Services group will cut some of its support work in developing industry partnerships to sponsor UC research—a function that was absorbed by the unit in 2009-10 through reorganization. The functions created in the immediate office to support continuous improvements and increase efficiencies will have to be cut including planned database and website upgrades.

With a 7% cut, in addition to the above 5% cuts, more funding will be reduced that supports the industry partnership functions in the Innovation Alliances and Services unit. The immediate office will have to cut one FTE and reduce further any work on database and website upgrades.

In addition to the contingency plans above, reductions to the budget for programs will be implemented.

**University of California Office of the President
FY 2010-11 Appropriations Proposal**

Department: Office of Research and Graduate Studies Administration									ADJUSTMENTS against FY 2009-10 Budget to derive FY 2010-11 Budget			
	REVISED FY 2009-10 Budget After Mid Year Reductions				PROPOSED FY 2010-11 Budget							
Salary & Benefits by Functional Unit	FTE	Unrestricted	Restricted	Total Costs	FTE	Unrestricted	Restricted	Total Costs	FTE	Unrestricted	Restricted	Total Costs
1 Office of Research-Immediate Office	6.10	\$ 965,562	\$ 18,920	\$ 984,482	5.10	\$ 755,797	\$ 47,616	\$ 803,413	-1.00	\$ (209,765)	\$ 28,696	\$ (181,069)
2 Research Policy Analysis & Coordination	17.00	\$ 919,537	\$ 818,201	\$ 1,737,738	15.00	\$ 856,430	\$ 866,976	\$ 1,723,406	-2.00	\$ (63,107)	\$ 48,775	\$ (14,332)
3 Research Accountability and Coordination	3.00	\$ 323,296	\$ -	\$ 323,296	3.00	\$ 367,346	\$ -	\$ 367,346	0.00	\$ 44,050	\$ -	\$ 44,050
4 Graduate Studies	1.00	\$ 136,224	\$ 15,136	\$ 151,360	3.00	\$ 256,432	\$ 95,192	\$ 351,624	2.00	\$ 120,208	\$ 80,056	\$ 200,264
5 Innovation Alliances and Services	30.57	\$ 333,077	\$ 2,393,185	\$ 2,726,262	30.57	\$ 331,125	\$ 2,656,133	\$ 2,987,258	0.00	\$ (1,952)	\$ 262,948	\$ 260,996
Subtotal	57.67	\$ 2,677,696	\$ 3,245,442	\$ 5,923,138	56.67	\$ 2,567,130	\$ 3,665,917	\$ 6,233,047	-1.00	\$ (110,566)	\$ 420,475	\$ 309,909
Operating Expenses & Support Costs												
1 Consultants and Professional Services		\$ 94,580	\$ 163,860	\$ 258,440		\$ 20,000	\$ -	\$ 20,000				
2 Meetings & Related Costs		\$ 53,104	\$ 42,900	\$ 96,004		\$ 63,925	\$ 39,425	\$ 103,350				
3 Legal Costs		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -				
4 Travel Related		\$ 160,000	\$ 91,495	\$ 251,495		\$ 130,245	\$ 92,990	\$ 223,235				
5 Utilities and Space Facilities Rental/Lease		\$ -	\$ 60,330	\$ 60,330		\$ -	\$ -	\$ -				
6 Computer/Office Equip/Supplies/Svc Maint		\$ 44,471	\$ 383,965	\$ 428,436		\$ 129,652	\$ 237,848	\$ 367,500				
7 Other Services		\$ 54,199	\$ 184,875	\$ 239,074		\$ 152,500	\$ 353,000	\$ 505,500				
8 Other		\$ 116,920	\$ 231,000	\$ 347,920		\$ 97,993	\$ 278,883	\$ 376,876				
Less Mid-Year Reductions		\$ -	\$ -	\$ -								
Subtotal		\$ 523,274	\$ 1,158,425	\$ 1,681,699		\$ 594,315	\$ 1,002,146	\$ 1,596,461		\$ 71,041	\$ (156,279)	\$ (85,238)
Personnel & Operating Costs Before Recharges		\$ 3,200,970	\$ 4,403,867	\$ 7,604,837		\$ 3,161,445	\$ 4,668,063	\$ 7,829,508		\$ (39,525)	\$ 264,196	\$ 224,671
Recharges		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Subtotal		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Personnel & Operating Costs Net of Recharges		\$ 3,200,970	\$ 4,403,867	\$ 7,604,837		\$ 3,161,445	\$ 4,668,063	\$ 7,829,508		\$ (39,525)	\$ 264,196	\$ 224,671
Fund Flowthru		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Subtotal		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Grand Total	57.67	\$ 3,200,970	\$ 4,403,867	\$ 7,604,837	56.67	\$ 3,161,445	\$ 4,668,063	\$ 7,829,508	-1.00	\$ (39,525)	\$ 264,196	\$ 224,671

Student Affairs

Judy Sakaki, Vice President

See the Student Affairs program narrative for a description of the department mission and functions

Operational Impacts of 2009-10 Budget Reductions

For *Student Affairs*, the 2009-10 budget cuts totaled \$103,222 in temporary and \$531,154 in permanent unrestricted fund reductions.

- The temporary cut was absorbed by postponing the hire of the Program Manager to FY 2010-11.
- 1.00 FTE and \$100,749 in personnel costs were reduced through the elimination of the Student Surveys Coordinator, a vacant permanent position. The work of this position will be shifted to other staff, resulting in reduced analytic resources to support campuses and UCOP.
- Supply and expense related costs were permanently reduced by \$430,405, including reductions in travel and meeting expenses, increased reliance on other units in OP, and shifting of support for the UC Counselor Conferences to restricted funds (fee revenue generated by the conferences).

Significant Budget Changes and Proposals

There are no changes to the permanent unrestricted funds budget proposed.

Potential Impacts of Contingency Reductions

The proposed target reductions for *Student Affairs* are as follows:

- 5% = \$166,515
- 7% = \$233,121
- 10% = \$333,030

Support for student travel and UCSA collective bargaining, which has been protected, would be reduced, reducing opportunities for students to participate in University activities.

Funding for 1.00 FTE (Public Programs Coordinator) would be shifted from state funding to restricted funds, reducing flexibility in deploying this position for critical University priorities.

To the extent possible, other expenses currently supported by unrestricted funds would be shifted to restricted funds, with a possible corresponding fee increase, such as for the counselor conferences or the administration of the Analytical Writing Placement Exam (paid for by UC students).

On-going efforts to reduce operating expenses would continue. However, cuts at the 7% and 10% levels would require a re-evaluation of the Department's priorities given the magnitude of the reduction in resources. In addition, key pending decisions could affect the projects being undertaken in 2010-11. The approach for making the funding reductions would need to be revisited once more information is known, the status of various projects is better defined, and clarity is provided on the functions for which OP Budget versus Budget and Capital Resources will assume funding responsibility and at what levels.

**University of California Office of the President
FY 2010-11 Appropriations Proposal**

Department: Student Affairs Administration									ADJUSTMENTS against FY 2009-10 Budget to derive FY 2010-11 Budget			
	REVISED FY 2009-10 Budget After Mid Year Reductions				PROPOSED FY 2010-11 Budget							
Salary & Benefits by Functional Unit	FTE	Unrestricted	Restricted	Total Costs	FTE	Unrestricted	Restricted	Total Costs	FTE	Unrestricted	Restricted	Total Costs
1 Immediate Office	2.00	\$ 374,672	\$ -	\$ 374,672	2.00	\$ 392,892	\$ -	\$ 392,892	0.00	\$ 18,220	\$ -	\$ 18,220
2 Undergraduate Admissions	4.00	\$ 498,143	\$ -	\$ 498,143	4.00	\$ 522,365	\$ -	\$ 522,365	0.00	\$ 24,222	\$ -	\$ 24,222
3 Student Financial Support	4.00	\$ 481,127	\$ -	\$ 481,127	4.00	\$ 504,522	\$ -	\$ 504,522	0.00	\$ 23,395	\$ -	\$ 23,395
4 Program & Policy Analysis	8.00	\$ 943,819	\$ -	\$ 943,819	8.00	\$ 989,713	\$ -	\$ 989,713	0.00	\$ 45,894	\$ -	\$ 45,894
5 Systemwide Processes & Programs	20.00	\$ 1,670,169	\$ -	\$ 1,670,169	20.00	\$ 1,751,384	\$ -	\$ 1,751,384	0.00	\$ 81,215	\$ -	\$ 81,215
Subtotal	38.00	\$ 3,967,930	\$ -	\$ 3,967,930	38.00	\$ 4,160,876	\$ -	\$ 4,160,876	0.00	\$ 192,946	\$ -	\$ 192,946
Operating Expenses & Support Costs												
1 Consultants & Professional Services		\$ 890,392	\$ -	\$ 890,392		\$ 621,347	\$ 326,237	\$ 947,584				
2 Meetings & Related Costs		\$ 205,522	\$ -	\$ 205,522		\$ 108,041	\$ 59,000	\$ 167,041				
3 Legal Costs		\$ -	\$ -	\$ -		\$ 13,812	\$ -	\$ 13,812				
4 Travel Related		\$ 209,111	\$ -	\$ 209,111		\$ 149,125	\$ 15,499	\$ 164,624				
5 Utilities & Space Facilities Rental/Lease		\$ 106,370	\$ -	\$ 106,370		\$ -	\$ -	\$ -				
6 Computer, Office Equip/Supplies/Svc Maint		\$ 138,908	\$ -	\$ 138,908		\$ 314,637	\$ 74,427	\$ 389,064				
7 Other Services		\$ 9,214,464	\$ 1,205,523	\$ 10,419,987		\$ 9,086,655	\$ 1,186,320	\$ 10,272,975				
8 Other		\$ 35,405	\$ -	\$ 35,405		\$ 6,234	\$ 146,569	\$ 152,803				
Less Mid-Year Reductions		\$ (430,405)	\$ -	\$ (430,405)								
Subtotal		\$ 10,369,767	\$ 1,205,523	\$ 11,575,290		\$ 10,299,851	\$ 1,808,052	\$ 12,107,903		\$ (69,916)	\$ 602,529	\$ 532,613
Personnel & Operating Costs Before Recharges		\$ 14,337,697	\$ 1,205,523	\$ 15,543,220		\$ 14,460,727	\$ 1,808,052	\$ 16,268,779		\$ 123,030	\$ 602,529	\$ 725,559
Recharges												
TRA		\$ -	\$ -	\$ -		\$ (70,000)	\$ -	\$ (70,000)		\$ (70,000)	\$ -	\$ (70,000)
Student Loan e-signatures		\$ -	\$ -	\$ -		\$ (15,000)	\$ -	\$ (15,000)		\$ (15,000)	\$ -	\$ (15,000)
Subtotal		\$ -	\$ -	\$ -		\$ (85,000)	\$ -	\$ (85,000)		\$ (85,000)	\$ -	\$ (85,000)
Personnel & Operating Costs Net of Recharges		\$ 14,337,697	\$ 1,205,523	\$ 15,543,220		\$ 14,375,727	\$ 1,808,052	\$ 16,183,779		\$ 38,030	\$ 602,529	\$ 640,559
Fund Flowthru												
CETAD-UCD		\$ -	\$ -	\$ -		\$ 146,000	\$ -	\$ 146,000		\$ 146,000	\$ -	\$ 146,000
Subtotal		\$ -	\$ -	\$ -		\$ 146,000	\$ -	\$ 146,000		\$ 146,000	\$ -	\$ 146,000
Grand Total	38.00	\$ 14,337,697	\$ 1,205,523	\$ 15,543,220	38.00	\$ 14,521,727	\$ 1,808,052	\$ 16,329,779	0.00	\$ 184,030	\$ 602,529	\$ 786,559

Academic Personnel Vacant, Vice Provost

See the Academic Personnel program narrative for a description of the department mission and functions

Operational Impacts of 2009-10 Budget Reductions

- The department lost \$12,700 in permanent supplies and equipment funds.
- The personnel budget was reduced by \$37,734 in temporary funding.
- The total reduction of \$50,434 for 09-10 necessitated a delay in filling new positions as well as to further delay improvement work on the office web site. As an Office of Record, the office hosts the systemwide Academic Personnel Manual and the Academic Salary Scales in addition to numerous reports and compensation surveys which the campuses access daily. There is a need to keep this information updated and current. The loss of funding has forced Academic Personnel to be more selective about the information posted and, therefore, not able to meet the campus needs in all areas.

Significant Budget Changes and Proposals

- **Proposed Increases**
An increase of \$4,900 to the budget for Operating Expenses is proposed. It is anticipated that additional costs associated with travel, cell phone and computer supplies will be incurred with the appointment of the Vice Provost for Academic Personnel.

Potential Impacts of Contingency Reductions

The AP office cannot absorb a 5%, 7% or 10% reduction in funding. The staff is at minimum with the two leadership positions yet to be hired. There is a skeleton operations budget and most meetings and consultant work have been eliminated beginning July, 2009. There are no additional services or activities left to reduce without seriously affecting the office functions.

**University of California Office of the President
FY 2010-11 Appropriations Proposal**

Department: Academic Personnel Administration									ADJUSTMENTS against FY 2009-10 Budget to derive FY 2010-11 Budget			
Salary & Benefits by Functional Unit	REVISED FY 2009-10 Budget After Mid Year Reductions				PROPOSED FY 2010-11 Budget							
	FTE	Unrestricted	Restricted	Total Costs	FTE	Unrestricted	Restricted	Total Costs	FTE	Unrestricted	Restricted	Total Costs
1 Academic Personnel	11.00	\$ 1,395,499	\$ -	\$ 1,395,499	11.00	\$ 1,463,359	\$ -	\$ 1,463,359	0.00	67,860	-	\$ 67,860
Subtotal	11.00	\$ 1,395,499	\$ -	\$ 1,395,499	11.00	\$ 1,463,359	\$ -	\$ 1,463,359	0.00	\$ 67,860	\$ -	\$ 67,860
Operating Expenses & Support Costs												
1 Consultants & Professional Services		\$ 4,500	\$ -	\$ 4,500		\$ -	\$ -	\$ -				
2 Meetings & Related Costs		\$ 22,000	\$ -	\$ 22,000		\$ 10,000	\$ -	\$ 10,000				
3 Legal Costs		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -				
4 Travel Related		\$ 10,000	\$ -	\$ 10,000		\$ 10,000	\$ -	\$ 10,000				
5 Utilities & Space Facilities Rental/Lease		\$ 3,000	\$ -	\$ 3,000		\$ -	\$ -	\$ -				
6 Computer, Office Equip/Supplies/Svc Maint		\$ 12,500	\$ -	\$ 12,500		\$ 3,000	\$ -	\$ 3,000				
7 Other Services		\$ 4,000	\$ -	\$ 4,000		\$ 10,000	\$ -	\$ 10,000				
8 Other		\$ 7,500	\$ -	\$ 7,500		\$ 22,700	\$ -	\$ 22,700				
Less Mid-Year Reductions		\$ (12,700)	\$ -	\$ (12,700)								
Subtotal		\$ 50,800	\$ -	\$ 50,800		\$ 55,700	\$ -	\$ 55,700		\$ 4,900	\$ -	\$ 4,900
Personnel & Operating Costs Before Recharges		\$ 1,446,299	\$ -	\$ 1,446,299		\$ 1,519,059	\$ -	\$ 1,519,059		\$ 72,760	\$ -	\$ 72,760
Recharges												
Recharges		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Subtotal		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Personnel & Operating Costs Net of Recharges		\$ 1,446,299	\$ -	\$ 1,446,299		\$ 1,519,059	\$ -	\$ 1,519,059		\$ 72,760	\$ -	\$ 72,760
Program Costs & Fund Flowthru												
		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Subtotal		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Grand Total	11.00	\$ 1,446,299	\$ -	\$ 1,446,299	11.00	\$ 1,519,059	\$ -	\$ 1,519,059	0.00	\$ 72,760	\$ -	\$ 72,760

Education Partnerships

Vacant, Vice Provost

See the Education Partnerships program narrative for a description of the department mission and functions

Operational Impacts of 2009-10 Budget Reductions

For ***Education Partnerships***, the 2009-10 mid-year budget cuts totaled \$131,014 in permanent and \$22,168 in temporary unrestricted fund reductions. The reductions were absorbed as follows:

- The elimination of .25 FTE of the Vice Provost for Education Partnerships position for savings of \$66,516 including salary and benefits.
- The elimination of .50 FTE of the Resource Development Analyst position for savings of \$41,605.
- The reduction of operating expenses by \$22,893.

Significant Budget Changes and Proposals

- **Proposed Increases**
An increase of \$169,989 to the unrestricted funds budget for operating expenses is proposed, \$97,734 of which would be used for funding of the Vice Provost's Initiatives. This increase will be partially offset by a reduction in personnel expenses and program costs. In addition, .25 FTE of the Vice Provost for Education Partnerships position will be re-established on restricted funds.
- **Proposed Decreases**
A total of \$151,070 of personnel expenses will be shifted from unrestricted to restricted funds.

Potential Impacts of Contingency Reductions

5% scenario: To reduce by 5%, Education Partnerships will eliminate a .50 FTE vacancy that would have been used to support fundraising and grantwriting for the University's teacher preparation and college access programs, which will impact the department's strategic planning and resource development objectives. Additional reductions to programs are described in the program narrative.

7% scenario: To reduce by 7%, Education Partnerships will implement the 5% scenario described above. In addition, Education Partnerships will reduce general operating expenses in its immediate office and program services units. This will reduce general

department flexibility and will reduce the flexibility afforded to a new Vice Provost-Education Partnerships to carry out his/her own initiatives. Additional reductions to programs are described in the program narrative.

10% scenario: To reduce by 10%, Education Partnerships will implement the 7% scenario described above as well as additional reductions to academic programs (see program narrative).

**University of California Office of the President
FY 2010-11 Appropriations Proposal**

Department: Education Partnerships Administration									ADJUSTMENTS against FY 2009-10 Budget to derive FY 2010-11 Budget			
Salary & Benefits by Functional Unit	REVISED FY 2009-10 Budget After Mid Year Reductions				PROPOSED FY 2010-11 Budget							
	FTE	Unrestricted	Restricted	Total Costs	FTE	Unrestricted	Restricted	Total Costs	FTE	Unrestricted	Restricted	Total Costs
1 Imm Ofc of the Vice Provost	4.25	\$ 496,548	\$ 108,535	\$ 605,083	5.00	\$ 520,693	\$ 212,058	\$ 732,751	0.75	\$ 24,145	\$ 103,523	\$ 127,668
2 Program Services	6.00	\$ 269,113	\$ 201,915	\$ 471,028	5.50	\$ 218,801	\$ 211,733	\$ 430,534	-0.50	\$ (50,312)	\$ 9,818	\$ (40,494)
3 P-20 / Teaching, Learning and Leadership	0.00	\$ -	\$ -	\$ -	0.00	\$ -	\$ -	\$ -	0.00	\$ -	\$ -	\$ -
4 College Access and Preparation	0.00	\$ -	\$ -	\$ -	0.00	\$ -	\$ -	\$ -	0.00	\$ -	\$ -	\$ -
5 Research and Evaluation	3.50	\$ -	\$ 374,874	\$ 374,874	4.00	\$ -	\$ 445,927	\$ 445,927	0.50	\$ -	\$ 71,053	\$ 71,053
Subtotal	13.75	\$ 765,661	\$ 685,323	\$ 1,450,984	14.50	\$ 739,494	\$ 869,718	\$ 1,609,212	0.75	\$ (26,167)	\$ 184,395	\$ 158,228
Operating Expenses & Support Costs												
1 Consultants and Professional Services		\$ 36,534	\$ -	\$ 36,534		\$ 30,000	\$ 39,072	\$ 69,072				
2 Meetings & Related Costs		\$ 29,633	\$ 5,000	\$ 34,633		\$ 30,000	\$ 6,838	\$ 36,838				
3 Legal Costs		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -				
4 Travel Related		\$ 15,004	\$ 5,000	\$ 20,004		\$ 9,050	\$ 5,799	\$ 14,849				
5 Utilities and Space Facilities Rental/Lease		\$ 11,249	\$ -	\$ 11,249		\$ 62,000	\$ -	\$ 62,000				
6 Computer/Office Equip/Supplies/Svc Maint		\$ 18,268	\$ -	\$ 18,268		\$ 28,000	\$ -	\$ 28,000				
7 Other Services		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -				
8 Other		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -				
Vice Provost Initiatives		\$ -	\$ -	\$ -		\$ 97,734	\$ -	\$ 97,734				
Less Mid-Year Reductions		\$ (22,893)	\$ -	\$ (22,893)								
Subtotal		\$ 87,795	\$ 10,000	\$ 97,795		\$ 256,784	\$ 51,709	\$ 308,493		\$ 168,989	\$ 41,709	\$ 210,698
Personnel & Operating Costs Before Recharges		\$ 853,456	\$ 695,323	\$ 1,548,779		\$ 996,278	\$ 921,427	\$ 1,917,705		\$ 142,822	\$ 226,104	\$ 368,926
Recharges		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Subtotal		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Personnel & Operating Costs Net of Recharges		\$ 853,456	\$ 695,323	\$ 1,548,779		\$ 996,278	\$ 921,427	\$ 1,917,705		\$ 142,822	\$ 226,104	\$ 368,926
Fund Flowthru		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Subtotal		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Grand Total	13.75	\$ 853,456	\$ 695,323	\$ 1,548,779	14.50	\$ 996,278	\$ 921,427	\$ 1,917,705	0.75	\$ 142,822	\$ 226,104	\$ 368,926

Academic Planning, Programs, and Coordination

Daniel Greenstein, Vice Provost

See the Academic Planning, Programs and Coordination program narrative for a description of the department mission and functions.

Operational Impacts of 2009/10 Budget Reductions

- Cost reductions continue to be achieved by forcing workload efficiencies through greater reliance on central services (e.g. institutional research), streamlining reporting requirements, and reducing or eliminating all but essential analytical work. Additional savings have been made through eliminating virtually all travel, deferring technology expenses, reducing staff development, etc.

Significant Budget Changes and Proposals

- **Proposed Increases**
The transfer of 1.00 FTE and \$95,886 in personnel costs associated with a principal analyst position transferred to the Immediate Office from UC Center Sacramento.
- **Proposed Decreases**
The reduction of \$95,399 in operating expenses.

Potential Impacts of Contingency Reductions

APPC has committed to budget reductions over the period of FY 2009-10 through FY 2012-13 that exceed the amount requested. Therefore, additional reductions under the 5% and 7% scenarios will not be required. However, at the 10% cut level, the Immediate Office will achieve \$200,000 in savings by suspending work on development of the UC Portal and expert finder, intended to make UC research in key areas accessible to a broader non-scholarly public.

**University of California Office of the President
FY 2010-11 Appropriations Proposal**

Department: Academic Planning, Programs and Coordination Administration									ADJUSTMENTS against FY 2009-10 Budget to derive FY 2010-11 Budget			
Salary & Benefits by Functional Unit	REVISED FY 2009-10 Budget After Mid Year Reductions				PROPOSED FY 2010-11 Budget							
	FTE	Unrestricted	Restricted	Total Costs	FTE	Unrestricted	Restricted	Total Costs	FTE	Unrestricted	Restricted	Total Costs
1 Immediate Office of the Vice Provost	15.00	\$ 1,920,979	\$ -	\$ 1,920,979	16.00	\$ 2,103,057	\$ -	\$ 2,103,057	1.00	\$ 182,078	\$ -	\$ 182,078
Subtotal	15.00	\$ 1,920,979	\$ -	\$ 1,920,979	16.00	\$ 2,103,057	\$ -	\$ 2,103,057	1.00	\$ 182,078	\$ -	\$ 182,078
Operating Expenses & Support Costs												
1 Consultants & Professional Services		\$ 702,500	\$ -	\$ 702,500		\$ 420,000	\$ -	\$ 420,000				
2 Meetings & Related Costs		\$ 55,500	\$ -	\$ 55,500		\$ 55,000	\$ -	\$ 55,000				
3 Legal Costs			\$ -	\$ -		\$ -	\$ -	\$ -				
4 Travel Related		\$ 58,200	\$ -	\$ 58,200		\$ 57,000	\$ -	\$ 57,000				
5 Utilities & Space Facilities Rental/Lease		\$ 20,000	\$ -	\$ 20,000		\$ 20,000	\$ -	\$ 20,000				
6 Computer, Office Equip/Supplies/Svc Maint		\$ 35,500	\$ -	\$ 35,500		\$ 19,000	\$ -	\$ 19,000				
7 Other Services		\$ 44,500	\$ -	\$ 44,500		\$ 242,976	\$ -	\$ 242,976				
8 Other		\$ 31,675	\$ -	\$ 31,675		\$ 38,500	\$ -	\$ 38,500				
Less Mid-Year Reductions		\$ -	\$ -	\$ -								
Subtotal		\$ 947,875	\$ -	\$ 947,875		\$ 852,476	\$ -	\$ 852,476		\$ (95,399)	\$ -	\$ (95,399)
Personnel & Operating Costs Before Recharges		\$ 2,868,854	\$ -	\$ 2,868,854		\$ 2,955,533	\$ -	\$ 2,955,533		\$ 86,679	\$ -	\$ 86,679
Recharges												
Recharges		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Subtotal		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Personnel & Operating Costs Net of Recharges		\$ 2,868,854	\$ -	\$ 2,868,854		\$ 2,955,533	\$ -	\$ 2,955,533		\$ 86,679	\$ -	\$ 86,679
Program Costs & Fund Flowthru												
		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Subtotal		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Grand Total	15.00	\$ 2,868,854	\$ -	\$ 2,868,854	16.00	\$ 2,955,533	\$ -	\$ 2,955,533	1.00	\$ 86,679	\$ -	\$ 86,679

Agriculture and Natural Resources

Daniel M. Dooley, Vice President

See the Agriculture and Natural Resources program narrative for a description of the department mission and functions.

Operational Impacts of 2009-10 Budget Reductions

The most significant changes for ***Agriculture and Natural Resources*** during FY 2009-10 are programmatic and are not reflected in the portion of the budget located at the Office of the President.

Significant Budget Changes and Proposals

Since FY 2009-10, ***Agriculture and Natural Resources*** decreased its unrestricted funds budget for administration at UCOP by \$256,284.

- **Proposed Increases**

A \$5,384 increase to the budget for operating expenses is being proposed in order to align the available budget with actual projected expenses.

- **Proposed Decreases**

An additional 2.00 FTE and \$181,675 in personnel expenses are transferred from UCOP to the ANR central offices located at UC Davis. There was also a net decrease of 2.00 FTE and \$115,389 associated with the elimination of vacant positions and other changes to the unrestricted funds budget for personnel expenses.

Potential Impacts of Contingency Reductions

Agriculture and Natural Resources is not subject to these contingency reductions.

**University of California Office of the President
FY 2010-11 Appropriations Proposal**

Department: Agriculture and Natural Resources Administration									ADJUSTMENTS against FY 2009-10 Budget to derive FY 2010-11 Budget			
Salary & Benefits by Functional Unit	REVISED FY 2009-10 Budget After Mid Year Reductions				PROPOSED FY 2010-11 Budget							
	FTE	Unrestricted	Restricted	Total Costs	FTE	Unrestricted	Restricted	Total Costs	FTE	Unrestricted	Restricted	Total Costs
1 Vice President Immediate Office	8.00	\$ 1,025,030	\$ -	\$ 1,025,030	4.00	\$ 763,362	\$ -	\$ 763,362	-4.00	\$ (261,668)	\$ -	\$ (261,668)
Subtotal	8.00	\$ 1,025,030	\$ -	\$ 1,025,030	4.00	\$ 763,362	\$ -	\$ 763,362	-4.00	\$ (261,668)	\$ -	\$ (261,668)
Operating Expenses & Support Costs												
1 Consultants & Professional Services		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -				
2 Meetings & Related Costs		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -				
3 Legal Costs		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -				
4 Travel Related		\$ 9,565	\$ -	\$ 9,565		\$ 11,500	\$ -	\$ 11,500				
5 Utilities & Space Facilities Rental/Lease		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -				
6 Computer,Office Equip/Supplies/Svc Maint		\$ 17,051	\$ -	\$ 17,051		\$ 20,500	\$ -	\$ 20,500				
7 Outside Services		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -				
8 Other		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -				
Less Mid-Year Reductions		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -				
Subtotal		\$ 26,616	\$ -	\$ 26,616		\$ 32,000	\$ -	\$ 32,000		\$ 5,384	\$ -	\$ 5,384
Personnel & Operating Costs Before Recharges		\$ 1,051,646	\$ -	\$ 1,051,646		\$ 795,362	\$ -	\$ 795,362		\$ (256,284)	\$ -	\$ (256,284)
Recharges												
Recharges		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Subtotal		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Personnel & Operating Costs Net of Recharges		\$ 1,051,646	\$ -	\$ 1,051,646		\$ 795,362	\$ -	\$ 795,362		\$ (256,284)	\$ -	\$ (256,284)
Program Costs & Fund Flowthru												
		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Subtotal		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Grand Total	8.00	\$ 1,051,646	\$ -	\$ 1,051,646	4.00	\$ 795,362	\$ -	\$ 795,362	-4.00	\$ (256,284)	\$ -	\$ (256,284)

PRESIDENT'S EXECUTIVE OFFICE

The narratives are summaries addressing major highlights of the budget, including significant increases and decreases, major initiatives, and external drivers of cost. Due to the size and complexity of the budget, narratives do not convey all changes in the department budget. For full budget details, see the table that follows each narrative.

President's Executive Office

Mark G. Yudof – President

Mission & Functions

The ***President's Executive Office*** (PEO) is responsible for providing direct support to the President as he leads the University in meeting its key teaching, research and public service goals. This includes supporting the President in his efforts to strengthen the University's relationship with the State of California and its citizens. The President's Executive Office also oversees the operation and maintenance of the President's official residence.

- Works with Regents, Chancellors, the Academic Senate, Executive Vice Presidents and various constituent groups to facilitate the implementation of the President's academic, business, and fiscal initiatives.
- Provides counsel and decision-making support to the President on issues which affect the University system and its relations with the State of California.
- Oversees administration and personnel functions of the President's Executive Office.
- Supports the President in coordination of official calendar, meetings, travel, and various public engagements.
- Provides management oversight for executive searches conducted on behalf of the President for senior leaders (Chancellors, Executive Vice Presidents, Vice Presidents, etc.).
- Oversees communications/correspondence unit functions for the President's Executive Office in support of the President.
- Assists the President in his responsibilities, both substantive and ceremonial, among them drafting introductions and forwards to scholarly and other publications, public statements and messages, awards and award citations, and Regents' resolutions.
- Coordinates and oversees official University functions at the President's residence.

Operational Impacts of 2009-10 Budget Reductions

The President's Executive Office took a permanent FY 2009-10 mid-year budget reduction of \$105,134 in Operating and Support Costs. In addition, the PEO will achieve approximately \$296,000 in temporary savings by keeping two positions frozen through June 30, 2010.

Significant Budget Changes and Proposals for 2010-11 Budget:

For FY2010-11, the President's Executive Office will reallocate 18% of three positions from unrestricted funds to restricted funds. These positions include the President, the Deputy Chief of Staff and an Executive Assistant. For each position, salary distributions will include 6% to the Asset Management Fund, 6% to the UCRS Fund, 6% to the Lab Management Fund, and 6% to the Searles Fund (unrestricted). The remainder will be divided between General and Common Funds (38%/38%).

Potential Impacts of Contingency Reductions:

5% Reduction

In FY 2009-10, the President's Executive Office made a significant reduction (\$105,134) in its budget. Reducing the current budget by another 5% would present a significant challenge to the office's ability to perform essential functions. The office's ability to provide timely responses to correspondence from internal and external constituents would be extremely hindered.

7% Reduction

In addition to the impacts noted above, a 7% reduction would force the President's Executive Office to evaluate staff positions for layoffs. This approach would impact the President's correspondence and executive support unit. Should these areas be affected, the President's Executive Office would not be able to respond to the voluminous amounts of correspondence that the President receives and there would be significant disruption in coordinating presidential matters including appearances and events.

10% reduction

A 10% reduction to the budget of the President's Executive Office, in addition to the budget reductions that the office has already taken, would have dire consequences for the office. This would necessitate a reduction in all of the main areas of the office – advice/decision-making support, correspondence, and administration - whose primary goal is to support the President as he leads the University. In addition to significant delays in the President's ability to respond to campuses/constituents and the disruption in the office's ability to coordinate and organize presidential matters, there will be a significant impact on the ability of the office to provide advice and decision-making support to the President as the office will be faced with suspending and/or eliminating senior advisors to the President.

**University of California Office of the President
FY 2010-11 Appropriations Proposal**

DIVISION: President's Executive Office									ADJUSTMENTS against FY 2009-10 Budget to derive FY 2010-11 Budget			
Salary & Benefits by Functional Unit	REVISED FY 2009-10 Budget After Mid Year Reductions				PROPOSED FY 2010-11 Budget							
	FTE	Unrestricted	Restricted	Total Costs	FTE	Unrestricted	Restricted	Total Costs	FTE	Unrestricted	Restricted	Total Costs
1 PEO Immediate Office	12.00	\$ 2,058,820	\$ -	\$ 2,058,820	12.00	\$ 1,969,632	\$ 186,962	\$ 2,156,594	0.00	\$ (89,188)	\$ 186,962	\$ 97,774
Subtotal	12.00	\$ 2,058,820	\$ -	\$ 2,058,820	12.00	\$ 1,969,632	\$ 186,962	\$ 2,156,594	0.00	\$ (89,188)	\$ 186,962	\$ 97,774
Operating Expenses & Support Costs												
1 Consultants & Professional Services		\$ -	\$ -	\$ -		\$ 10,825	\$ -	\$ 10,825				
2 Meetings & Related Costs		\$ 71,954	\$ -	\$ 71,954		\$ 73,755	\$ -	\$ 73,755				
3 Legal Costs		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -				
4 Travel Related		\$ 89,142	\$ -	\$ 89,142		\$ 77,838	\$ -	\$ 77,838				
5 Utilities & Space Facilities Rental/Lease		\$ -	\$ -	\$ -		\$ 35,044	\$ -	\$ 35,044				
6 Computer, Office Equip/Supplies/Svc Maint		\$ 20,151	\$ -	\$ 20,151		\$ 26,425	\$ -	\$ 26,425				
7 Outside Services & Experts		\$ 37,417	\$ -	\$ 37,417		\$ 44,390	\$ -	\$ 44,390				
8 Other Office		\$ 192,625	\$ -	\$ 192,625		\$ 37,878	\$ -	\$ 37,878				
Status of Women Advisory Committee		\$ 3,150	\$ -	\$ 3,150		\$ 3,150	\$ -	\$ 3,150				
Associate to the President		\$ 20,500	\$ -	\$ 20,500		\$ 20,500	\$ -	\$ 20,500				
Less Mid-Year Reductions		\$ (105,134)	\$ -	\$ (105,134)		\$ -	\$ -	\$ -				
Subtotal		\$ 329,805	\$ -	\$ 329,805		\$ 329,805	\$ -	\$ 329,805		\$ -	\$ -	\$ -
Personnel & Operating Costs Before Recharges		\$ 2,388,625	\$ -	\$ 2,388,625		\$ 2,299,437	\$ 186,962	\$ 2,486,399		\$ (89,188)	\$ 186,962	\$ 97,774
Recharges												
Recharges-External		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Recharges-UCOP		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Subtotal		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Personnel & Operating Costs Net of Recharges		\$ 2,388,625	\$ -	\$ 2,388,625		\$ 2,299,437	\$ 186,962	\$ 2,486,399		\$ (89,188)	\$ 186,962	\$ 97,774
Program Costs & Fund Flowthru												
Program Detail		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Subtotal		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Grand Total	12.00	\$ 2,388,625	\$ -	\$ 2,388,625	12.00	\$ 2,299,437	\$ 186,962	\$ 2,486,399	0.00	\$ (89,188)	\$ 186,962	\$ 97,774

POLICY AND ANALYSIS

P&A Immediate Office

Institutional Research

**Issues Management Policy Analysis &
Coordination**

The narratives are summaries addressing major highlights of the budget, including significant increases and decreases, major initiatives, and external drivers of cost. Due to the size and complexity of the budget, narratives do not convey all changes in the department budget. For full budget details, see the table that follows each narrative.

Policy and Analysis

Marsha Kelman, Associate Vice President

Mission & Functions

Policy and Analysis provides leadership and coordination in the development of proactive system-wide policy initiatives, based on high-quality management information and analyses. The division includes two new consolidated units that bridge both the academic and business operations functions of the University: Institutional Research (IR) and Issues Management, Policy Analysis and Coordination (IMPAC). IR is primarily responsible for the development of a centralized decision support system for planning, accountability, decision making and improvement efforts of the UC Office of the President.

Operational Impacts of 2009-10 Budget Reductions:

Policy and Analysis had no permanent FY0910 mid-year budget reductions. Temporary savings of approximately \$111,000 will be achieved by keeping two positions frozen through June 30, 2010.

Significant Budget Changes and Proposals for 2010-11 Budget:

In similar fashion to the President's Executive Office, for FY1011, 18% of two positions will be redistributed to restricted funds. These positions include the Associate Vice President for Policy and Analysis and an Executive Secretary. For each position, salary distributions will include 6% to the Asset Management Fund, 6% to the UCRS Fund, 6% to the Lab Management Fund, and 6% to the Searles Fund (unrestricted). The remainder will remain divided between General and Common Funds (38%/38%).

Potential Impacts of Contingency Reductions:

5% Reduction

As new units, both IMPAC and IR hired under midpoint for several positions to enable them to assess skills and adjust compensation after an appropriate evaluation period. This cut will prohibit any consideration of reclassifications or salary adjustments for staff and removes one incentive for staff to assume additional responsibilities and to improve skills. Also limits ability to bring in one-time staff as needed for accelerating development of user queries and reports for Decision Support System under development. Lack of this flexibility will result in an actual decrease in analytical capability in the IR unit during the upcoming 12 months as the DSS will require heavy participation from almost all IR staff.

7% Reduction

Will drastically reduce the ability to achieve the staff's professional development goals in both units. Further, these cuts will decimate a large portion of the travel budget, critical in the relationship-building aspect of work with colleagues on the campuses as well as other constituents with whom we regularly work (SGR, FGR, WestEd, CDE on joint database projects, etc.) It also eliminates any flexibility for salary actions as well as back fill for staff redirected to Decision Support System priorities, resulting in even further reductions in analytic capacity in the IR unit.

10% Reduction

Will result in the near elimination of the one remaining vacant position in IR, the Data Warehouse Manager, which was frozen this year due to the budget crisis. This has already resulted in a loss of analytical capacity in the unit. Inability to hire another analyst or DWM will have an immediate effect on units outside IR as services to those units will decline. This will also affect IMPACs' ability to provide analysis and position recommendations on state and federal legislation. It will likely lead to a retention issue with the 60% FTE coordinator position as there was a commitment to increase the position to 100% next year. Staff in all areas are putting in great amounts of overtime to meet their current responsibilities, and expanding or taking on additional duties as these units get established will not be possible without filling the vacant positions.

**University of California Office of the President
FY 2010-11 Appropriations Proposal**

DIVISION: Policy and Analysis												
	REVISED FY 2009-10 Budget After Mid Year Reductions				PROPOSED FY 2010-11 Budget				ADJUSTMENTS against FY 2009-10 Budget to derive FY 2010-11 Budget			
Salary & Benefits by Functional Unit	FTE	Unrestricted	Restricted	Total Costs	FTE	Unrestricted	Restricted	Total Costs	FTE	Unrestricted	Restricted	Total Costs
1 Policy and Analysis Immediate Office ¹	2.00	\$ 348,838	\$ -	\$ 348,838	2.00	\$ 312,490	\$ 68,337	\$ 380,827	0.00	(36,348)	68,337	\$ 31,989
2 Institutional Research ²	15.50	\$ 1,896,910	\$ -	\$ 1,896,910	15.50	\$ 1,989,148	\$ -	\$ 1,989,148	0.00	92,238	-	\$ 92,238
3 Issues Mgt. Policy Analysis & Coord. (IMPAC) ²	7.50	\$ 951,279	\$ -	\$ 951,279	7.50	\$ 997,535	\$ -	\$ 997,535	0.00	46,256	-	\$ 46,256
Subtotal	25.00	\$ 3,197,027	\$ -	\$ 3,197,027	25.00	\$ 3,299,173	\$ 68,337	\$ 3,367,510	0.00	\$ 102,146	\$ 68,337	\$ 170,483
Operating Expenses & Support Costs ³												
1 Consultants & Professional Services		\$ 118,500	\$ -	\$ 118,500		\$ 118,500	\$ -	\$ 118,500				
2 Meetings & Related Costs		\$ 10,000	\$ -	\$ 10,000		\$ 10,000	\$ -	\$ 10,000				
3 Legal Costs		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -				
4 Travel Related		\$ 20,600	\$ -	\$ 20,600		\$ 20,600	\$ -	\$ 20,600				
5 Utilities & Space Facilities Rental/Lease		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -				
6 Computer, Office Equip/Supplies/Svc Maint		\$ 35,700	\$ -	\$ 35,700		\$ 35,700	\$ -	\$ 35,700				
7 Outside Services & Experts		\$ 23,700	\$ -	\$ 23,700		\$ 23,700	\$ -	\$ 23,700				
8 Other Office		\$ 28,500	\$ -	\$ 28,500		\$ 28,500	\$ -	\$ 28,500				
Less Mid-Year Reductions		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -				
Subtotal		\$ 237,000	\$ -	\$ 237,000		\$ 237,000	\$ -	\$ 237,000		\$ -	\$ -	\$ -
Personnel & Operating Costs Before Recharges		\$ 3,434,027	\$ -	\$ 3,434,027		\$ 3,536,173	\$ 68,337	\$ 3,604,510		\$ 102,146	\$ 68,337	\$ 170,483
Recharges												
Recharges-External		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Recharges-UCOP		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Subtotal		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Personnel & Operating Costs Net of Recharges		\$ 3,434,027	\$ -	\$ 3,434,027		\$ 3,536,173	\$ 68,337	\$ 3,604,510		\$ 102,146	\$ 68,337	\$ 170,483
Program Costs & Fund Flowthru												
Program Detail		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Subtotal		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Grand Total	25.00	\$ 3,434,027	\$ -	\$ 3,434,027	25.00	\$ 3,536,173	\$ 68,337	\$ 3,604,510	0.00	\$ 102,146	\$ 68,337	\$ 170,483

ACADEMIC AFFAIRS PROGRAMS

Immediate Office

Office of Research & Graduate Studies

Students Affairs

Academic Personnel

Education Partnerships

Academic Planning, Programs & Coordination

Agriculture and Natural Resources

The narratives are summaries addressing major highlights of the budget, including significant increases and decreases, major initiatives, and external drivers of cost. Due to the size and complexity of the budget, narratives do not convey all changes in the department budget. For full budget details, see the table that follows each narrative.

**University of California Office of the President
FY 2010-11 Appropriations Proposal**

DIVISION: Academic Affairs-Academic Program Areas												
	REVISED FY 2009-10 Budget After Mid Year Reductions				PROPOSED FY 2010-11 Budget				ADJUSTMENTS against FY 2009-10 Budget to derive FY 2010-11 Budget			
Salary & Benefits by Functional Unit	FTE	Unrestricted	Restricted	Total Costs	FTE	Unrestricted	Restricted	Total Costs	FTE	Unrestricted	Restricted	Total Costs
1 Office of Research and Graduate Studies	62.18	\$ 1,184,952	\$ 4,769,328	\$ 5,954,280	55.15	\$ 1,215,761	\$ 4,233,209	\$ 5,448,970	-7.03	\$ 30,809	\$ (536,119)	\$ (505,310)
2 Student Affairs	9.00	\$ -	\$ 845,058	\$ 845,058	9.00	\$ -	\$ 886,150	\$ 886,150	0.00	\$ -	\$ 41,092	\$ 41,092
3 Education Partnerships	65.05	\$ -	\$ 5,423,084	\$ 5,423,084	71.14	\$ 87,256	\$ 5,958,185	\$ 6,045,441	6.09	\$ 87,256	\$ 535,101	\$ 622,357
4 Academic Planning, Programs and Coordination	304.22	\$ 13,424,426	\$ 10,487,026	\$ 23,911,452	280.23	\$ 13,865,769	\$ 10,087,080	\$ 23,952,849	-23.99	\$ 441,343	\$ (399,946)	\$ 41,397
5 Agriculture and Natural Resources	33.48	\$ 2,875,944	\$ 376,698	\$ 3,252,642	26.48	\$ 2,149,474	\$ 687,403	\$ 2,836,877	-7.00	\$ (726,470)	\$ 310,705	\$ (415,765)
Subtotal	473.93	\$ 17,485,322	\$ 21,901,195	\$ 39,386,517	442.00	\$ 17,318,260	\$ 21,852,027	\$ 39,170,287	-31.93	\$ (167,062)	\$ (49,168)	\$ (216,230)
Operating Expenses & Support Costs												
1 Consultants & Professional Services		\$ 315,162	\$ 3,778,880	\$ 4,094,042		\$ 243,495	\$ 3,891,345	\$ 4,134,840				
2 Meetings & Related Costs		\$ 166,844	\$ 977,882	\$ 1,144,726		\$ 131,924	\$ 975,709	\$ 1,107,633				
3 Legal Costs		\$ 91,125	\$ 77,794	\$ 168,919		\$ 123,436	\$ 62,677	\$ 186,113				
4 Travel Related		\$ 597,197	\$ 1,186,223	\$ 1,783,420		\$ 422,946	\$ 1,186,875	\$ 1,609,821				
5 Utilities & Space Facilities Rental/Lease		\$ 1,634,215	\$ 2,632,601	\$ 4,266,816		\$ 1,396,229	\$ 2,480,940	\$ 3,877,169				
6 Computer, Office Equip/Supplies/Svc Maint		\$ 3,564,795	\$ 1,726,697	\$ 5,291,492		\$ 3,193,157	\$ 1,586,713	\$ 4,779,870				
7 Other Services		\$ 1,098,837	\$ 5,577,332	\$ 6,676,169		\$ 1,006,976	\$ 4,798,972	\$ 5,805,948				
8 Other		\$ 1,352,313	\$ 2,222,132	\$ 3,574,445		\$ 1,187,037	\$ 1,843,047	\$ 3,030,084				
Grant Flowthrough to non-UC		\$ 861,176	\$ 30,657,748	\$ 31,518,924		\$ 861,176	\$ 28,931,863	\$ 29,793,039				
Subcontracts and agreements		\$ -	\$ 10,194,001	\$ 10,194,001		\$ -	\$ 8,446,991	\$ 8,446,991				
Scholarships		\$ -	\$ 716,000	\$ 716,000		\$ -	\$ 830,274	\$ 830,274				
Royalties (UC Press)		\$ -	\$ 2,730,500	\$ 2,730,500		\$ -	\$ 3,260,000	\$ 3,260,000				
Book Collection (CDL)		\$ 5,949,138	\$ -	\$ 5,949,138		\$ 5,101,212	\$ 1,000,000	\$ 6,101,212				
Cost of Sales (UC Press)		\$ -	\$ 7,236,500	\$ 7,236,500		\$ -	\$ 6,840,000	\$ 6,840,000				
Int'l Office Academic/Instructional/Admin Exp		\$ 7,791,862	\$ 4,468,979	\$ 12,260,841		\$ 5,611,112	\$ 6,092,446	\$ 11,703,558				
Reciprocity Support for Campuses		\$ -	\$ 2,265,149	\$ 2,265,149		\$ -	\$ 2,265,149	\$ 2,265,149				
Less Mid-Year Reductions		\$ (1,385,450)	\$ -	\$ (1,385,450)								
Subtotal		\$ 22,037,214	\$ 76,448,418	\$ 98,485,632		\$ 19,278,700	\$ 74,493,001	\$ 93,771,701		\$ (2,758,514)	\$ (1,955,417)	\$ (4,713,931)
Personnel & Operating Costs Before Recharges		\$ 39,522,536	\$ 98,349,613	\$ 137,872,149		\$ 36,596,960	\$ 96,345,028	\$ 132,941,988		\$ (2,925,576)	\$ (2,004,585)	\$ (4,930,161)
Recharges												
Office of Research and Graduate Studies		\$ -	\$ (621,493)	\$ (621,493)		\$ -	\$ -	\$ -		\$ -	\$ 621,493	\$ 621,493
Academic Planning, Programs and Coordination		\$ -	\$ (283,552)	\$ (283,552)		\$ -	\$ (491,307)	\$ (491,307)		\$ -	\$ (207,755)	\$ (207,755)
Subtotal		\$ -	\$ (905,045)	\$ (905,045)		\$ -	\$ (491,307)	\$ (491,307)		\$ -	\$ 413,738	\$ 413,738
Personnel & Operating Costs Net of Recharges		\$ 39,522,536	\$ 97,444,568	\$ 136,967,104		\$ 36,596,960	\$ 95,853,721	\$ 132,450,681		\$ (2,925,576)	\$ (1,590,847)	\$ (4,516,423)
Program Costs & Fund Flowthru												
Academic Affairs Immediate Office Division Activities		\$ 680,000	\$ -	\$ 680,000		\$ 632,747	\$ -	\$ 632,747		\$ (47,253)	\$ -	\$ (47,253)
Office of Research and Graduate Studies		\$ 32,361,640	\$ 42,793,003	\$ 75,154,643		\$ 36,601,418	\$ 61,275,034	\$ 97,876,452		\$ 4,239,778	\$ 18,482,031	\$ 22,721,809
Student Affairs		\$ -	\$ 90,000	\$ 90,000		\$ -	\$ 80,550	\$ 80,550		\$ -	\$ (9,450)	\$ (9,450)
Academic Personnel		\$ 20,000	\$ -	\$ 20,000		\$ 20,000	\$ -	\$ 20,000		\$ -	\$ -	\$ -
Education Partnerships		\$ 1,594,000	\$ 7,258,808	\$ 8,852,808		\$ 1,338,880	\$ 8,034,722	\$ 9,373,602		\$ (255,120)	\$ 775,914	\$ 520,794
Academic Planning, Programs and Coordination		\$ 1,437,304	\$ 358,523	\$ 1,795,827		\$ 1,102,179	\$ 358,523	\$ 1,460,702		\$ (335,125)	\$ -	\$ (335,125)
Subtotal		\$ 36,092,944	\$ 50,500,334	\$ 86,593,278		\$ 39,695,224	\$ 69,748,829	\$ 109,444,053		\$ 3,602,280	\$ 19,248,495	\$ 22,850,775
Less Mid-Year SAPEP Reductions		\$ -	\$ (1,011,559)	\$ (1,011,559)						\$ -	\$ 1,011,559	\$ 1,011,559
Grand Total	473.93	\$ 75,615,480	\$ 146,933,343	\$ 222,548,823	442.00	\$ 76,292,184	\$ 165,602,550	\$ 241,894,734	-31.93	\$ 676,704	\$ 18,669,207	\$ 19,345,911

Provost & Executive Vice President Academic Affairs' Immediate Office

Lawrence Pitts, Provost and Executive Vice President Academic Affairs

Mission & Functions

The Provost and Executive Vice President Academic Affairs' Immediate Office provides strategic leadership for the world's leading research university system. The Immediate Office:

- Coordinates with the President and the other Divisions within the Office of the President
- Joins the Academic Senate in shared governance
- Fosters the academic interests of the University with the Regents, government, and external agencies
- Promotes campus excellence through collaboration with the Provosts and Executive Vice Chancellors on the campuses
- Develops academic priorities for budgetary and other purposes
- Provides support to the division's management in all aspects of resource planning, coordination, and management and program oversight

Systemwide Academic Programs (see Appendix I for Program Descriptions)

The Provost and Executive Vice President Academic Affairs' Immediate Office supports a variety of academic activities in the form of funds that flow directly to the campuses.

Operational Impacts of 2009-10 Budget Reductions

The budget for Division-wide programmatic activities was not impacted by the 2009-10 budget cuts. Other midyear changes to the unrestricted funds budget in FY 2009-10 include the following:

- \$400,000 of Flowthrough Funds transferred to the Office of Research and Graduate Studies for UC ACCORD.

Significant Budget Changes and Proposals

- **Proposed Decreases**
The budget for unrestricted Funds Flowthrough has a net decrease of \$47,253.

Potential Impacts of Contingency Reductions

If additional budget cuts are needed in 2010-11, the Immediate Office would be required to examine the reduction and/or elimination of its MOU funding commitments to campus programs.

**University of California Office of the President
FY 2010-11 Appropriations Proposal**

Department: Academic Affairs Immediate Office-Division Activities-Academic Programs												
Salary & Benefits by Functional Unit	REVISED FY 2009-10 Budget After Mid Year Reductions				PROPOSED FY 2010-11 Budget				ADJUSTMENTS against FY 2009-10 Budget to derive FY 2010-11 Budget			
	FTE	Unrestricted	Restricted	Total Costs	FTE	Unrestricted	Restricted	Total Costs	FTE	Unrestricted	Restricted	Total Costs
Subtotal	0.00	\$ -	\$ -	\$ -	0.00	\$ -	\$ -	\$ -	0.00	\$ -	\$ -	\$ -
Operating Expenses & Support Costs									X			
1 Consultants & Professional Services		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -				
2 Meetings & Related Costs		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -				
3 Legal Costs		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -				
4 Travel Related		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -				
5 Utilities & Space Facilities Rental/Lease		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -				
6 Computer, Office Equip/Supplies/Svc Maint		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -				
7 Other Services		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -				
8 Other		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -				
Less Mid-Year Reductions		\$ -	\$ -	\$ -								
Subtotal		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Personnel & Operating Costs Before Recharges		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Recharges												
Recharges		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Subtotal		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Personnel & Operating Costs Net of Recharges		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Program Costs & Fund Flowthru												
Program and MOU		\$ 680,000	\$ -	\$ 680,000		\$ 632,747	\$ -	\$ 632,747		\$ (47,253)	\$ -	\$ (47,253)
Subtotal		\$ 680,000	\$ -	\$ 680,000		\$ 632,747	\$ -	\$ 632,747		\$ (47,253)	\$ -	\$ (47,253)
Grand Total*	0.00	\$ 680,000	\$ -	\$ 680,000	0.00	\$ 632,747	\$ -	\$ 632,747	0.00	\$ (47,253)	\$ -	\$ (47,253)

Office of Research and Graduate Studies ***Steven Beckwith, Vice President***

Mission & Functions

The Office of Research and Graduate Studies enhances campus-based research and graduate education by providing UC-wide strategic coordination, resources and accountability to advance UC's teaching, research and public service mission. Its seven major functions include:

- Oversee the accountability for the University's research enterprise.
- Govern the Regental policies for the University's research enterprise.
- Foster research partnerships among campuses, the national labs and other public or private entities to advance UC-wide research priorities.
- Promote UC's technology transfer and industry alliance efforts to bring the benefits of UC research to the public.
- Promote graduate education in the UC system to enhance California's competitive position in the global economy.
- Communicate the societal impact of UC's research to California and beyond.
- Represent the UC research enterprise in national and international forums to inform policy and research opportunities.

The Office of Research and Graduate Studies distributes (through competitive peer review) approximately \$100M/yr of funding to California researchers in seven different programs, four of which are designed to seed collaborative research between campuses, campuses and national labs, and with industry. Distributing research funding requires about 44% of the overall budget and staff. Another 27% of the budget and staff are devoted to technology transfer and industry-university relations. The policy group is another 13%, and 16% is devoted to accountability, communications, and systemwide representation.

Systemwide Academic Programs (see Appendix I for Program Descriptions)

- Natural Reserve System (NRS)
- California Breast Cancer Research Program (CBCRP)
- Tobacco-Related Disease Research Program (TRDRP)
- California HIV/AIDS Research Program (CHRP)

- W. M. Keck Observatory
- Discovery Grants
- UC Multicampus Research Programs and Initiatives (MRPI)
- Canada-California Strategic Innovation Partnership (CCSIP)
- The UC Lab Fees Research Program
- Leadership Excellence through Advanced Degrees (UC LEADS)
- UC Alliance for Graduate Education and the Professoriate (UC AGEPE)

Operational Impacts of 2009-10 Budget Reductions

Mid-year reductions to the budget of unrestricted funds for operations included:

- The reduction of 1.50 FTE and \$200,634 in personnel costs.
- The reduction of \$260,345 in operating expenses.

Significant Budget Changes and Proposals

The ***Office of Research and Graduate Studies*** continues its reorganization efforts in its Research Grants Programs Office. With the goal to gain further efficiencies by consolidating central grant administration functions in a new unit to launch in 2010. Where possible, any savings that we have accumulated through the reorganization is shifted to the research grant funding that flows through to the campuses and grant recipients. In addition, the FY 2010-11 budget proposal reflects a change to representation of the full annual allocation of grant funding, instead of the amount flowed through in the current year. Other changes to budget include:

- **Proposed Increases**
ORGS seeks restoration of \$4 million to the unrestricted funds budget for the Discovery Grant program. The 2010-11 budget proposal assumes a corresponding additional funding allocation from Budget and Capital Resources.
- **Proposed Decreases**
A reduction of \$40,970 to the budget of unrestricted fund and \$426,491 to the budget of restricted fund operating expenses. An additional \$1,725,885 decrease to the budget for restricted fund grant flowthrough to non-UC entities is proposed.

Potential Impacts of Contingency Reductions

If required to take additional budget cuts in 2010-11, the department's operations will be greatly impacted since most units have already undergone a deep reorganization to achieve the cuts from 2009-10.

In particular, with a 5% reduction, grant administration functions will have to be cut, resulting in the reduction of two FTE even before full reorganization of the grants administration units is finished. In addition, unrestricted funding to the Keck telescope and HIV/AIDS research funding will have to be reduced by 5%.

With a 7% cut, in addition to the above 5% cuts, the Keck telescope and the HIV/AIDS funding will each have reduced funding to match the 7% cut.

For a 10% budget reduction in 2010-11, all the above cuts for 5% and 7% will be steepened to meet the 10% target, but the department will also lose one additional FTE and operational funds within the Research Grants Programs Office, potentially affecting the unit's performance and ability to meet its goals to transition in 2010-11 into a newly organized unit.

In addition to the contingency plans above, reductions to the budget for administration will also be implemented.

**University of California Office of the President
FY 2010-11 Appropriations Proposal**

Department: Office of Research and Graduate Studies-Academic Programs									ADJUSTMENTS against FY 2009-10 Budget to derive FY 2010-11 Budget			
	REVISED FY 2009-10 Budget After Mid Year Reductions				PROPOSED FY 2010-11 Budget							
	FTE	Unrestricted	Restricted	Total Costs	FTE	Unrestricted	Restricted	Total Costs	FTE	Unrestricted	Restricted	Total Costs
Salary & Benefits by Functional Unit												
1 Natural Reserve System	6.43	\$ 145,785	\$ 429,190	\$ 574,974	6.50	\$ 162,408	\$ 450,059	\$ 612,467	0.07	\$ 16,623	\$ 20,869	\$ 37,493
2 Program Application and Review Center	6.00	\$ 268,957	\$ 307,508	\$ 576,465	0.00	\$ -	\$ -	\$ -	-6.00	\$ (268,957)	\$ (307,508)	\$ (576,465)
3 Post Award Administration Center	5.00	\$ 231,839	\$ 354,016	\$ 585,854	0.00	\$ -	\$ -	\$ -	-5.00	\$ (231,839)	\$ (354,016)	\$ (585,854)
4 Central Grants Administration	0.00	\$ -	\$ -	\$ -	11.00	\$ 442,128	\$ 610,558	\$ 1,052,686	11.00	\$ 442,128	\$ 610,558	\$ 1,052,686
5 RGPO Administration	7.00	\$ 171,364	\$ 514,093	\$ 685,457	7.00	\$ 247,223	\$ 493,398	\$ 740,621	0.00	\$ 75,859	\$ (20,695)	\$ 55,164
6 UC Grants	3.00	\$ 367,008	\$ -	\$ 367,008	3.00	\$ 364,002	\$ 19,158	\$ 383,160	0.00	\$ (3,006)	\$ 19,158	\$ 16,152
7 CBCRP	12.75	\$ -	\$ 1,098,669	\$ 1,098,669	11.00	\$ -	\$ 1,014,456	\$ 1,014,456	-1.75	\$ -	\$ (84,213)	\$ (84,213)
8 TRDRP	9.00	\$ -	\$ 762,413	\$ 762,413	8.00	\$ -	\$ 740,380	\$ 740,380	-1.00	\$ -	\$ (22,033)	\$ (22,033)
9 CHRPP	13.00	\$ -	\$ 1,303,440	\$ 1,303,440	8.65	\$ -	\$ 905,200	\$ 905,200	-4.35	\$ -	\$ (398,240)	\$ (398,240)
Subtotal	62.18	\$ 1,184,952	\$ 4,769,328	\$ 5,954,280	55.15	\$ 1,215,761	\$ 4,233,209	\$ 5,448,970	-7.03	\$ 30,809	\$ (536,119)	\$ (505,310)
Operating Expenses & Support Costs												
1 Consultants and Professional Services		\$ 70,000	\$ 503,064	\$ 573,064		\$ 15,200	\$ 430,450	\$ 445,650				
2 Meetings & Related Costs		\$ 25,524	\$ 146,797	\$ 172,321		\$ 29,724	\$ 328,644	\$ 358,368				
3 Legal Costs		\$ 7,500	\$ 7,500	\$ 15,000		\$ -	\$ 5,000	\$ 5,000				
4 Travel Related		\$ 129,781	\$ 253,800	\$ 383,581		\$ 54,481	\$ 300,315	\$ 354,796				
5 Utilities and Space Facilities Rental/Lease		\$ 9,143	\$ 73,801	\$ 82,944		\$ -	\$ -	\$ -				
6 Computer/Office Equip/Supplies/Svc Maint		\$ 162,969	\$ 192,365	\$ 355,334		\$ 199,168	\$ 237,937	\$ 437,105				
7 Other Services		\$ 40,837	\$ 235,936	\$ 276,773		\$ 53,576	\$ 223,796	\$ 277,372				
8 Other		\$ 294,194	\$ 874,067	\$ 1,168,261		\$ 86,484	\$ 334,697	\$ 421,181				
Grant Flowthrough to non-UC		\$ 861,176	\$ 30,657,748	\$ 31,518,924		\$ 861,176	\$ 28,931,863	\$ 29,793,039				
Less Mid-Year Reductions		\$ (260,345)	\$ -	\$ (260,345)								
Subtotal		\$ 1,340,779	\$ 32,945,078	\$ 34,285,857		\$ 1,299,809	\$ 30,792,702	\$ 32,092,511		\$ (40,970)	\$ (2,152,376)	\$ (2,193,346)
Personnel & Operating Costs Before Recharges		\$ 2,525,731	\$ 37,714,406	\$ 40,240,137		\$ 2,515,570	\$ 35,025,911	\$ 37,541,481		\$ (10,161)	\$ (2,688,495)	\$ (2,698,656)
Recharges		\$ -	\$ (621,493)	\$ (621,493)		\$ -	\$ -	\$ -		\$ -	\$ 621,493	\$ 621,493
Subtotal		\$ -	\$ (621,493)	\$ (621,493)		\$ -	\$ -	\$ -		\$ -	\$ 621,493	\$ 621,493
Personnel & Operating Costs Net of Recharges		\$ 2,525,731	\$ 37,092,913	\$ 39,618,644		\$ 2,515,570	\$ 35,025,911	\$ 37,541,481		\$ (10,161)	\$ (2,067,002)	\$ (2,077,163)
Fund Flowthru												
Keck		\$ 3,967,553	\$ 8,450,325	\$ 12,417,878		\$ 3,967,553	\$ 8,083,569	\$ 12,051,122		\$ -	\$ (366,756)	\$ (366,756)
Tobacco Research Grant Awards		\$ -	\$ 5,534,529	\$ 5,534,529		\$ -	\$ 13,090,000	\$ 13,090,000		\$ -	\$ 7,555,471	\$ 7,555,471
Breast Cancer Research Program		\$ -	\$ 5,867,298	\$ 5,867,298		\$ -	\$ 13,554,000	\$ 13,554,000		\$ -	\$ 7,686,702	\$ 7,686,702
HIV/AIDS Research Grant Awards		\$ -	\$ 5,184,071	\$ 5,184,071		\$ -	\$ 9,214,000	\$ 9,214,000		\$ -	\$ 4,029,929	\$ 4,029,929
Discover/MICRO Research Grants ^{1,3}		\$ 10,876,074	\$ 1,400,000	\$ 12,276,074		\$ 14,888,975	\$ 1,400,000	\$ 16,288,975		\$ 4,012,901	\$ -	\$ 4,012,901
NRS Transfers		\$ 67,398	\$ -	\$ 67,398		\$ 68,000	\$ -	\$ 68,000		\$ 602	\$ -	\$ 602
ORGS Grant Support		\$ -	\$ -	\$ -		\$ 791,994	\$ -	\$ 791,994		\$ 791,994	\$ -	\$ 791,994
MRPI ²		\$ 16,942,635	\$ 1,800,000	\$ 18,742,635		\$ 16,374,896	\$ -	\$ 16,374,896		\$ (567,739)	\$ (1,800,000)	\$ (2,367,739)
CCSIP		\$ 500,000	\$ 30,000	\$ 530,000		\$ 500,000	\$ -	\$ 500,000		\$ -	\$ (30,000)	\$ (30,000)
Lab Fees Research Awards		\$ -	\$ 13,986,327	\$ 13,986,327		\$ -	\$ 13,986,327	\$ 13,986,327		\$ -	\$ -	\$ -
Chile-UC Program		\$ -	\$ -	\$ -		\$ 10,000	\$ -	\$ 10,000		\$ 10,000	\$ -	\$ 10,000
Special Research Appropriation		\$ -	\$ -	\$ -		\$ -	\$ 1,742,138	\$ 1,742,138		\$ -	\$ 1,742,138	\$ 1,742,138
Graduate Diversity		\$ 7,980	\$ 540,453	\$ 548,433		\$ -	\$ -	\$ -		\$ (7,980)	\$ (540,453)	\$ (548,433)
AGEP		\$ -	\$ -	\$ -		\$ -	\$ 150,000	\$ 150,000		\$ -	\$ 150,000	\$ 150,000
UC LEADS		\$ -	\$ -	\$ -		\$ -	\$ 55,000	\$ 55,000		\$ -	\$ 55,000	\$ 55,000
Subtotal		\$ 32,361,640	\$ 42,793,003	\$ 75,154,643		\$ 36,601,418	\$ 61,275,034	\$ 97,876,452		\$ 4,239,778	\$ 18,482,031	\$ 22,721,809
Less Mid-Year SAPEP Reductions ⁴			\$ (10,058)	\$ (10,058)						\$ -	\$ 10,058	\$ 10,058
Grand Total	62.18	\$ 34,887,371	\$ 79,875,858	\$ 114,763,229	55.15	\$ 39,116,988	\$ 96,300,945	\$ 135,417,933	-7.03	\$ 4,229,617	\$ 16,425,087	\$ 20,654,704

Student Affairs

Judy Sakaki, Vice President

Mission & Functions

Student Affairs is responsible for the systemwide enrollment and success of a diverse, highly qualified student body. Its major functions include:

- Advise the President, Academic Senate, The Regents, and senior UC management in developing policies, programs, and advocacy positions to ensure and advance student access, financial affordability, and success.
- Serve as a public interface between the people of California and the University to promote student access to, and success at, UC and assist others in understanding UC policy and practices.
- Support the ten UC campuses in enrolling a student body that reflects the unique character and goals of each campus while ensuring equity and consistency across the system through research, analysis, and policy development in the areas of admissions and access, fees and financial affordability, and student welfare, development, and success.
- Promote student welfare and serve as a locus for student representation and communication with the President and The Regents.
- Design and deliver services for all ten campuses when a Universitywide approach is either required by policy or provides cost efficiencies.

Systemwide Academic Programs (see Appendix I for Program Descriptions)

- ASSIST, the Articulation System Stimulating Inter-institutional Student Transfer

Operational Impacts of 2009-10 Budget Reductions

- The budget for restricted funds was reduced by \$42,298 in Student Academic Preparation and Educational Partnerships (SAPEP) funds. This reduction was primarily absorbed by decreasing the amount of support funds sent to UC campuses as well as the shift of program costs to other restricted fund sources.

Significant Budget Changes and Proposals

There are no significant budget changes anticipated for FY 2010-11.

Potential Impacts of Contingency Reductions

The ASSIST Program is not subject to the contingency reductions.

**University of California Office of the President
FY 2010-11 Appropriations Proposal**

Department: Student Affairs-Academic Programs												
Salary & Benefits by Functional Unit	REVISED FY 2009-10 Budget After Mid Year Reductions				PROPOSED FY 2010-11 Budget				ADJUSTMENTS against FY 2009-10 Budget to derive FY 2010-11 Budget			
	FTE	Unrestricted	Restricted	Total Costs	FTE	Unrestricted	Restricted	Total Costs	FTE	Unrestricted	Restricted	Total Costs
1 ASSIST Coordination Site (located at UCI)	9.00	\$ -	\$ 845,058	\$ 845,058	9.00	\$ -	\$ 886,150	\$ 886,150	0.00	\$ -	\$ 41,092	\$ 41,092
Subtotal	9.00	\$ -	\$ 845,058	\$ 845,058	9.00	\$ -	\$ 886,150	\$ 886,150	0.00	\$ -	\$ 41,092	\$ 41,092
Operating Expenses & Support Costs												
1 Consultants & Professional Services		\$ -	\$ -	\$ -		\$ -	\$ 220,000	\$ 220,000				
2 Meetings & Related Costs		\$ -	\$ 13,700	\$ 13,700		\$ -	\$ 839	\$ 839				
3 Legal Costs		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -				
4 Travel Related		\$ -	\$ 5,000	\$ 5,000		\$ -	\$ 841	\$ 841				
5 Utilities & Space Facilities Rental/Lease		\$ -	\$ 44,000	\$ 44,000		\$ -	\$ 74,532	\$ 74,532				
6 Computer, Office Equip/Supplies/Svc Maint		\$ -	\$ 15,569	\$ 15,569		\$ -	\$ 64,104	\$ 64,104				
7 Other Services		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -				
8 Other		\$ -	\$ 2,500	\$ 2,500		\$ -	\$ -	\$ -				
Less Mid-Year Reductions		\$ -	\$ -	\$ -								
Subtotal		\$ -	\$ 80,769	\$ 80,769		\$ -	\$ 360,316	\$ 360,316		\$ -	\$ 279,547	\$ 279,547
Personnel & Operating Costs Before Recharges		\$ -	\$ 925,827	\$ 925,827		\$ -	\$ 1,246,466	\$ 1,246,466		\$ -	\$ 320,639	\$ 320,639
Recharges												
		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Subtotal		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Personnel & Operating Costs Net of Recharges		\$ -	\$ 925,827	\$ 925,827		\$ -	\$ 1,246,466	\$ 1,246,466		\$ -	\$ 320,639	\$ 320,639
Fund Flowthru												
ASSIST		\$ -	\$ 90,000	\$ 90,000		\$ -	\$ 80,550	\$ 80,550		\$ -	\$ (9,450)	\$ (9,450)
Subtotal		\$ -	\$ 90,000	\$ 90,000		\$ -	\$ 80,550	\$ 80,550		\$ -	\$ (9,450)	\$ (9,450)
Less Mid-Year SAPEP Reductions		\$ -	\$ (42,298)	\$ (42,298)						\$ -	\$ 42,298	\$ 42,298
Grand Total	9.00	\$ -	\$ 973,529	\$ 973,529	9.00	\$ -	\$ 1,327,016	\$ 1,327,016	0.00	\$ -	\$ 353,487	\$ 353,487

Academic Personnel ***Vacant, Vice Provost***

Mission & Functions

Academic Personnel is responsible for systemwide academic personnel policies, and serves as primary liaison in all matters regarding academic personnel for approximately 56,911 academic appointees, including faculty, librarians, research and health science professionals, and student academic appointees.

Academic Personnel performs the following functions:

- Develops and implements University policy governing academic personnel compensation, benefits, and employee relations
- Develops and oversees academic salary scales, classification of academic positions, retention packages, and policies for additional compensation
- Develops and administers University health science compensation plans
- Analyzes proposed legislation and prepares legislative reports on academic personnel and compensation policies
- Provides policy advice for academic collective bargaining activities
- Develops and implements family friendly policies affecting academic appointees
- Provides guidance in policy and compensation matters affecting Senior Management Group appointees who also have academic appointments
- Develops and disseminates reports, evaluations, guidelines, and papers for submission to The Regents, Legislature, Academic Senate committees, California Postsecondary Education Commission, Office of the President, divisions, and federal agencies
- Serves as primary consultant to the University Committee on Faculty Welfare and the University Committee on Academic Personnel

Systemwide Academic Programs (see Appendix I for Program Descriptions)

- University Professor Activities

Operational Impacts of 2009-10 Budget Reductions

There was no reduction to Academic Personnel's programmatic budget

Significant Budget Changes and Proposals

There are no changes to Academic Personnel's programmatic budget being requested.

Potential Impacts of Contingency Reductions

The funding in support of University Professor's is currently one-third of its former value. Once reduced to its current level, it was not possible to provide financial assistance to the group in support of their University-wide efforts. Therefore, we placed the funds on temporary hold and did not provide any financial support to the appointees. Rather than incur any additional reduction in the program funds, we would propose keeping these funds suspended for 2010-11.

**University of California Office of the President
FY 2010-11 Appropriations Proposal**

Department: Academic Personnel--Academic Programs												
Salary & Benefits by Functional Unit	REVISED FY 2009-10 Budget After Mid Year Reductions				PROPOSED FY 2010-11 Budget				ADJUSTMENTS against FY 2009-10 Budget to derive FY 2010-11 Budget			
	FTE	Unrestricted	Restricted	Total Costs	FTE	Unrestricted	Restricted	Total Costs	FTE	Unrestricted	Restricted	Total Costs
				\$ -				\$ -				\$ -
Subtotal	0.00	\$ -	\$ -	\$ -	0.00	\$ -	\$ -	\$ -	0.00	\$ -	\$ -	\$ -
Operating Expenses & Support Costs												
1 Consultants & Professional Services		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -				
2 Meetings & Related Costs		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -				
3 Legal Costs		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -				
4 Travel Related		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -				
5 Utilities & Space Facilities Rental/Lease		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -				
6 Computer, Office Equip/Supplies/Svc Maint		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -				
7 Other Services		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -				
8 Other		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -				
Less Mid-Year Reductions		\$ -	\$ -	\$ -								
Subtotal		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Personnel & Operating Costs Before Recharges		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Recharges												
Recharges		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Subtotal		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Personnel & Operating Costs Net of Recharges		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Program Costs & Fund Flowthru												
University Professor Activities		\$ 20,000	\$ -	\$ 20,000		\$ 20,000	\$ -	\$ 20,000		\$ -	\$ -	\$ -
Subtotal		\$ 20,000	\$ -	\$ 20,000		\$ 20,000	\$ -	\$ 20,000		\$ -	\$ -	\$ -
Grand Total	0.00	\$ 20,000	\$ -	\$ 20,000	0.00	\$ 20,000	\$ -	\$ 20,000	0.00	\$ -	\$ -	\$ -

Education Partnerships

Vacant, Vice Provost

Mission & Functions

Education Partnerships promotes student achievement throughout the P-20 pipeline and strengthens the continuum of teaching, learning and leadership to ensure a full range of postsecondary options for all California students. Major functions:

- Promotes student academic achievement and preparation for higher education institutions across programs and systems and supports systemwide efforts to create and incubate programs and services that have the potential to become national models of best practice.
- Promotes P-20 excellence in teaching and success in learning by providing faculty and staff with research on best practices and support for curriculum development and pedagogical innovation.
- Conducts and coordinates ongoing formative assessments for programs and services and serves as a resource for UC and other faculty engaged in study of K-12 teaching, learning and access issues.
- Supports campuses with policy and program issues related to student academic preparation, teacher education, teacher preparation and educator professional development.
- Oversees statewide student academic preparation programs and teacher preparation and professional development programs.
- Analyzes systemic issues and promotes ideas and strategies that result in enhanced teacher quality, improved student performance, and increased higher education access.
- Works in cooperation with groups internal and external to UC to promote and maintain programs and services that enhance teacher education, teacher preparation, student achievement and college access.

Systemwide Academic Programs (see Appendix I for Program Descriptions)

- California Subject Matter Project (CSMP)
- University of California Science and Math Teacher Initiative (SMI/CalTeach)
- Mathematics, Engineering, Science Achievement (MESA)
- The Puente Project
- California GEAR UP
- Early Academic Outreach Program (EAOP)
- Community College Transfer Preparation
- Transcript Evaluation Service (TES)

- P-20 Intersegmental Alliances
- Regional Academic Initiatives
- University-Community Engagement activities
- Governor Teacher Scholars Program (GTS)
- Principal Leadership Institutes
- California State Summer School for Mathematics and Science (COSMOS)

Operational Impacts of 2009-10 Budget Reductions

For **Education Partnerships** programs, the 2009-10 mid-year budget cuts totaled approximately \$1 million in permanent restricted fund reductions as well as an additional \$20,000 in unrestricted fund reductions. These cuts resulted in:

- A reduction of services provided to students by academic preparation programs.
- The elimination of stipends provided to UC undergraduates who are preparing for teaching careers in mathematics and science.

Significant Budget Changes and Proposals

- **Proposed Increase**
The shift of .50 FTE and \$43,628 of personnel costs in California Subject Matters Projects from restricted to unrestricted funding, as well as the addition of 1.00 FTE and \$87,256 for a senior analyst position in the College Access and Preparation unit. This position will be split evenly between restricted and unrestricted funding. An increase of \$62,363 in operating expenses against unrestricted funds is also being proposed.
- **Proposed Decrease**
A reduction of \$255,120 in unrestricted campus operating support funds is being proposed.

Potential Impacts of Contingency Reductions

5% scenario: To reduce by 5%, Education Partnerships will reduce student and mentor teacher stipends for the SMI/CalTeach program by \$77,885, which will result in 50 students and 20 teachers not receiving stipends and will impact the department's objectives in the area of STEM preparation. Additional reductions to administration are described in the administration narrative.

7% scenario (\$173,289): To reduce by 7%, Education Partnerships will implement the 5% scenario described above in addition to reductions described in the administration narrative.

10% scenario (\$247,555): To reduce by 10%, Education Partnerships will implement the 7% scenario described above. In addition, the department will make further reductions to the SMI/CalTeach program, eliminating stipends for an additional 20 students and 5 K-12 mentor teachers. Funding provided to campuses to support the Governor's Teacher Scholars program (which funds faculty salaries and provides financial support for credential candidates) will be reduced. Both of these actions impact the number of highly qualified K-12 teachers that UC produces annually for the State.

**University of California Office of the President
FY 2010-11 Appropriations Proposal**

Department: Education Partnerships-Academic Programs												
	REVISED FY 2009-10 Budget After Mid Year Reductions				PROPOSED FY 2010-11 Budget				ADJUSTMENTS against FY 2009-10 Budget to derive FY 2010-11 Budget			
	FTE	Unrestricted	Restricted	Total Costs	FTE	Unrestricted	Restricted	Total Costs	FTE	Unrestricted	Restricted	Total Costs
Salary & Benefits by Functional Unit												
1 Imm Ofc of the Vice Provost (ICC)	4.00	\$ -	\$ 375,522	\$ 375,522	5.00	\$ -	\$ 521,502	\$ 521,502	1.00	\$ -	\$ 145,980	\$ 145,980
2 Program Services	0.00	\$ -	\$ -	\$ -	0.00	\$ -	\$ -	\$ -	0.00	\$ -	\$ -	\$ -
3 P-20 / Teaching, Learning and Leadership	6.00	\$ -	\$ 604,619	\$ 604,619	4.20	\$ 43,628	\$ 473,677	\$ 517,305	-1.80	\$ 43,628	\$ (130,942)	\$ (87,314)
4 College Access and Preparation	55.05	\$ -	\$ 4,442,943	\$ 4,442,943	61.94	\$ 43,628	\$ 4,963,006	\$ 5,006,634	6.89	\$ 43,628	\$ 520,063	\$ 563,691
5 Research and Evaluation	0.00	\$ -	\$ -	\$ -	0.00	\$ -	\$ -	\$ -	0.00	\$ -	\$ -	\$ -
Subtotal	65.05	\$ -	\$ 5,423,084	\$ 5,423,084	71.14	\$ 87,256	\$ 5,958,185	\$ 6,045,441	6.09	\$ 87,256	\$ 535,101	\$ 622,357
Operating Expenses & Support Costs												
1 Consultants and Professional Services		\$ 13,466	\$ 775,936	\$ 789,402		\$ 35,000	\$ 1,078,295	\$ 1,113,295				
2 Meetings & Related Costs		\$ 25,367	\$ 700,135	\$ 725,502		\$ 33,000	\$ 570,976	\$ 603,976				
3 Legal Costs		\$ -	\$ 63,794	\$ 63,794		\$ -	\$ 55,677	\$ 55,677				
4 Travel Related		\$ 11,996	\$ 538,634	\$ 550,630		\$ 8,141	\$ 628,719	\$ 636,860				
5 Utilities and Space Facilities Rental/Lease		\$ 1,251	\$ 120,570	\$ 121,821		\$ -	\$ 94,838	\$ 94,838				
6 Computer/Office Equip/Supplies/Svc Maint		\$ 28,698	\$ 338,211	\$ 366,909		\$ 20,000	\$ 281,297	\$ 301,297				
7 Other Services		\$ 9,000	\$ 889,896	\$ 898,896		\$ 25,000	\$ 967,959	\$ 992,959				
8 Other		\$ 14,000	\$ 420,817	\$ 434,817		\$ 25,000	\$ 417,889	\$ 442,889				
Subcontracts and agreements		\$ -	\$ 10,194,001	\$ 10,194,001		\$ -	\$ 8,446,991	\$ 8,446,991				
Scholarships		\$ -	\$ 716,000	\$ 716,000		\$ -	\$ 830,274	\$ 830,274				
Less Mid-Year Reductions		\$ (20,000)	\$ -	\$ (20,000)								
Subtotal		\$ 83,778	\$ 14,757,994	\$ 14,841,772		\$ 146,141	\$ 13,372,915	\$ 13,519,056		\$ 62,363	\$ (1,385,079)	\$ (1,322,716)
Personnel & Operating Costs Before Recharges		\$ 83,778	\$ 20,181,078	\$ 20,264,856		\$ 233,397	\$ 19,331,100	\$ 19,564,497		\$ 149,619	\$ (849,978)	\$ (700,359)
Recharges		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Subtotal		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Personnel & Operating Costs Net of Recharges		\$ 83,778	\$ 20,181,078	\$ 20,264,856		\$ 233,397	\$ 19,331,100	\$ 19,564,497		\$ 149,619	\$ (849,978)	\$ (700,359)
Fund Flowthru												
Campus operating support		\$ 1,594,000	\$ 750,000	\$ 2,344,000		\$ 1,338,880	\$ 2,708,049	\$ 4,046,929		\$ (255,120)	\$ 1,958,049	\$ 1,702,929
Campus subcontracts and agreements		\$ -	\$ 6,508,808	\$ 6,508,808		\$ -	\$ 5,326,673	\$ 5,326,673		\$ -	\$ (1,182,135)	\$ (1,182,135)
Subtotal		\$ 1,594,000	\$ 7,258,808	\$ 8,852,808		\$ 1,338,880	\$ 8,034,722	\$ 9,373,602		\$ (255,120)	\$ 775,914	\$ 520,794
Less Mid-Year SAPEP Reductions *		\$ -	\$ (959,203)	\$ (959,203)						\$ -	\$ 959,203	\$ 959,203
Grand Total	65.05	\$ 1,677,778	\$ 26,480,683	\$ 28,158,461	71.14	\$ 1,572,277	\$ 27,365,822	\$ 28,938,099	6.09	\$ (105,501)	\$ 885,139	\$ 779,638

Academic Planning, Programs, and Coordination

Daniel Greenstein, Vice Provost

Mission & Functions

Academic Planning, Programs and Coordination's mission is to provide academic planning and analysis to advance the charge of a 21st century public research university:

- Proactive long-term thinking about the nature, size and shape of UC's academic enterprise and its service to the state, nation and world
- Analyses responsive to emerging trends and challenges
- Stewardship of the University's academic goals and ongoing evaluation of its performance in meeting them
- Leadership and oversight for academic programs that are implemented on a systemwide basis
- Identification and advancement of the University's interest in emerging forms of teaching, research and public information dissemination

Systemwide Academic Programs (see Appendix I for Program Descriptions)

- California Digital Library (CDL)
- UC Center Sacramento (UCCS)
- UC Washington Center (UCDC)
- Education Abroad Program (EAP)
- UC Press
- Casa de California
- The Librarians Association of the University of California (LAUC)

Operational Impacts of 2009-10 Budget Reductions

- **California Digital Library's** cut of \$897,300 is being absorbed through technology-based efficiencies, the development of a shared or pooled R&D agenda with UC Press and UCTV (see below) and the elimination of what remains of the CDL's collection budget for acquisitions. With collection funds, CDL acquires electronic resources identified and prioritized by the campus libraries. The budget's elimination will impact faculty who enjoy access to content acquired by CDL. More critically, it will diminish UC's leverage in the market place in a manner that costs campuses money. CDL uses one-time content acquisitions to drive down subscription prices locked in by UC libraries in multi-year contracts signed with large vendors. A million dollar one-time acquisition

by CDL from Springer, or Wiley, or Elsevier, for example, can result in a subscription price reduction that saves campus libraries up to five million dollars over a three or five-year period.

- **UC Sacramento Center's** cut of \$369,482 is being absorbed by shifting largely to a fee-based model supplemented by a modest annual subsidy from the Office of the President.
- **UC Washington Center's** cut of \$207,805 was absorbed by deferring maintenance and delaying by a year a wholesale technology replacement cycle.
- In FY 2009-10 the **Education Abroad Program** was placed on a basis supported primarily by student fees while also introducing substantial reductions in the program's cost. As part of an ongoing multi-year reduction that began in 2007-08, EAP revenue declined from \$25.6 million in 2008-09 to \$21.5 million in 2009-10. General Fund appropriations were reduced from \$16.3 million in 2008-09 to \$2.6 million in 2009-10. Revenue reductions were absorbed by further reductions in central office staff from 82 to 72 FTE (projected as of 6/30/09); in the reduced number of UC faculty Study Center Directors sent abroad to oversee specific programs or regions of operation (from 19.5 to 14.5 FTE); and in elimination or suspension of administrative offices or programs including Goettingen, Germany; Padova, Italy; Grenoble, France; Alcala, Spain; and Concepcion, Chile.
- Efficiencies in essential technology development efforts were also achieved by **CDL** and **UC Press** and **UC Television** which pooled scarce funding (locating it in the Immediate Office) to support a shared research and development agenda thereby allowing each to continue essential innovation (revenue-generating product innovation UC Press) at reduced total cost. In 2009-10 work focuses on a "portal" that makes UC research in key areas accessible to a broader non-scholarly public and an "expert finder" service that enables automated identification of UC research expertise. These "tools" underpin new revenue-generating UC Press publications, digital library collection development, and crucially UC advocacy efforts.
- The **University of California Press** suffered a 16% reduction in revenues (from \$26 million to \$21.8 million) based on book sales and journal subscriptions. In response, central fund subsidies were maintained at 2008-09 levels but the Press restructured its operations, reducing its headcount by 12%.

Significant Budget Changes and Proposals

- **Proposed Decrease**
The central (General and Opportunity Fund) subsidy for the **Education Abroad Program** will be reduced by a further \$2.8 million profiled over a four-year period to 2012-13 as the program transitions from a largely subsidized model to

one that is almost wholly reliant on student fees. According to the current budget plan, by 2012-13 EAP will receive \$200,000 in general fund subsidy and an additional \$1,131,666 in Opportunity Funds (against a budget showing total revenues of \$21,766,695).

- **Proposed Decrease**

The budget for **UC Sacramento Center** will be further reduced by \$451,815 in 2010-11. The program was suspended effective January 1, 2010 pending relocation of responsibility for it to a campus. It is anticipated that UCCS operations will be transferred to UC Davis which allows it to leverage campus infrastructure to achieve efficiencies not hitherto available.

- **Proposed Decrease**

The budget for **La Casa de la Universidad de California en Mexico** – a facility acquired by the University in 2003 in anticipation of dynamic multi-national academic programs – is reduced by \$170,000 reflecting income available to the University from short-term rental agreements signed for parts of the facility that are not occupied, and elimination (with the Education Abroad Program) of the Casa Executive Director position.

- **Proposed Decrease**

The budget for the **California Digital Library** will be further reduced by \$750,000 profiled over the three fiscal years 2010-11 through 2012-13.

Potential Impacts of Contingency Reductions

APPC has committed to budget reductions over the period of FY 2009-10 through FY 2012-13 that exceed the amount requested. Therefore, additional reductions under the 5% and 7% scenarios will not be required. However, at the 10% cut level, the following reductions are proposed:

- A reduction of \$73,600 to the budget of UC Press will be absorbed by reducing inventory and purchasing efficiencies.
- A reduction of \$325,000 to the budget of CDL will force suspension of some campus library services as yet to be selected.
- The 10% level also assumes:
 - The suspension of any new programming at the Casa de California and continued rental of unused space; and,
 - Relocation of UC Sacramento Center to a campus and its adoption of a student fee-based funding model.

**University of California Office of the President
FY 2010-11 Appropriations Proposal**

Department: Academic Planning, Programs and Coordination--Academic Programs												
	REVISED FY 2009-10 Budget After Mid Year Reductions				PROPOSED FY 2010-11 Budget				ADJUSTMENTS against FY 2009-10 Budget to derive FY 2010-11 Budget			
	FTE	Unrestricted	Restricted	Total Costs	FTE	Unrestricted	Restricted	Total Costs	FTE	Unrestricted	Restricted	Total Costs
Salary & Benefits by Functional Unit												
1 California Digital Library	77.32	\$ 7,420,183	\$ 117,930	\$ 7,538,113	73.83	\$ 7,772,522	\$ 163,517	\$ 7,936,039	-3.49	\$ 352,339	\$ 45,587	\$ 397,926
2 UC Center Sacramento	2.50	\$ 215,922	\$ -	\$ 215,922	2.00	\$ 191,808	\$ -	\$ 191,808	-0.50	\$ (24,114)	\$ -	\$ (24,114)
3 UC Washington Center	14.40	\$ 584,020	\$ 557,096	\$ 1,141,116	14.40	\$ 517,840	\$ 698,563	\$ 1,216,403	0.00	\$ (66,180)	\$ 141,467	\$ 75,287
4 Education Abroad Program	72.00	\$ 5,204,301	\$ -	\$ 5,204,301	70.00	\$ 5,383,599	\$ -	\$ 5,383,599	-2.00	\$ 179,298	\$ -	\$ 179,298
5 UC Press	138.00	\$ -	\$ 9,812,000	\$ 9,812,000	120.00	\$ -	\$ 9,225,000	\$ 9,225,000	-18.00	\$ -	\$ (587,000)	\$ (587,000)
Subtotal	304.22	\$ 13,424,426	\$ 10,487,026	\$ 23,911,452	280.23	\$ 13,865,769	\$ 10,087,080	\$ 23,952,849	-23.99	\$ 441,343	\$ (399,946)	\$ 41,397
Operating Expenses & Support Costs												
1 Consultants & Professional Services		\$ 211,696	\$ 2,499,880	\$ 2,711,576		\$ 173,295	\$ 2,162,600	\$ 2,335,895				
2 Meetings & Related Costs		\$ 91,273	\$ 117,250	\$ 208,523		\$ 44,200	\$ 75,250	\$ 119,450				
3 Legal Costs		\$ 83,625	\$ 6,500	\$ 90,125		\$ 123,436	\$ 2,000	\$ 125,436				
4 Travel Related		\$ 408,248	\$ 365,382	\$ 773,630		\$ 264,408	\$ 255,000	\$ 519,408				
5 Utilities & Space Facilities Rental/Lease		\$ 1,488,241	\$ 2,394,230	\$ 3,882,471		\$ 1,260,649	\$ 2,311,570	\$ 3,572,219				
6 Computer, Office Equip/Supplies/Svc Maint		\$ 3,264,366	\$ 1,157,012	\$ 4,421,378		\$ 2,844,989	\$ 986,375	\$ 3,831,364				
7 Other Services		\$ 1,049,000	\$ 4,451,500	\$ 5,500,500		\$ 928,400	\$ 3,607,217	\$ 4,535,617				
8 Other		\$ 1,044,119	\$ 924,748	\$ 1,968,867		\$ 1,075,553	\$ 1,090,461	\$ 2,166,014				
Royalties (UC Press)		\$ -	\$ 2,730,500	\$ 2,730,500		\$ -	\$ 3,260,000	\$ 3,260,000				
Book Collection (CDL)		\$ 5,949,138	\$ -	\$ 5,949,138		\$ 5,101,212	\$ 1,000,000	\$ 6,101,212				
Cost of Sales (UC Press)		\$ -	\$ 7,236,500	\$ 7,236,500		\$ -	\$ 6,840,000	\$ 6,840,000				
Int'l Office Academic/Instructional/Admin Exp		\$ 7,791,862	\$ 4,468,979	\$ 12,260,841		\$ 5,611,112	\$ 6,092,446	\$ 11,703,558				
Reciprocity Support for Campuses		\$ -	\$ 2,265,149	\$ 2,265,149		\$ -	\$ 2,265,149	\$ 2,265,149				
Less Mid-Year Reductions		\$ (1,105,105)	\$ -	\$ (1,105,105)								
Subtotal		\$ 20,276,463	\$ 28,617,630	\$ 48,894,093		\$ 17,427,254	\$ 29,948,068	\$ 47,375,322		\$ (2,849,209)	\$ 1,330,438	\$ (1,518,771)
Personnel & Operating Costs Before Recharges		\$ 33,700,889	\$ 39,104,656	\$ 72,805,545		\$ 31,293,023	\$ 40,035,148	\$ 71,328,171		\$ (2,407,866)	\$ 930,492	\$ (1,477,374)
Recharges												
Recharges		\$ -	\$ (283,552)	\$ (283,552)		\$ -	\$ (491,307)	\$ (491,307)		\$ -	\$ (207,755)	\$ (207,755)
Subtotal		\$ -	\$ (283,552)	\$ (283,552)		\$ -	\$ (491,307)	\$ (491,307)		\$ -	\$ (207,755)	\$ (207,755)
Personnel & Operating Costs Net of Recharges		\$ 33,700,889	\$ 38,821,104	\$ 72,521,993		\$ 31,293,023	\$ 39,543,841	\$ 70,836,864		\$ (2,407,866)	\$ 722,737	\$ (1,685,129)
Program Costs & Fund Flowthru												
Operating Support		\$ 86,477	\$ 358,523	\$ 445,000		\$ 61,179	\$ 358,523	\$ 419,702		\$ (25,298)	\$ -	\$ (25,298)
Scientific Account for Faculty Publications		\$ 1,027,000	\$ -	\$ 1,027,000		\$ 1,027,000	\$ -	\$ 1,027,000		\$ -	\$ -	\$ -
LAUC President's Funds		\$ 14,000	\$ -	\$ 14,000		\$ 14,000	\$ -	\$ 14,000		\$ -	\$ -	\$ -
UC Center Sacramento Flowthru		\$ 309,827	\$ -	\$ 309,827		\$ -	\$ -	\$ -		\$ (309,827)	\$ -	\$ (309,827)
Subtotal		\$ 1,437,304	\$ 358,523	\$ 1,795,827		\$ 1,102,179	\$ 358,523	\$ 1,460,702		\$ (335,125)	\$ -	\$ (335,125)
Grand Total	304.22	\$ 35,138,193	\$ 39,179,627	\$ 74,317,820	280.23	\$ 32,395,202	\$ 39,902,364	\$ 72,297,566	-23.99	\$ (2,742,991)	\$ 722,737	\$ (2,020,254)

Agriculture and Natural Resources

Daniel M. Dooley, Vice President

Mission & Functions

Agriculture and Natural Resources (ANR) is a mission-based systemwide network of Agricultural Experiment Station and Cooperative Extension academics and staff dedicated to the creation, development and delivery of new knowledge on agricultural, natural, environmental and related human resources.

- Agricultural Experiment Station (AES) is the university's largest multi-campus research unit, with more than 650 scientists located on the UC Berkeley, Davis, and Riverside campuses
- UC Cooperative Extension (UCCE) has 225 CE advisors, housed in virtually every county in the state, and 126 campus-based CE specialists. These academic members of UC bring research innovations and practical solutions from campus programs and adapt these to solving economic, environmental, social and community development challenges facing every Californian
- Ten Research and Extension Centers (REC) and 17 statewide programs that serve ANR and the entire University
- Federal and state compliance for both academic planning and financial reporting
- Federal compliance for affirmative action and civil rights regulations
- Integrated statewide administrative structure that includes budget, financial services, risk management, environmental health and safety, contracts and grants, analytical laboratory, communications services and planning and evaluation sub-units
- Recruitment, training and policy compliance for a volunteer program of 40,000 individuals, through its 4-H and Master Gardener programs, who are official agents of UC
- Communication of ANR's unique public service of providing new technologies, cutting-edge research and the practical information needed to keep California's agriculture economy competitive in world markets, ensure a safe and secure food supply, improve environmental quality, and protect public health

Systemwide Academic Programs (see Appendix I for Program Descriptions)

- Agricultural Experiment Station (AES)
- UC Cooperative Extension (UCCE)

Operational Impacts of 2009-10 Budget Reductions

The most significant changes for ***Agriculture and Natural Resources*** during FY 2009-10

are programmatic and are not reflected in the portion of the budget located at the Office of the President.

Significant Budget Changes and Proposals

Since FY 2009-10, ***Agriculture and Natural Resources*** decreased its unrestricted funds budget for programs at UCOP by \$657,168.

- **Proposed Decrease**

An additional 7.00 FTE and \$599,828 in personnel expenses are transferred from UCOP to the ANR central offices located at UC Davis. The budget is further reduced by shifting \$310,705 of personnel costs from unrestricted to restricted funding for FY 2010-11, offset by salary increases and other changes totaling \$55,067.

- **Proposed Increase**

An overall \$41,355 increase to the budget for operating expenses is being proposed in order to align the available budget with actual projected expenses. Of this amount, the unrestricted funds budget will increase by \$69,302 while the restricted funds budget will decrease by \$27,947. The department must shift some operating expenses from restricted to unrestricted funding in order to offset a portion of the restricted personnel cost increases.

Potential Impacts of Contingency Reductions

Agriculture and Natural Resources is not subject to the contingency reductions.

**University of California Office of the President
FY 2010-11 Appropriations Proposal**

Department: Agriculture and Natural Resources-Academic Programs												
	REVISED FY 2009-10 Budget After Mid Year Reductions				PROPOSED FY 2010-11 Budget				ADJUSTMENTS against FY 2009-10 Budget to derive FY 2010-11 Budget			
	FTE	Unrestricted	Restricted	Total Costs	FTE	Unrestricted	Restricted	Total Costs	FTE	Unrestricted	Restricted	Total Costs
Salary & Benefits by Functional Unit												
1 Statewide Academic Programs	11.63	\$ 1,174,238	\$ 112,548	\$ 1,286,786	8.63	\$ 688,248	\$ 281,076	\$ 969,324	-3.00	\$ (485,990)	\$ 168,528	\$ (317,462)
2 Statewide Administrative Services	16.85	\$ 1,238,916	\$ 264,150	\$ 1,503,066	14.85	\$ 1,131,026	\$ 406,327	\$ 1,537,353	-2.00	\$ (107,890)	\$ 142,177	\$ 34,287
3 Statewide Controller/Compliance	5.00	\$ 462,790	\$ -	\$ 462,790	3.00	\$ 330,200	\$ -	\$ 330,200	-2.00	\$ (132,590)	\$ -	\$ (132,590)
Subtotal	33.48	\$ 2,875,944	\$ 376,698	\$ 3,252,642	26.48	\$ 2,149,474	\$ 687,403	\$ 2,836,877	-7.00	\$ (726,470)	\$ 310,705	\$ (415,765)
Operating Expenses & Support Costs												
1 Consultants & Professional Services		\$ 20,000	\$ -	\$ 20,000		\$ 20,000	\$ -	\$ 20,000				
2 Meetings & Related Costs		\$ 24,680	\$ -	\$ 24,680		\$ 25,000	\$ -	\$ 25,000				
3 Legal Costs		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -				
4 Travel Related		\$ 47,172	\$ 23,407	\$ 70,579		\$ 95,916	\$ 2,000	\$ 97,916				
5 Utilities & Space Facilities Rental/Lease		\$ 135,580	\$ -	\$ 135,580		\$ 135,580	\$ -	\$ 135,580				
6 Computer, Office Equip/Supplies/Svc Maint		\$ 108,762	\$ 23,540	\$ 132,302		\$ 129,000	\$ 17,000	\$ 146,000				
7 Outside Services		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -				
8 Other		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -				
Less Mid-Year Reductions		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -				
Subtotal		\$ 336,194	\$ 46,947	\$ 383,141		\$ 405,496	\$ 19,000	\$ 424,496		\$ 69,302	\$ (27,947)	\$ 41,355
Personnel & Operating Costs Before Recharges		\$ 3,212,138	\$ 423,645	\$ 3,635,783		\$ 2,554,970	\$ 706,403	\$ 3,261,373		\$ (657,168)	\$ 282,758	\$ (374,410)
Recharges												
Recharges		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Subtotal		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Personnel & Operating Costs Net of Recharges		\$ 3,212,138	\$ 423,645	\$ 3,635,783		\$ 2,554,970	\$ 706,403	\$ 3,261,373		\$ (657,168)	\$ 282,758	\$ (374,410)
Program Costs & Fund Flowthru												
		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Subtotal		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Grand Total	33.48	\$ 3,212,138	\$ 423,645	\$ 3,635,783	26.48	\$ 2,554,970	\$ 706,403	\$ 3,261,373	-7.00	\$ (657,168)	\$ 282,758	\$ (374,410)

REGENTS' DIRECT REPORTS

Office of the Secretary and Chief of Staff

Office of the Treasurer

Office of General Counsel

Ethics, Compliance and Audit Services

The narratives are summaries addressing major highlights of the budget, including significant increases and decreases, major initiatives, and external drivers of cost. Due to the size and complexity of the budget, narratives do not convey all changes in the department budget. For full budget details, see the table that follows each narrative.

**University of California Office of the President
FY 2010-11 Appropriations Proposal**

DIVISION: Regents' Direct Reports												
	REVISED FY 2009-10 Budget After Mid Year Reductions				PROPOSED FY 2010-11 Budget				ADJUSTMENTS against FY 2009-10 Budget to derive FY 2010-11 Budget			
Salary & Benefits by Functional Unit	FTE	Unrestricted	Restricted	Total Costs	FTE	Unrestricted	Restricted	Total Costs	FTE	Unrestricted	Restricted	Total Costs
1 Office of the Secretary / Chief of Staff	12.00	\$ 1,625,174	\$ -	\$ 1,625,174	12.00	\$ 1,704,201	\$ -	\$ 1,704,201	0.00	\$ 79,027	\$ -	\$ 79,027
2 Treasurer and Chief Investment Officer	62.00	\$ -	\$ 11,771,270	\$ 11,771,270	62.00	\$ -	\$ 12,021,104	\$ 12,021,104	0.00	\$ -	\$ 249,834	\$ 249,834
3 Office of General Counsel	82.40	\$ 9,093,166	\$ 3,601,037	\$ 12,694,203	87.50	\$ 3,833,302	\$ 10,208,098	\$ 14,041,400	5.10	\$ (5,259,864)	\$ 6,607,061	\$ 1,347,197
4 Office of Ethics, Compliance and Audit Services	23.30	\$ 3,358,359	\$ -	\$ 3,358,359	23.00	\$ 3,549,027	\$ -	\$ 3,549,027	-0.30	\$ 190,668	\$ -	\$ 190,668
Subtotal	179.70	\$ 14,076,699	\$ 15,372,307	\$ 29,449,006	184.50	\$ 9,086,530	\$ 22,229,202	\$ 31,315,732	4.80	\$ (4,990,169)	\$ 6,856,895	\$ 1,866,726
Operating Expenses & Support Costs									X			
1 Consultants & Professional Services		\$ 1,452,722	\$ 300,278	\$ 1,753,000		\$ 1,259,125	\$ 2,795,875	\$ 4,055,000				
2 Meetings & Related Costs		\$ 1,404,849	\$ 5,534	\$ 1,410,383		\$ 1,038,240	\$ 84,224	\$ 1,122,464				
3 Legal Costs		\$ 90,000	\$ 28,166,571	\$ 28,256,571		\$ 50,000	\$ 28,111,571	\$ 28,161,571				
4 Travel Related		\$ 180,133	\$ 915,682	\$ 1,095,815		\$ 232,506	\$ 839,714	\$ 1,072,220				
5 Utilities & Space Facilities Rental/Lease		\$ -	\$ 762,000	\$ 762,000		\$ 405,000	\$ 1,101,000	\$ 1,506,000				
6 Computer, Office Equip/Supplies/Svc Maint		\$ 193,473	\$ 534,720	\$ 728,193		\$ 162,120	\$ 486,880	\$ 649,000				
7 Other Services		\$ 64,000	\$ 4,784,000	\$ 4,848,000		\$ 392,678	\$ 20,000	\$ 412,678				
8 Other Office		\$ 705,205	\$ 1,309,480	\$ 2,014,685		\$ 442,894	\$ 3,466,698	\$ 3,909,592				
Less Mid-Year Reductions		\$ (116,840)	\$ -	\$ (116,840)		\$ -	\$ -	\$ -				
Subtotal		\$ 3,973,542	\$ 36,778,265	\$ 40,751,807		\$ 3,982,563	\$ 36,905,962	\$ 40,888,525		\$ 9,021	\$ 127,697	\$ 136,718
Personnel & Operating Costs Before Recharges		\$ 18,050,241	\$ 52,150,572	\$ 70,200,813		\$ 13,069,093	\$ 59,135,164	\$ 72,204,257		\$ (4,981,148)	\$ 6,984,592	\$ 2,003,444
Recharges												
Recharges-External Prior Year Operations Debt		\$ -	\$ -	\$ -		\$ -	\$ (1,033,332)	\$ (1,033,332)		\$ -	\$ (1,033,332)	\$ (1,033,332)
Recharges-External for OGC Operating Funds		\$ -	\$ -	\$ -		\$ -	\$ (10,422,389)	\$ (10,422,389)		\$ -	\$ (10,422,389)	\$ (10,422,389)
Recharges External Outside Counsel		\$ -	\$ (17,385,834)	\$ (17,385,834)		\$ -	\$ (17,385,834)	\$ (17,385,834)		\$ -	\$ -	\$ -
Recharges-UCOP Outside Counsel		\$ -	\$ (9,970,737)	\$ (9,970,737)		\$ -	\$ (9,970,737)	\$ (9,970,737)		\$ -	\$ -	\$ -
Recharges-External		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Recharges-UCOP		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Subtotal		\$ -	\$ (27,356,571)	\$ (27,356,571)		\$ -	\$ (38,812,292)	\$ (38,812,292)		\$ -	\$ (11,455,721)	\$ (11,455,721)
Personnel & Operating Costs Net of Recharges		\$ 18,050,241	\$ 24,794,001	\$ 42,844,242		\$ 13,069,093	\$ 20,322,872	\$ 33,391,965		\$ (4,981,148)	\$ (4,471,129)	\$ (9,452,277)
Program Costs & Fund Flowthru												
Consolidated		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Subtotal		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Grand Total	179.70	\$ 18,050,241	\$ 24,794,001	\$ 42,844,242	184.50	\$ 13,069,093	\$ 20,322,872	\$ 33,391,965	4.80	\$ (4,981,148)	\$ (4,471,129)	\$ (9,452,277)

Secretary and Chief of Staff to the Regents

Diane M. Griffiths, Secretary and Chief of the Staff

Mission & Functions

The Secretary and Chief of Staff to the Regents functions as the primary liaison between the Regents and the University administration. The office works directly with the Board Chair and with other Regents on a variety of projects and special initiatives.

- The Secretary and Chief of Staff directs a multitude of research projects and analyses, and oversees planning efforts. The office also handles official records of the University and is responsible for planning and staffing all Board and Regental Committee meetings.
- Facilitates effective governance, including long-range planning, communication and problem-solving on significant issues and challenges facing the Regents.
- Ensures that the Board's activities comply with all pertinent legal guidelines and conform to sound governance practices, including recommending change as needed to comply with developing legal requirements and best practices.
- Ensures development of an on-going orientation program for newly appointed and current Regents to provide an understanding of Regental roles and responsibilities as well as new developments in the University which relate to the duties and conduct of the Regents.
- Identifies policy needs and provides objective analysis to assist the Regents in performing their fiduciary responsibility as well as to enhance understanding of key issues and improve long-range decision-making.
- Disseminates to the Regents updates on developments in legislation or policy that relate to the work of the Regents and works with the Regents on appropriate responses thereto.
- Provides a full range of administrative support to the Board, the Chair and committee chairs in planning, preparing and conducting Board and committee meetings and events.
- Participates in planning future Board and committee meetings with focus on Regental priorities, long-range planning, and compliance with legal and policy mandates.
- Administers the annual operating budget for the Board.
- Informs and advises the Regents and the administration on procedures and Board policies.

Operational Impacts of 2009-10 Budget Reductions

As a direct report to the Board of Regents, the Secretary and Chief of Staff to the Regents plans and develops the office budget in coordination with the Board Chair. Last year, the Board Chair called upon the Secretary and Chief of Staff to demonstrate leadership in achieving cost savings. As a result, for FY 2009-10, the office proposed an 11 percent reduction, which was adopted by the Board. This reduction was substantially greater than those taken by other offices reporting to the Board and also greater than reductions taken in several offices reporting to the President. The service reductions have been significant. The Secretary and Chief of Staff and the Board of Regents have accommodated these service reductions by reducing lodging reimbursement for Board meetings to the maximum allowed for state employees, which is lower than the maximum allowed under University policy; by utilizing lower cost, although more inconvenient, transportation options; and by reducing meal costs, including additional financial contributions by Board members themselves.

Significant Budget Changes and Proposals for 2010-11 Budget

As a result of the larger than typical reduction taken last year and the resulting significant cuts in service, the Board Chair recommends a single contingency reduction of 3.5% in unrestricted funds for the FY10/11 proposed budget in order to maintain flexibility and effectiveness of day-to-day operations and meeting-related events. To achieve this reduction, savings are proposed in various meeting-related costs, in storage costs, and in the Student Regent recruitment program. Cost savings are also to be achieved through efficiencies such as electronic transfer of meeting documents and elimination of various professional development opportunities.

Potential Impacts of Contingency Reductions

As in past years, an analysis of the most cost effective locations for full Board meetings among the ten campuses has been conducted. UCSF/Mission Bay has been identified as the most economical location for both the Board and the Office of the President. As a result of this analysis and to further reduce meeting related costs, the FY10/11 proposed budget assumes that five out of the six Board meetings will be held at UCSF/Mission Bay. However, as in past years, a change in meeting location or cost overruns due to heightened security requirements will prompt a request for a supplemental appropriation to offset any additional costs.

**University of California Office of the President
FY 2010-11 Appropriations Proposal**

Department: Office of the Secretary / COS									ADJUSTMENTS against FY 2009-10 Budget to derive FY 2010-11 Budget			
Salary & Benefits by Functional Unit	REVISED FY 2009-10 Budget After Mid Year Reductions				PROPOSED FY 2010-11 Budget							
	FTE	Unrestricted	Restricted	Total Costs	FTE	Unrestricted	Restricted	Total Costs	FTE	Unrestricted	Restricted	Total Costs
1 Immediate Office of the Secretary	12.00	\$ 1,625,174	\$ -	\$ 1,625,174	12.00	\$ 1,704,201	\$ -	\$ 1,704,201	0.00	\$ 79,027	\$ -	\$ 79,027
Subtotal	12.00	\$ 1,625,174	\$ -	\$ 1,625,174	12.00	\$ 1,704,201	\$ -	\$ 1,704,201	0.00	\$ 79,027	\$ -	\$ 79,027
Operating Expenses & Support Costs												
1 Consultants & Professional Services		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -				
2 Meetings & Related Costs		\$ 1,338,383	\$ -	\$ 1,338,383		\$ 1,014,964	\$ 75,500	\$ 1,090,464				
3 Legal Costs		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -				
4 Travel Related		\$ 13,595	\$ -	\$ 13,595		\$ 100,000	\$ 5,000	\$ 105,000				
5 Utilities & Space Facilities Rental/Lease		\$ -	\$ -	\$ -		\$ 360,000	\$ -	\$ 360,000				
6 Computer, Office Equip/Supplies/Svc Maint		\$ 53,193	\$ -	\$ 53,193		\$ -	\$ -	\$ -				
7 Other Services		\$ 9,000	\$ -	\$ 9,000		\$ -	\$ -	\$ -				
8 Other Office		\$ 245,209	\$ 15,000	\$ 260,209		\$ 100,000	\$ 8,916	\$ 108,916				
Less Mid-Year Reductions		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -				
Subtotal		\$ 1,659,380	\$ 15,000	\$ 1,674,380		\$ 1,574,964	\$ 89,416	\$ 1,664,380		\$ (84,416)	\$ 74,416	\$ (10,000)
Personnel & Operating Costs Before Recharges		\$ 3,284,554	\$ 15,000	\$ 3,299,554		\$ 3,279,165	\$ 89,416	\$ 3,368,581		\$ (5,389)	\$ 74,416	\$ 69,027
Recharges												
Recharges-External		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Recharges-UCOP		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Subtotal		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Personnel & Operating Costs Net of Recharges		\$ 3,284,554	\$ 15,000	\$ 3,299,554		\$ 3,279,165	\$ 89,416	\$ 3,368,581		\$ (5,389)	\$ 74,416	\$ 69,027
Program Costs & Fund Flowthru												
Program Detail		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Subtotal		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Grand Total	12.00	\$ 3,284,554	\$ 15,000	\$ 3,299,554	12.00	\$ 3,279,165	\$ 89,416	\$ 3,368,581	0.00	\$ (5,389)	\$ 74,416	\$ 69,027

Office of the Treasurer **Marie N. Berggren, Vice President**

Mission & Functions

The Office of the Treasurer of The Regents manages the University of California's retirement, endowment, and cash assets under the policies, guidelines, and performance benchmarks established by The Regents. The Office's mission is to implement those policies and guidelines by selecting, executing, and monitoring investment strategies designed to add value over the benchmarks within a risk controlled framework. The Office adheres to high ethical as well as professional standards in serving the financial management needs of its constituency. As of June 30, 2009, the Treasurer's Office managed over \$55 billion in total assets.

The three main functions of the Office include:

- Investment Management – The investment funds managed include UCRP, DCP, Endowment Funds, TRIP and STIP
- Investment Risk Management – Ensures funds managed do not expose the University to potential or unexpected losses beyond the Regents' risk tolerance level
- Investment Services - Investment Services' structure includes *Operations, Information Systems, Business Management, and Communications*. The Investment Services function provides uniquely qualified staff whose support is efficiently integrated into both the Investment Management and Risk Management functions

Operational Impacts of 2009-10 Budget Reductions

The FY 2009-10 approved budget did not reflect a reduction.

Significant Budget Changes and Proposals

The Office of the Treasurer has increased its budget of restricted funds by \$292,000 or 1.48% over FY 2009-10. The total budget is in restricted funding from the Asset Management fund which is comprised of STIP, TRIP, Endowment and UCRP assessments.

Salary related net adjustments largely pertain to:

- No merit increases contemplated for FY 2010-11.
- Increase of overall benefits rate to 24%.
- Reduction of recruitment expenses as well as other salary related items.

Non-salary operating expenses have increased by \$42,000 over last fiscal year mainly due to renewal of our office space lease. Some of the major changes include:

- Projected lease expense to increase by \$368,000
- Reduction of Temporary Help/Consulting expenses by \$158,000
- Travel related expenses reduced by \$65,000
- Reduction of External Legal fees by \$55,000

Potential Impacts of Contingency Reductions

The Office of the Treasurer is budgeted on restricted funds and not subject to the contingency reduction planning.

**University of California Office of the President
FY 2010-11 Appropriations Proposal**

Department: Treasurer's Office									ADJUSTMENTS against FY 2009-10 Budget to derive FY 2010-11 Budget			
Salary & Benefits by Functional Unit	REVISED FY 2009-10 Budget After Mid Year Reductions				PROPOSED FY 2010-11 Budget							
	FTE	Unrestricted	Restricted	Total Costs	FTE	Unrestricted	Restricted	Total Costs	FTE	Unrestricted	Restricted	Total Costs
1 Immediate Office of the Chief Investment Officer	2.00	\$ -	\$ 648,659	\$ 648,659	2.00	\$ -	\$ 662,605	\$ 662,605	0.00	-	13,946	\$ 13,946
2 Public Equity	5.00	\$ -	\$ 994,233	\$ 994,233	5.00	\$ -	\$ 1,021,289	\$ 1,021,289	0.00	-	27,056	\$ 27,056
3 Fixed Income	10.00	\$ -	\$ 2,431,747	\$ 2,431,747	9.00	\$ -	\$ 2,491,871	\$ 2,491,871	-1.00	-	60,124	\$ 60,124
4 Absolute Returns	4.00	\$ -	\$ 758,385	\$ 758,385	4.00	\$ -	\$ 774,691	\$ 774,691	0.00	-	16,306	\$ 16,306
5 Private Equity	5.00	\$ -	\$ 1,072,459	\$ 1,072,459	5.00	\$ -	\$ 1,113,546	\$ 1,113,546	0.00	-	41,087	\$ 41,087
6 Real Assets	4.00	\$ -	\$ 910,435	\$ 910,435	6.00	\$ -	\$ 1,175,463	\$ 1,175,463	2.00	-	265,028	\$ 265,028
7 Investment Risk Management	5.00	\$ -	\$ 874,649	\$ 874,649	5.00	\$ -	\$ 893,455	\$ 893,455	0.00	-	18,806	\$ 18,806
8 Immediate Office of the Associate CIO	27.00	\$ -	\$ 3,490,959	\$ 3,490,959	19.00	\$ -	\$ 2,132,864	\$ 2,132,864	-8.00	-	(1,358,095)	\$ (1,358,095)
9 Vacant Positions	0.00	\$ -	\$ -	\$ -	7.00	\$ -	\$ 1,289,599	\$ 1,289,599	7.00	-	1,289,599	\$ 1,289,599
10 Misc Salary Related Items	0.00	\$ -	\$ 589,744	\$ 589,744	0.00	\$ -	\$ 465,722	\$ 465,722	0.00	-	(124,022)	\$ (124,022)
Subtotal	62.00	\$ -	\$ 11,771,270	\$ 11,771,270	62.00	\$ -	\$ 12,021,104	\$ 12,021,104	0.00	\$ -	\$ 249,834	\$ 249,834
Operating Expenses & Support Costs												
1 Consultants & Professional Services		\$ -	\$ 228,000	\$ 228,000		\$ -	\$ 2,705,000	\$ 2,705,000				
2 Meetings & Related Costs		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -				
3 Legal Costs		\$ -	\$ 810,000	\$ 810,000		\$ -	\$ 755,000	\$ 755,000				
4 Travel Related		\$ -	\$ 680,000	\$ 680,000		\$ -	\$ 615,000	\$ 615,000				
5 Utilities & Space Facilities Rental/Lease		\$ -	\$ 762,000	\$ 762,000		\$ -	\$ 1,101,000	\$ 1,101,000				
6 Computer, Office Equip/Supplies/Svc Maint		\$ -	\$ 170,000	\$ 170,000		\$ -	\$ 167,000	\$ 167,000				
7 Other Services		\$ -	\$ 4,784,000	\$ 4,784,000		\$ -	\$ 20,000	\$ 20,000				
8 Other		\$ -	\$ 415,000	\$ 415,000		\$ -	\$ 200,000	\$ 200,000				
9 Systems/Online Research		\$ -	\$ -	\$ -		\$ -	\$ 2,054,000	\$ 2,054,000				
10 Subscriptions		\$ -	\$ -	\$ -		\$ -	\$ 108,000	\$ 108,000				
11 Employee Development/Training		\$ -	\$ -	\$ -		\$ -	\$ 166,000	\$ 166,000				
Less Mid-Year Reductions		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -				
Subtotal		\$ -	\$ 7,849,000	\$ 7,849,000		\$ -	\$ 7,891,000	\$ 7,891,000		\$ -	\$ 42,000	\$ 42,000
Personnel & Operating Costs Before Recharges		\$ -	\$ 19,620,270	\$ 19,620,270		\$ -	\$ 19,912,104	\$ 19,912,104		\$ -	\$ 291,834	\$ 291,834
Recharges												
Recharges-External		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Recharges-UCOP		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Subtotal		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Personnel & Operating Costs Net of Recharges		\$ -	\$ 19,620,270	\$ 19,620,270		\$ -	\$ 19,912,104	\$ 19,912,104		\$ -	\$ 291,834	\$ 291,834
Program Costs & Fund Flowthru												
Program Detail		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Subtotal		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Grand Total	62.00	\$ -	\$ 19,620,270	\$ 19,620,270	62.00	\$ -	\$ 19,912,104	\$ 19,912,104	0.00	\$ -	\$ 291,834	\$ 291,834

**University of California Office of the President
FY 2010-11 Appropriations Proposal**

Office of General Counsel

Charles F. Robinson, General Counsel and Vice President, Legal Affairs

Mission & Functions

The ***Office of General Counsel*** (OGC) is responsible for supporting the activities of The Regents, the Office of the President, and the campuses and medical centers by providing them high-quality, timely, cost-effective and practical legal advice, and by helping integrate legal requirements and legal opportunities into their strategic planning and business administration. The office is also charged with advocating and protecting the University's interests in multiple forums and through various legal, regulatory, administrative and political processes; to help negotiate and document the University's business relationships with outside parties; and to help manage the University's legal and other business risks by, among other means, facilitating compliance with internal and external rules and policies.

- Providing advice and support to the Board of Regents, the Office of the Secretary and Chief of Staff of The Regents, to the other Principal Officers of The Regents, and to the President;
- Managing, planning for, and supporting the provision of legal services throughout the University, including oversight of 21 resident counsel at the campuses and medical centers, and the retention and oversight of all outside counsel;
- Providing system-wide specialist advice, counsel and representation in the areas of litigation (court-filed, regulatory, and administrative) and other types of dispute resolution;
- Providing general advice and counsel in support of the University's administration of the Lawrence Berkeley National Laboratory and oversight, through its representation on the LLC Boards, of the Los Alamos and Lawrence Livermore National laboratories. Activities in this area include general legal advice and serving as Corporate Secretary for the Los Alamos and Livermore National Laboratory LLC boards.

Additional functions include providing system-wide specialist advice and support for:

- The University's health sciences enterprise;
- The human resources and employee benefits function, including advice and counsel on retirement, and health and welfare benefit plans; on labor relations, including contract negotiations;
- The area of environmental regulation, including preparing and reviewing Long Range Development Plans, Environmental Impact Reports, and other environmental documents;

- The University's extensive construction projects portfolio;
- The University's various business ventures and funding arrangements with outside parties;
- The University's intellectual property assets;
- The academic community and the teaching and research activities of the University;

Operational Impacts of 2009-10 Budget Reductions

OGC took a permanent FY 2009-10 mid-year budget reduction of \$708,700 including \$591,860 in Employee Expense (2.5 Attorneys and 1 Admin Analyst) and \$116,840 in Operating and Support Costs. In addition, OGC has achieved approximately \$112,000 in temporary savings by keeping one attorney position frozen through February 28, 2010. The 2.5 FTE attorney positions eliminated in FY 2009-10 resulted in redistribution of work to existing attorneys, increased utilization of outside counsel, and diminished capacity to support University clients. In addition, the vacancy hold on a health law attorney position for most of the fiscal year resulted in greatly reduced ability to address Medicare/Medicaid reimbursement and operations legal issues, creating a significant area of risk to the University. Legal practice areas impacted by the cuts were litigation, labor and employment, health law and governance and compliance. The elimination of 1.0 FTE personnel analyst resulted in OGC's hiring a contractor for a portion of the fiscal year to support the General Counsel's management team with strategic human resource management planning and issues.

Following a staffing review by a consultant, OGC eliminated 3.3 FTE legal secretaries and 1.0 FTE receptionist position. The restructuring of the secretarial function required extensive management time that hindered recruitment of paralegals to fill several vacancies. The delay in filling these vacancies and elimination of 1.3 FTE paralegals affected the productivity of OGC attorneys, diminishing OGC's capacity to provide services to clients. The elimination of the receptionist position has resulted in the reception function being shared by a team of 8 administrative staff whose productivity has been impacted by an average of 14% due to the need to cover reception activities.

Significant Budget Changes and Proposals for 2010-11 Budget:

The FY 2010-11 Budget for the **Office of General Counsel** (OGC) includes \$17.2 million, which represents \$16.2 million for OGC's Oakland office operating costs and \$1 million for deficit reduction. The budget will be supported under a new funding model developed by *Bickmore Risk Services and Consulting*, the actuary utilized by UC Risk

Services to funds its program. The new model is a partial recharge model in which UCOP will provide direct funding to support legal services to the President, the Regents, the Principal Officers of The Regents, and Systemwide activities. The campuses and medical centers will be recharged \$11.4 million for their portion of legal services costs.

This approach is meant to be cost neutral to the campuses, and will be offset by an equal reduction in the amount of general support to UCOP previously provided by the campuses through General and Common Funds. In discussions with campus representatives, this has been identified as a critical factor in their support for the new model. All locations will continue to be recharged directly for Core Legal Services outside counsel expenses, estimated at \$27.4 million for the fiscal year.

The FY 2010-11 budget requests \$4.4 million in unrestricted funding and \$1.4 M in restricted funding from UCOP. This reflects a decrease in restricted funding of \$3.8 million, a decrease in unrestricted funding from UCOP of \$5.2 million and an increase of 5.1 FTE, consisting of 1.0 FTE attorney and 4.1 FTE administrative positions. These include positions that were cut in FY 2009-10 and are being proposed for restoration to enable OGC to run efficiently as recommended by a consultant study and to avoid higher outside counsel expenses, which tend to be borne disproportionately by the campuses. The administrative positions have been realigned to better support the business needs of OGC and its University clients.

Potential Impacts of Contingency Reductions

No additional reductions in permanent or temporary funds are needed to meet the 5%, 7% and 10% contingency reductions, due to the decrease in unrestricted funding from UCOP of \$5.3 million under the new funding model.

**University of California Office of the President
FY 2010-11 Appropriations Proposal**

Department: Office of the General Counsel												
	REVISED FY 2009-10 Budget After Mid Year Reductions				PROPOSED FY 2010-11 Model A Priven Budget				ADJUSTMENTS against FY 2009-10 Budget to derive FY 2010-11 Budget			
Salary & Benefits by Functional Unit	FTE	Unrestricted	Restricted	Total Costs	FTE	Unrestricted	Restricted	Total Costs	FTE	Unrestricted	Restricted	Total Costs
1 Immediate Office of the VP & General Counsel ¹	2.00	\$ 589,278	\$ -	\$ 589,278	1.00	\$ 140,824	\$ 375,016	\$ 515,840	-1.00	\$ (448,454)	\$ 375,016	\$ (73,438)
2 Educational (Academic) Affairs & Campus Service	5.00	\$ 1,031,471	\$ -	\$ 1,031,471	5.33	\$ 313,327	\$ 834,392	\$ 1,147,719	0.33	\$ (718,144)	\$ 834,392	\$ 116,248
3 Health, Law, & Medical Center Services	5.00	\$ 965,492	\$ 242,655	\$ 1,208,147	4.00	\$ 299,624	\$ 797,900	\$ 1,097,524	-1.00	\$ (665,868)	\$ 555,245	\$ (110,623)
4 Litigation, Labor, & Employment Law	15.00	\$ 1,602,731	\$ 1,442,041	\$ 3,044,772	17.53	\$ 1,017,324	\$ 2,709,139	\$ 3,726,463	2.53	\$ (585,407)	\$ 1,267,098	\$ 681,691
5 Business Transactions, Intellectual Prop & Land U	18.00	\$ 2,207,383	\$ 1,391,359	\$ 3,598,742	16.64	\$ 946,335	\$ 2,520,093	\$ 3,466,428	-1.36	\$ (1,261,048)	\$ 1,128,734	\$ (132,314)
6 Governance & Compliance	2.50	\$ 538,631	\$ -	\$ 538,631	4.00	\$ 221,358	\$ 589,476	\$ 810,834	1.50	\$ (317,273)	\$ 589,476	\$ 272,203
7 Financial & Business Services	34.90	\$ 2,158,180	\$ 524,982	\$ 2,683,162	39.00	\$ 894,510	\$ 2,382,082	\$ 3,276,592	4.10	\$ (1,263,670)	\$ 1,857,100	\$ 593,430
Subtotal	82.40	\$ 9,093,166	\$ 3,601,037	\$ 12,694,203	87.50	\$ 3,833,302	\$ 10,208,098	\$ 14,041,400	5.10	\$ (5,259,864)	\$ 6,607,061	\$ 1,347,197
Operating Expenses & Support Costs												
1 Consultants & Professional Services		\$ 52,722	\$ 72,278	\$ 125,000		\$ 34,125	\$ 90,875	\$ 125,000				
2 Meetings & Related Costs		\$ 6,466	\$ 5,534	\$ 12,000		\$ 3,276	\$ 8,724	\$ 12,000				
3 Legal Costs		\$ -	\$ 27,356,571	\$ 27,356,571		\$ -	\$ 27,356,571	\$ 27,356,571				
4 Travel Related		\$ 66,538	\$ 235,682	\$ 302,220		\$ 82,506	\$ 219,714	\$ 302,220				
5 Utilities & Space Facilities Rental/Lease		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -				
6 Computer, Office Equip/Supplies/Svc Maint		\$ 75,280	\$ 364,720	\$ 440,000		\$ 120,120	\$ 319,880	\$ 440,000				
7 Other Services		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -				
8 Other Office		\$ 383,196	\$ 879,480	\$ 1,262,676		\$ 332,894	\$ 929,782	\$ 1,262,676				
Less Mid-Year Reductions		\$ (116,840)	\$ -	\$ (116,840)		\$ -	\$ -	\$ -				
Subtotal		\$ 467,362	\$ 28,914,265	\$ 29,381,627		\$ 572,921	\$ 28,925,546	\$ 29,498,467		\$ 105,559	\$ 11,281	\$ 116,840
Personnel & Operating Costs Before Recharges		\$ 9,560,528	\$ 32,515,302	\$ 42,075,830		\$ 4,406,223	\$ 39,133,644	\$ 43,539,867		\$ (5,154,305)	\$ 6,618,342	\$ 1,464,037
Recharges												
Recharges-External Prior Year Operations Debt		\$ -	\$ -	\$ -		\$ -	\$ (1,033,332)	\$ (1,033,332)		\$ -	\$ (1,033,332)	\$ (1,033,332)
Recharges-External for OGC Operating Funds		\$ -	\$ -	\$ -		\$ -	\$ (10,422,389)	\$ (10,422,389)		\$ -	\$ (10,422,389)	\$ (10,422,389)
Recharges External Outside Counsel		\$ -	\$ (17,385,834)	\$ (17,385,834)		\$ -	\$ (17,385,834)	\$ (17,385,834)		\$ -	\$ -	\$ -
Recharges-UCOP Outside Counsel		\$ -	\$ (9,970,737)	\$ (9,970,737)		\$ -	\$ (9,970,737)	\$ (9,970,737)		\$ -	\$ -	\$ -
Subtotal		\$ -	\$ (27,356,571)	\$ (27,356,571)		\$ -	\$ (38,812,292)	\$ (38,812,292)		\$ -	\$ (11,455,721)	\$ (11,455,721)
Personnel & Operating Costs Net of Recharges		\$ 9,560,528	\$ 5,158,731	\$ 14,719,259		\$ 4,406,223	\$ 321,352	\$ 4,727,575		\$ (5,154,305)	\$ (4,837,379)	\$ (9,991,684)
Program Costs & Fund Flowthru												
Program Detail		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ 1,033,332	\$ 1,033,332
Subtotal		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ 1,033,332	\$ 1,033,332
Grand Total	82.40	\$ 9,560,528	\$ 5,158,731	\$ 14,719,259	87.50	\$ 4,406,223	\$ 321,352	\$ 4,727,575	5.10	\$ (5,154,305)	\$ (3,804,047)	\$ (8,958,352)

Ethics, Compliance and Audit Services ***Sheryl Vacca, Senior Vice President***

Mission & Functions

Systemwide Ethics, Compliance and Audit Services provides The Regents and the President assurance that systems and controls are in place to mitigate or resolve risks. Compliance and Internal Audit provides auditing and monitoring, education, direction, guidance and resource references to each University of California entity on how to optimize ethical and compliant behavior and assist the University in the performance of its public responsibilities in being compliant with University policies, procedures and/or applicable legal requirements; and in which the public trust is maintained. The following outlines the major functions of the department:

- Ensure The Regents, President and senior management are fully aware of major compliance, audit and/or lack of controls issues through review of recommendations, assessing management's response to recommendations and findings and by recommending enforcement action.
- Oversight and operation of the systemwide compliance program; including discipline specific core competencies, i.e. of privacy, health sciences, etc.
- Oversight and execution of the systemwide auditing and advisory services program.
- Oversight and operation of investigatory services as it relates to whistleblower and other complaints as submitted from parties internal and external to the organization; including the systemwide hotline and case management resource.
- Develop and implement mandatory compliance training, as mandated by The Regents and/or UC President, and develop and facilitate training opportunities in the areas of compliance and audit for the system.
- Advance the disciplines of audit and compliance in higher education, research and healthcare by promoting cross-institutional sharing of best practices at UC and through publishing and speaking at national conferences and meetings.

Operational Impacts of 2009-10 Budget Reductions

Ethics, Compliance and Audit Services has not been fully staffed. Current staff have been required to cover areas in addition to their currently assigned roles which negatively impacts meeting project deadlines and turning the department into a more reactive than proactive unit in trying to meet its mission and stated goals. With a reactive emphasis, the regulatory compliance risk to UC is increased and the potential for increased financial paybacks and/or fines and resultant negative publicity for non-compliance to new and/or revised regulations becomes a greater risk. Monitoring risk

areas is heavily reliant on management whose priorities may not be aligned with assuring compliant behavior due to limited resources. Proactive activities such as education and monitoring will be cut back further due to lack of resources so that only reactionary issues are addressed – the “tail wagging the dog” effect.

Significant Budget Changes and Proposals for 2010-11 Budget

None

Potential Impact of Contingency Reductions

If needed, the proposed 5%, 7% and 10% reductions would be taken from the Supplies and Other Expenses budget.

Ethics, Compliance and Audit Services responds to the needs of the organization. Cuts of 5%, 7% and 10 in the budget would decrease the department’s ability to take appropriate action to detect, deter and/or prevent risk from occurring. The larger the budget cut, the more reactionary the response will be and the department will have less ability to be proactive in protecting, detecting, and providing assurances to The Regents and the President that systems and controls are in place to avoid or minimize risks.

Based on the size of the budget cut—the larger the cut the more significant the impact—the proposed reductions would have the potential to adversely affect the overall Systemwide compliance and audit efforts in the following areas:

- Auditing and monitoring activities will be curtailed due to reduced internal resources and inability to contract with external experts. Risk to UC will increase, especially in healthcare, as new regulations and increased scrutiny by the OIG are fully realized in areas such as conflicts of interest, clinical trials billing, and general billing and coding areas.
 - Highest risk priorities will be the only areas addressed which may result in mid to lower risk priorities receiving little to no attention in the auditing and monitoring arena for compliance/audit and/or internal control deficiencies.
 - Mid to lower audit and compliance risk priorities will then have the potential to be monitored less regularly and may result in crisis and/or reactive reviews and responses by management which increase costs and decrease efficiencies.
- Crisis and/or reactive management will be the model for handling risks vs. preventative/proactive approach to compliance/audit and/or internal control weakness identification.

- Risk identification will be minimized due to decreased activity in monitoring by compliance and audit due to limited resource availability.
- Ability to provide information as available and subject matter context to information will be further limited.
- Ability to provide subject matter context to real and/or potential risks will be further limited which will result in decreased communication and collaboration on potential risks. Instead, with crisis and/or reactive response to the risk, a more costly resource will be needed due to timing and need for action.
- Training and education will be decreased related to potential and real risk priorities in compliance and audit. Due to decrease in auditing and monitoring capabilities with limited resources, it may result in only specific assurances (topical) being able to be provided to The Regents and the President vs. a broader perspective that is currently provided.
 - Compliance and Audit Services will lose some of its proactive advisory and consultation services due to reprioritization of limited resources; i.e., less time will be spent on this area. This could result in management not receiving information to avoid potential risks from occurring and possibly resulting in increased cost should the risk area become a problem.
 - Compliance-related planning and implementation activities at the campus/laboratory site will be decreased without adequate resources to assist the campuses in these activities, i.e., red flags, COI, etc. Eminence activities in higher education and healthcare will be diminished due to decreased ability to pay for these activities, i.e., non-profit board involvement, training, and association involvement in audit and/or compliance.
- There will be decreased identification of industry “best practices” during this time of increased regulatory focus on higher education and healthcare activities due to lack of collegial networking at national and/or regional compliance or other compliance-related conferences and work shops.

Department: Ethics Compliance and Audit Services												
Salary & Benefits by Functional Unit	REVISED FY 2009-10 Budget After Mid Year Reductions				PROPOSED FY 2010-11 Budget				ADJUSTMENTS against FY 2009-10 Budget to derive FY 2010-11 Budget			
	FTE	Unrestricted	Restricted	Total Costs	FTE	Unrestricted	Restricted	Total Costs	FTE	Unrestricted	Restricted	Total Costs
1 Compliance	11.50	\$ 1,709,169	\$ -	\$ 1,709,169	12.50	\$ 1,932,585	\$ -	\$ 1,932,585	1.00	223,416	-	\$ 223,416
2 Audit	11.80	\$ 1,649,190	\$ -	\$ 1,649,190	10.50	\$ 1,616,443	\$ -	\$ 1,616,443	-1.30	(32,747)	-	\$ (32,747)
Subtotal	23.30	\$ 3,358,359	\$ -	\$ 3,358,359	23.00	\$ 3,549,027	\$ -	\$ 3,549,027	-0.30	\$ 190,668	\$ -	\$ 190,668
Operating Expenses & Support Costs												
1 Consultants & Professional Services		\$ 1,400,000	\$ -	\$ 1,400,000		\$ 1,225,000	\$ -	\$ 1,225,000				
2 Entertainment/Food/Meetings & Related Costs		\$ 60,000	\$ -	\$ 60,000		\$ 20,000	\$ -	\$ 20,000				
3 Legal Costs		\$ 90,000	\$ -	\$ 90,000		\$ 50,000	\$ -	\$ 50,000				
4 Travel Related		\$ 100,000	\$ -	\$ 100,000		\$ 50,000	\$ -	\$ 50,000				
5 Utilities & Space Facilities Rental/Lease		\$ -	\$ -	\$ -		\$ 45,000	\$ -	\$ 45,000				
6 Computer, Office Equip/Supplies/Svc Maint		\$ 65,000	\$ -	\$ 65,000		\$ 42,000	\$ -	\$ 42,000				
7 Other Services (to Campuses)		\$ -	\$ -	\$ -		\$ 27,678	\$ -	\$ 27,678				
8 Outside Services/Database Tools		\$ 55,000	\$ -	\$ 55,000		\$ 190,000	\$ -	\$ 190,000				
9 Prof Tr/Membership/Library/Certifications		\$ -	\$ -	\$ -		\$ 25,000	\$ -	\$ 25,000				
10 Conferences/Training		\$ -	\$ -	\$ -		\$ 150,000	\$ -	\$ 150,000				
11 Other Office		\$ 76,800	\$ -	\$ 76,800		\$ 10,000	\$ -	\$ 10,000				
Less Mid-Year Reductions (only temp)		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -				
Subtotal		\$ 1,846,800	\$ -	\$ 1,846,800		\$ 1,834,678	\$ -	\$ 1,834,678		\$ (12,122)	\$ -	\$ (12,122)
Personnel & Operating Costs Before Recharges		\$ 5,205,159	\$ -	\$ 5,205,159		\$ 5,383,705	\$ -	\$ 5,383,705		\$ 178,546	\$ -	\$ 178,546
Recharges												
Recharges-External		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Recharges-UCOP		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Subtotal		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Personnel & Operating Costs Net of Recharges		\$ 5,205,159	\$ -	\$ 5,205,159		\$ 5,383,705	\$ -	\$ 5,383,705		\$ 178,546	\$ -	\$ 178,546
Program Costs & Fund Flowthru												
Program Detail		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Subtotal		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Grand Total	23.30	\$ 5,205,159	\$ -	\$ 5,205,159	23.00	\$ 5,383,705	\$ -	\$ 5,383,705	-0.30	\$ 178,546	\$ -	\$ 178,546

ACADEMIC SENATE

The narratives are summaries addressing major highlights of the budget, including significant increases and decreases, major initiatives, and external drivers of cost. Due to the size and complexity of the budget, narratives do not convey all changes in the department budget. For full budget details, see the table that follows each narrative.

Academic Senate

Martha Winnacker, Executive Director

Mission & Functions

The ***Academic Senate*** is mandated by The Regents, with their approval, to exercise direct control over UC's central academic activities such as admissions policy, certificates, degrees, and approval of courses and curricula. The Academic Senate is also authorized to: advise the President on the University Budget and on matters concerning the administration of the libraries; and approve the publication of manuscripts by the University Press. In addition, in exercising its role under shared governance, the Senate provides advice to the University's administration on a broad range of issues relating to UC's mission of instruction, research, and public service, bringing to bear the unparalleled knowledge and skill of the University's extraordinary faculty on the affairs of the University.

The functions of the Senate are directly tied to the authority delegated to the Senate by the Board of Regents and accomplished through the Assembly, the Academic Council and the Standing Committees of the Assembly. The work of the Senate, through its committees of campus and at-large members, is to forge common policy from 10 different campus perspectives: where 10 campuses become one University. The Senate office provides high-level analytical and staff support to the work of the committees in every significant policy domain of the University. Examples include but are not limited to:

- Undergraduate admissions, conditions for admission and admissions policies are reviewed and established by the Board of Admissions and Relations with Schools (BOARS).
- Graduate admissions are monitored by the Coordinating Committee on Graduate Affairs (CCGA). CCGA must approve the establishment or disestablishment of any graduate program or degree and is also responsible for periodic review of all graduate programs, including professional programs.
- Conditions for undergraduate degrees and regulations relating to the undergraduate education program are established and reviewed by the University Committee on Educational Policy (UCEP).
- Policies and procedures for determining the membership of faculties, and more importantly, policies for the advancement of faculty members, are under the jurisdiction of the University Committee on Academic Personnel (UCAP).
- The University Committee on Faculty Welfare (UCFW) provides advice to the administration on benefit programs and other welfare issues affecting

faculty. Over the past few years, UCFW's Task Force on Investments and Retirement has mobilized some of the world's most eminent experts on pension investments to analyze and make recommendations regarding the financial health of UCRP.

- The source of the Senate's view on the budget is the responsibility of the University Committee on Planning and Budget (UCPB), which offers deeply researched analysis of the implications of budgetary choices and strategies.

In order to accomplish its mission, the Assembly, the Academic Council and seventeen (17) Standing Committees of the Assembly are supported by an administrative office composed of 10 FTE: and executive director, an associate director, 5 analysts, and 3 administrative assistants. One of the administrative assistant positions has been vacant for a year, causing backlogs in processing requests and managing logistics; not filling this position has been a precautionary measure but has affected the Senate's performance.

Operational Impacts of 2009-10 Budget Reductions

The Academic Senate had no FY 2009-10 mid-year budget reductions.

Significant Budget Changes and Proposals for 2010-11 Budget

There are no significant changes to the Academic Senate's FY 2010-11 budget.

Potential Impacts of Contingency Reductions:

Using the FY 2009-10 mid-year budget as the base, the **Academic Senate** has prepared scenarios for reduction in annual projected expenditures of unrestricted funds by 5% (\$96,039), 7% (\$134,455), and 10% (\$192,068), through reducing one administrative support position by 20% (or two at 10%) and decreasing non-payroll categories for Meetings and Related Costs (\$1,500), Outside Services & Experts (\$1,400), and Faculty Compensation / Reimbursements (\$213,237). These reductions will, with increasing severity, compromise the Senate's ability to deliver timely and thorough analysis of the major issues facing the University and will make it impossible for Senate representatives to participate in some of the joint efforts to which the Administration requests it to contribute. The effects of such reductions will be particularly severe as recommendations emerge from the Commission on the Future and far-reaching decisions on implementation must be made.

**University of California Office of the President
FY 2010-11 Appropriations Proposal**

DIVISION: Academic Senate												
Salary & Benefits by Functional Unit	REVISED FY 2009-10 Budget After Mid Year Reductions				PROPOSED FY 2010-11 Budget				ADJUSTMENTS against FY 2009-10 Budget to derive FY 2010-11 Budget			
	FTE	Unrestricted	Restricted	Total Costs	FTE	Unrestricted	Restricted	Total Costs	FTE	Unrestricted	Restricted	Total Costs
1 Academic Senate Committee Support ¹	10.00	\$ 760,726		\$ 760,726	10.00	\$ 803,270	\$ -	\$ 803,270	0.00	\$ 42,544	-	\$ 42,544
Subtotal	10.00	\$ 760,726	\$ -	\$ 760,726	10.00	\$ 803,270	\$ -	\$ 803,270	0.00	\$ 42,544	\$ -	\$ 42,544
Operating Expenses & Support Costs												
1 Consultants & Professional Services		\$ 5,000	\$ -	\$ 5,000		\$ 11,887	\$ -	\$ 11,887				
2 Meetings & Related Costs		\$ 80,000	\$ -	\$ 80,000		\$ 65,325	\$ -	\$ 65,325				
3 Legal Costs			\$ -	\$ -		\$ -	\$ -	\$ -				
4 Travel Related		\$ 354,000	\$ -	\$ 354,000		\$ 337,756	\$ -	\$ 337,756				
5 Utilities & Space Facilities Rental/Lease			\$ -	\$ -		\$ 468	\$ -	\$ 468				
6 Computer, Office Equip/Supplies/Svc Maint		\$ 15,000	\$ -	\$ 15,000		\$ 13,853	\$ -	\$ 13,853				
7 Outside Services & Experts		\$ 9,000	\$ -	\$ 9,000		\$ 10,202	\$ -	\$ 10,202				
8 Other Office		\$ 10,000	\$ -	\$ 10,000		\$ 33,509	\$ -	\$ 33,509				
Less Mid-Year Reductions		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -				
Subtotal		\$ 473,000	\$ -	\$ 473,000		\$ 473,000	\$ -	\$ 473,000		\$ -	\$ -	\$ -
Personnel & Operating Costs Before Recharges		\$ 1,233,726	\$ -	\$ 1,233,726		\$ 1,276,270	\$ -	\$ 1,276,270		\$ 42,544	\$ -	\$ 42,544
Recharges												
Recharges-External		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Recharges-UCOP		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Subtotal		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Personnel & Operating Costs Net of Recharges		\$ 1,233,726	\$ -	\$ 1,233,726		\$ 1,276,270	\$ -	\$ 1,276,270		\$ 42,544	\$ -	\$ 42,544
Program Costs & Fund Flowthru												
Faculty Compensation/Reimbursements at Campus		\$ 686,763	\$ -	\$ 686,763		\$ 686,763	\$ -	\$ 686,763		\$ -	\$ -	\$ -
Subtotal		\$ 686,763	\$ -	\$ 686,763		\$ 686,763	\$ -	\$ 686,763		\$ -	\$ -	\$ -
Grand Total	10.00	\$ 1,920,489	\$ -	\$ 1,920,489	10.00	\$ 1,963,033	\$ -	\$ 1,963,033	0.00	\$ 42,544	\$ -	\$ 42,544

APPENDIX

Glossary of Systemwide Academic Programs

APPENDIX I

Systemwide Academic Programs

Academic Personnel

University Professor Activities. The title University Professor is reserved for scholars of the highest international distinction who are recognized and honored as the top scholars on their campus and are respected as teachers of exceptional ability, per Academic Personnel Policy 260.

Academic Planning, Programs and Coordination

The ***California Digital Library (CDL)*** supports the assembly and creative use of the world's scholarship and knowledge for the University of California libraries and the communities they serve. The CDL was created to take advantage of emerging technologies that were transforming the way digital information was being published and accessed.

The ***University of California Center in Sacramento (UCCS)*** is a system-wide program available to students and faculty across the UC system that offers instruction in public policy and public affairs journalism, internships in the California Legislature and executive branch; with agencies, boards, commissions and organizations that make or seek to support sound public policy; and with media organizations that cover state government; and, opportunities for UC faculty to teach, to do research, and to share their work with policymakers as well as the larger Sacramento policy community.

The ***UC Washington Center*** is a multi-campus residential, instructional and research center that provides students and faculty from the University of California with opportunities to research, work, study and live within rich cultural, political and international heritage of our capital city.

The University of California ***Education Abroad Program (EAP)*** is the UC systemwide international exchange program. Serving all ten campuses, EAP supports the mission of the University of California through instructional activities and reciprocal exchange relationships in over 30 countries around the world.

The ***University of California Press***, one of the largest and most distinguished university presses in the United States, advances scholarship in the humanities, social sciences, and natural sciences through its publication of thousands of books and journals, online and in print.

La Casa de la Universidad de California en Mexico, known as the ***Casa de California***, is a center for collaborative research facility for the University of California and Mexican research institutions.

The ***Librarians Association of the University of California (LAUC)*** is recognized as an official unit of the University as stated in the Presidential Statement on the Status of the Librarians Association of the University of California, APM 360, Appendix B. UCOP provides annual funds for their activities.

Agriculture and Natural Resources (ANR)

The ANR office in Oakland coordinates the activities of the California Agriculture Experiment Station (AES) and University of California Cooperative Extension (UCCE). AES faculty and CE Specialists at Riverside, Davis and Berkeley campuses are a world-respected team of basic and applied researchers whose research projects contribute to maintaining economically viable and environmentally sustainable food, forest, ornamental and fiber production systems for California. CE advisor academics, who are housed in more than 50 counties, conduct applied research and extension programs to ensure a safe, dependable, nutritious, diverse and affordable food supply in addition to programs that support the preservation and conservation of the state's natural resources.

Education Partnerships

The ***California Subject Matter Project (CSMP)*** is a statewide network of subject-specific professional development programs for teachers. These are collaborative programs of regional schools and universities, bringing together K-12, college, and university faculty in a variety of institutes and yearlong programs. CSMP participants engage in study and practice of the disciplines and explore effective approaches to teaching, all within a climate that supports reflection and critique.

The ***University of California Science and Math Teacher Initiative (SMI/CalTeach)*** helps to address California's serious deficit in supply of well-qualified K-12 mathematics and science teachers by improving California's undergraduate pipeline to mathematics and science teaching credentials. *CalTeach* prepares and supports students majoring in science, technology, engineering or mathematics (STEM) disciplines who are interested in becoming K-12 math and science teachers by providing a sequence of courses and field experiences to introduce students to teaching while they simultaneously complete their undergraduate degrees. Specialized classes, specialized research opportunities, and direct work in K-12 classrooms complement disciplinary studies to ready each program participant to pursue a teaching credential after receiving his or her bachelor's degree.

With a focus on STEM education and workforce preparation, the ***Mathematics, Engineering, Science Achievement (MESA)*** program helps K-12 and community college students excel in math and science so that they can graduate from four-year institutions with degrees in science, engineering, computer science and other math-based fields. For high school students, MESA offers classes during the school day that allow advisors to work with students on academics and MESA activities. For community college students, MESA provides supplemental instruction and study groups, career exploration, and summer internships in business, industry and academia.

With a focus on literacy development for high school and community college students, ***The Puente Project*** increases the number of educationally disadvantaged students who enroll in four-year colleges and universities, earn college degrees, and return to the community as mentors and leaders of future generations. Students in the high school

program study with Puente-trained teachers in a college-preparatory English class, work closely with a trained counselor to prepare an academic plan and stay focused on their goals, and participate regularly in community involvement activities. Community college students enroll in a rigorous two-course English course sequence, receive transfer advising and support, and meet regularly with a community mentor.

GEAR UP (*Gaining Early Awareness and Readiness for Undergraduate Programs*) was enacted as part of the 1998 Higher Education Act to give more low-income students the skills, encouragement, and preparation to enter and succeed in postsecondary education. Program services are specifically designed to support the middle school reform effort in each State. California GEAR UP focuses on academic excellence for all students in order to develop **a college-going culture** in middle schools. California GEAR UP provides professional development for the middle grades adult community—the principals, teachers, counselors and families—that most impacts student development, and monitors student performance.

Located on every UC campus, the **Early Academic Outreach Program (EAOP)** focuses on academic advising and building college knowledge and is UC's largest academic preparation program. EAOP provides academic enrichment, test preparation, information for parents, and support for schools, including assistance in establishing school structures that have a direct link to students' completion of college preparatory course requirements.

Community College Transfer Preparation programs are available on nine UC campuses and increase opportunities for community college students to transfer to four-year institutions. Services include assistance with course selection, including individual academic advising and transfer planning; informational workshops on academic requirements for transfer admissions; and professional development and training for community college counselors and faculty.

The **Transcript Evaluation Service (TES)** is a technology tool that integrates academic preparation with financial preparedness to improve academic achievement for California high schools and their students. Through TES, schools can fine-tune their course offerings and bolster college readiness of students.

Located on each UC campus, **P-20 Intersegmental Alliances** build on and coordinate campus efforts to raise student achievement levels by increasing the capacity of P-20 institutions to address barriers to educational equity.

Regional Academic Initiatives focus on rural California and work to create college-going culture in schools by increasing algebra completion.

University-Community Engagement activities support UC campus-community collaborations by providing grants to campuses for projects that raise student achievement, close achievement gaps, and increase college-going rates in underserved communities. The **Governor Teacher Scholars Program (GTS)** provides scholarships for teachers who make a four-year commitment to teach in urban and hard-to-staff schools. The program increases the numbers of well-qualified K-12 teachers by providing

rigorous theoretical and practical preparation, grounded in the most current research. Students who complete the program receive a credential and a Master's degree.

Principal Leadership Institutes at UC Berkeley and UCLA prepare leaders for urban schools. Students completing the program receive an M.A. in Education and a recommendation toward a Tier I Administrative Services Credential from the California Commission on Teacher Credentialing (CCTC). The Administrative Services Credential (ASC) authorizes service as a superintendent, associate superintendent, deputy superintendent, principal, assistant principal, dean, supervisor, consultant, coordinator, or in an equivalent or intermediate-level administrative position.

The **California State Summer School for Mathematics and Science (COSMOS)** is a residential academic experience for top high school students in mathematics and science. The program aims to create a community of students who participate in and contribute to an intensive academic experience delivered by distinguished educators and scholars.

Immediate Office of the Provost

The **Provost and Executive Vice President of Academic Affairs** provides academic program funding for specific campus projects and special initiatives.

Research and Graduate Studies (ORGS)

The University of California **Natural Reserve System (NRS)** is the world's largest University-operated system of natural reserves, consisting of 36 protected natural areas dedicated to teaching, research, and public service, broadly representing California's rich ecological heritage. NRS reserves and field stations provide relatively undisturbed examples of the state's natural ecosystems, often with the basic facilities of infrastructure needed to support teaching and research activities, encompassing approximately 135,000 acres and providing gateway access to another nearly 5 million acres of state and federal lands.

The **California Breast Cancer Research Program (CBCRP)** funds academic and community-based breast cancer researchers in California. The Program's innovations in advocacy involvement, community-based participatory research, and multi-component scientific scoring criteria have been adopted by national and international funding agencies, and the Program enjoys an international reputation for scientific excellence.

The **Tobacco-Related Disease Research Program (TRDRP)** is a comprehensive research grant program that supports UC and Non-UC investigators in California to conduct research on the prevention, causes, and treatment of tobacco-related diseases. The program was established by the state legislature and is supported by Proposition 99 cigarette surtax funds specifically mandated for this purpose.

The **California HIV/AIDS Research Program (CHRP)** provides grant funds to support both UC and Non-UC investigators in California to conduct basic biomedical, clinical, health systems, health policy, and social/behavioral research that will advance science in HIV/AIDS and address emerging and critical state HIV/AIDS research priorities. The

program was established by the state legislature which allocates funds to the University for this specific purpose.

The **W. M. Keck Observatory** is a two-telescope astronomical observatory near the summit of Mauna Kea in Hawaii. The Observatory is managed and operated by the California Association for Research in Astronomy (CARA), a partnership involving the University of California, Caltech, and NASA.

The University of California **Discovery Grants** promote collaborations between UC researchers and industry partners in the interest of supporting UC researchers and trainees, strengthening the state's economy, and serving the public good. The UCDG is a matching grant mechanism and include both one-year seed funding and 1-4 year research and training opportunities.

The **UC Multicampus Research Programs and Initiatives** is a research grant program intended to support multi-campus research collaborations at the University of California.

The **Canada-California Strategic Innovation Partnership (CCSIP)** is intended to stimulate novel ideas and catalyze the development of innovative multi-campus and multi-disciplinary research and educational collaborations between partners in Canada and UC.

The UC Lab Fees Research Program is a research award program intended to stimulate collaborations between University faculty, staff and students and the research staff of the national laboratories managed by UC. Funding for this program comes from a portion of the net fee income awarded to the University for the management of Los Alamos National Laboratory (LANL) and the Lawrence Livermore National Laboratory (LLNL).

The goal of the University of California's **Leadership Excellence through Advanced Degrees (UC LEADS)** program is to educate California's future leaders by preparing promising students for advanced education in science, technology, mathematics and engineering (STEM). The program is designed to identify upper-division undergraduate students with the potential to succeed in these disciplines, but who have experienced situations or conditions that have adversely impacted their advancement in their field of study.

The **UC Alliance for Graduate Education and the Professoriate (UC AGEP)** is a program funded by the National Science Foundation to increase the number of underrepresented minority (URM) students who enter the professoriate in science, technology, engineering and mathematics (STEM) fields.

Student Affairs

ASSIST (Articulation System Stimulating Interinstitutional Student Transfer) is an online student-transfer information system that shows how course credits earned at public California community colleges can be applied when transferred to California's public

four-year universities. ASSIST is jointly funded by UC, CSU, and the California Community colleges and is the official repository of articulation for California's public colleges and universities, providing the most accurate and up-to-date information about student transfer in California.