

Where is all the \$ going? (AAUP op-ed)

Less Money for Academics, More Money for Athletics and Administration

Even though universities try to make the world a better place through research and education, money still makes the world go 'round. When you follow the money trail at UC, it's shocking to find that, even though enrollment has boomed and more money is flowing into UC's coffers, there is less to go around to fund UC's mission of educating its students.

UC's revenues come from a variety of sources: state funds, federal grants, donations, and, of course, tuition. Tuition and fees now makes up over 43% of UC's total annual revenue (as of Fiscal Year 2014-2015). Where is all the money going? The UC Chapter of the American Association of University Professors ("UC Chapter AAUP"), which represents full-time faculty and some part-time faculty, has been examining this question for the past several years. Although UC's budget has grown, the money UC spends on academics has actually **decreased**, when adjusted for inflation.

Student enrollment (full-time equivalents, or "FTEs") jumped from 29,593 in Fall 2008 to 34,377 in Fall 2014, a 16% increase. With an increase of over 4,700 student FTEs at UC in only seven years, and with significantly more tuition dollars flowing into UC, one would think that most of this money would be going to pay for the things that are most important to students' education: high quality instruction and academic programs. But that's not what happened.

The majority of the money that UC spends on Instruction, which includes the cost of hiring and supporting the faculty, comes from its "unrestricted funds." Unrestricted funds are monies that don't carry limitations from outside entities as to how they are spent. From Fiscal Year 2008-09 ("FY2009") to Fiscal Year 2014-15 ("FY2015") (the most recent date for which data is available), UC's unrestricted funds grew from \$855.4 million in FY2009 to \$992.8 million in FY2015 in inflation-adjusted dollars, a 16% increase driven in significant part by a 39% increase in revenues from tuition. Even though student enrollment skyrocketed over this time period, UC actually spent 6.3% **less** on Instruction from unrestricted funds, in inflation-adjusted dollars, in FY15 than it did in FY09.

Meanwhile, spending on Academic Support (including academic administration such as Dean's offices) increased by 25% and spending on Institutional Support (administrative

units such as Administration & Finance and the President's Office) grew by 34%. Over this same time period, the Administration more than doubled support for Athletics. Subsidies for Athletics reached \$20.4 million in FY2015. That's equivalent to a full ride scholarship for over 1,800 students.

The University's disinvestment in Instruction is having significant impacts across the colleges. The number of full-time faculty represented by the AAUP dropped from 1,775 in Academic Year 2008-09 to 1,651 in Academic Year 2014-15, a 6.9% decline.

Although the Administration has made some recent efforts to increase full-time faculty hires, these hires have not made up for the loss. The full-time faculty to student FTE ratio has increased from 16 to 1 in Fall 2008 to nearly 21 to 1. Although UC's adjunct faculty are excellent and serve important purposes, full-time faculty are consistent presences on campus, not only teaching but mentoring and advising students. Having fewer full-time faculty available to students endangers UC's academic mission and the student experience.

In its 2015-16 budget, the Administration projected a \$19.4 million increase in spending on Instruction. Roughly speaking, that would bring spending on Instruction close to what it would be in raw dollars if it had kept up with inflation since 2008. However, this increase still does not match student enrollment growth. The results of the audit for FY16 will show whether the Administration followed through with its budget plan. The need is clear. In Academic Year 2008-09, UC spent \$8,765 per student FTE on Instruction (from unrestricted funds). As of Academic Year 2014-15, UC spent \$7,067 per student FTE. This is a 19% drop. UC has to focus on its main mission—providing an excellent education for its growing student population.