

# UNIVERSITY COMMITTEE ON PLANNING AND BUDGET (UCPB)

## ANNUAL REPORT 2025-26

### TO THE ASSEMBLY OF THE ACADEMIC SENATE:

The University Committee on Planning and Budget (UCPB) met ten times in Academic Year 2025-26 to conduct business pursuant to its duties to advise the President and other University agencies on policy regarding planning, budget, and resource allocation as outlined in [Senate Bylaw 190](#) and in the *University-wide Review Processes for Academic Programs, Academic Units, and Research Units* (the “[Compendium](#)”). UCPB served a vital role in tracking, analyzing, and advising on budget-related issues affecting the University of California system, as this year continued negative federal actions against the UC and ongoing uncertainty about state revenues. Through collaborative leadership and active campus engagement, the committee advocated for policies that promote transparency, sustainability, and equity.

UCPB actively responded to challenges facing the UC this year:

#### Graduate Student Funding

In response to a request from Vice Chair Scott, UCPB members investigated funding for graduate students in both STEM and humanities fields and produced a report outlining general cost concerns as well as average time to degree. The report was sent to Council; UCPB hoped that it would become part of a wider Senate conversation about graduate funding and funding sources for varying disciplines.

#### Athletics Funding

UCPB members requested information about athletics department budgets on their home campuses. The committee also consulted with CFO Brostrom about issues surrounding athletics funding, including changes to NCAA funding rules and recent literature relevant to athletics funding in higher education and various solutions proposed to address shortfalls in athletics funding.

When all information was received, UCPB compiled the data into a report showing sources of revenue and expenses for each campus’ athletic program. The report was shared with Council and the CFO. UCPB suggested that an inter-campus athletics funding task force be stood up next year to consider systemwide solutions for athletics funding challenges.

#### UCPB Response to the *Report of the Yale Committee on Trust in Higher Education*

In June and July, UCPB members, in response to a request from Academic Council Chair Palazoglu, read and responded to the Yale Report. They hoped to open a dialogue with the Academic Senate, rather than extracting policy suggestions or endorsing the report. UCPB discussed the perception of the UC within the state and higher education nationwide and hoped that their presentation and response to the report would provide areas for exploration for the UC.

#### Comments on Task Force on Investment and Retirement (TFIR) Pension Funding Proposal

In July, UCPB met with members of TFIR to discuss their proposal for the Regents to change the assumed rate for the UC Retirement Plan (UCRP), from the current 6.75 percent to at least 7.25 percent. They assert that the UCRP can sustain the level of asset drawdown it currently has without

relying on increases in the real value of contributions or transfers from STIP. Changing the assumed rate would yield roughly \$2B in savings and yet would not yield cash for core expenses because the Regents are not following their own Funding Policy. The policy contributions not made add to the UCRP's unfunded liability.

UCPB wrote a letter to Council strongly supporting TFIR's proposal, with the caveat that such a change should only happen in parallel with adherence to Regental Policy 5601 "Policy on University of California Retirement Plan Funding."

## BUDGET, STATE RELATIONS, AND ADVOCACY

UCPB continues to appreciate the close supportive relationship the committee shares with the University's Chief Financial Officer, Associate Vice President for Budget Analysis and Planning, and Associate Director of State Government Relations. They joined UCPB each month to discuss the development of the 2025-26 University budget plan, increased costs facing the university, federal actions impacting the UC, and legislative developments.

State revenues were robust, despite projections for deficits in upcoming years. The UC budget included the governor's seven percent increase for the UC and restoration of three percent in compact funding that had been deferred for the 2025-26 budget. While the UC budget is on balance a positive one for the next year, restoration of funds for deferred non-resident replacement funds at UC Berkeley, UCLA, and UC San Diego is unlikely even though the budget planned for its repayment in the 2027-28 budget year. Despite the generally positive budget news, the compact had promised five percent growth in funding annually, with four of those intended to cover operations and one to cover enrollment growth. However, operating costs exceeded four percent, and undergraduate enrollment exceeded one percent, leaving the UC with a structural shortfall.

CFO Brostrom noted that the Regents agreed to use one percent of the Tuition Stability Plan to provide funds that campuses can use for deferred maintenance, capital renewal, or other needs less likely to be funded by the legislature.

Health insurance costs continue to rise. The Budget Management Workgroup plans to help campuses leverage revenue to pay for increasing health-related costs. UC Health remains greatly concerned about federal cuts to Medicaid, negatively impacting Medi-Cal reimbursements to health centers. Proposed changes to the Office of Management and Budget's (OMB) Uniform Guidance, changing how grant funds can be used, and potentially creating political tests for grant funding, will also negatively affect the UC's research and publishing efforts.

The UC faces budget challenges stemming from an increasingly represented labor force across the system. Graduate student costs will increase quite steeply for some students and some campuses. Affording enough graduate students to support increasing numbers of undergraduates in a time of great resource constraint will continue to challenge budget processes.

## UNIVERSITY COMMITTEE ON ADAPTATION TO DISRUPTIONS PLUS (UCAD PLUS)

In December, UCPB met with co-chairs for two of the UCAD Plus workgroups, Workgroup Four, Instructional Opportunities, and Workgroup Five, Future of Graduate Education. Both UCAD Plus and UCPB were concerned about logistics of course sharing among campuses, documenting the impact of various funding disruptions on UC functioning, decision-making should programs need to be downsized or eliminated for budget concerns, teaching modality changes and impacts on graduate students, the impact of artificial intelligence on grading, and increased graduate labor costs. UCPB agreed to support the committee's work through sharing information regarding costs as they investigate graduate student funding and other issues.

## CONSULTATION WITH THE OFFICE OF RESEARCH AND INNOVATION

In February, UCPB met with representatives from the office to discuss shared research facilities at the UC. The Provost initiated a catalog of “significant research facilities” across the UC system to find ways campuses can partner together to benefit all. CITRIS, one of the Cal institutes for science and innovation, can serve as a model of shared university and state investment in UC research infrastructure. While there are clear processes for building on a campus, there appears to be no coordinated planning for systemwide research infrastructure. Expense and rapid obsolescence complicate such planning. For example, computing research and gene sequencing have high rates of equipment turnover. UCPB sent a letter to Council supporting the effort to catalog research facilities across the UC and efforts to expand shared research capacity and AI resources.

## SENATE LEADERSHIP BRIEFINGS

The Academic Council Chair and Vice Chair attended a portion of each UCPB meeting to brief the committee on business from Academic Council and Board of Regents meetings, and other systemwide issues of interest to UCPB or of general interest to faculty. The year’s topics included:

- Ongoing actions by the federal government and UC responses to them, both grant suspensions and actions taken directly against individual campuses.
- Faculty Discipline Reform: In response to Regents’ concerns about delays and inconsistency in faculty discipline, a Joint Senate-Administration Workgroup report suggested developing a systemwide framework with standardized sanction guidelines. The final recommendations included a central Privilege & Tenure committee network for urgent or sensitive cases. Regents accepted the plan for interim implementation, followed by a 90-day review in the fall.
- The University Committee on Adaptation to Disruptions (UCAD): This Senate committee focused on permanent versus temporary financial changes imposed by the federal government, and structural reforms to UC academic and administrative programs. Key areas of focus included 1) restructuring academic programs, 2) resizing programs and the workforce, 3) recalibrating growth objectives, and 4) realigning funding sources with mission activities. They released a report and were followed by a successor committee: UCAD Plus, which included administration personnel along with Senate representatives. After completing a final report, UCAD folded its work into UCAD Plus, and their final report will be sent out for systemwide review in fall, 2026.
- Labor issues, including bargaining progress with various represented groups including graduate students.
- Increasing health benefits costs.
- Proposed changes to the Presidential Post-Doctoral Fellowship Program (PPFP), including changes to hiring waivers and funding.
- Concerns over student preparation for the UC, especially in mathematics. These concerns led to discussion about reinstating the use of the SAT for applicants to the UC.

## SELF-SUPPORTING GRADUATE PROFESSIONAL DEGREE PROGRAMS (SSGPDPs)

UCPB reviewed 12 SSGPDPs, this academic year:

- UC Davis Master of Engineering in Water Resources Engineering
- UC Davis Master of Engineering in Sustainable Transportation
- UC Davis Master of Engineering in Biomedical Engineering for Healthcare Technologies
- UC Riverside Online Master of Business Administration Degree (OMBA)
- UC San Francisco Master of Science in Global Regulator Science and Innovation

- UC Berkeley Master of Artificial Intelligence and Machine Learning
- UC Santa Barbara Master of Engineering and Technology Leadership
- UC San Diego Master of Design
- UC Davis Online Master in Preventative Veterinary Medicine
- UCLA Master of Population Data Science
- UC Berkeley Master of Instructional Design (MInD)
- UC Santa Cruz Master in Science Artificial Intelligence and Data Science

UCPB members served as lead reviewers for the SSGPDPs. Reviews addressed the financial viability of the SSGPDP; the proposed indirect cost (IDC) rate and its determination; the planned use of net revenues; and the disposition and compensation of faculty serving the program. Reviewers also considered factors that could prevent the program from achieving UC quality; the extent to which SSGPDPs could divert resources – including space, services, and faculty effort – away from state-supported programs; their financial aid plan, and other factors that could affect accessibility to diverse and underserved student populations. Concerns were raised about the academic quality of some of the proposed degrees and the effect of proposed programs on those existing on campus. Reviewers noted positive elements in specific proposals such as strong academic and market justifications, or well-documented academic, business, and facilities usage plans. UCPB wrote a letter to Council Supporting the effort to catalog research facilities across the UC and support efforts to expand shared research capacity and AI resources.

#### UCPB COMMENTS ON PROPOSED POLICIES, PROGRAM NAME CHANGES, AND DRAFT REPORTS TO THE ACADEMIC COUNCIL:

- Name Change, UC Davis School of Veterinary Medicine to the University of California, Davis, Joan and Sanford I. Weill School of Veterinary Medicine
- Feedback on the Systemwide Budget Management Workgroup Final Report
- Support for a Systemwide Core Facilities Inventory
- Proposed Presidential Policy IMT-1300 Information Technology Accessibility
- Feedback on the University Committee on Adaptation to Disruptions (UCAD) Interim Report
- Feedback on the Degree Plus Program
- Proposal on Undergraduate Application Fees
- Proposed Presidential Policy on Education Loan Practices
- Proposed Presidential Policy on Sustainable Practices
- Proposed Revisions to the Academic Personnel Manual (APM) Section 036, General University Policy regarding Academic appointees/Employment
- Proposal to Establish Systemwide Academic Senate Committee on Climate Change and Sustainability
- Proposed Name Change of the School of Computing, Information, and Data Sciences at UC San Diego
- Proposed Presidential Policy BFB-BUS-43

#### CAMPUS UPDATES

UCPB set aside a portion of each meeting for updates about issues under discussion on campuses and local budget and planning committees. All campuses reported on ongoing effects of federal changes to grants, lawsuit threats to various campuses, and structural budget deficits. Other issues facing campuses were shortfalls in athletic funding, changes in leadership at the highest levels of administration, new budget models, shared governance, increasingly costly graduate student employment landscapes, increased undergraduate enrollment, AI impacts within and without the classroom, new requirements for website accessibility, Presidential Post-Doctoral Fellowship Program (PPFP) hiring waivers, shared governance, oversight of self-supported graduate degree programs, and revenue generation ideas.

## UCPB REPRESENTATION

Chair Robert Brosnan represented UCPB at meetings of the Academic Council, the Assembly of the Academic Senate, the Academic Planning Committee (APC), the University Committee on Adaptation to Disruptions Plus and shared representation on the Health Care Task Force (HCTF) with Vice Chair Brewer. Vice Chair Alyssa Brewer served as UCPB representative to the Health Care Task Force (HCTF), Professor Rena Zieve served as representative to the Academic Council Special Committee on Lab Issues (ASCOLI), Professor Maria Pantelia served as UCPB representative to the Education Abroad Program (UCEAP), and Professor Jenny Liu served as UCPB liaison to TFIR.

## ACKNOWLEDGEMENTS

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Respectfully submitted:

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