

CHAIRS OF THE SENATE COMMITTEES ON INTERNATIONAL EDUCATION, EDUCATIONAL
POLICY, AND PLANNING AND BUDGET
DIVISION CHAIRS
MEMBERS OF THE ACADEMIC COUNCIL

At the September Council meeting, Chair Mary Croughan announced that President Yudof had asked Education Abroad Program Acting Executive Director Michael Cowan to prepare a new business plan for EAP and that the plan would be submitted for Senate review at approximately the end of October. Professor Cowan has now submitted the requested business plan. On behalf of Senate Chair Mary Croughan, I am transmitting the proposed business plan for review by the committees on International Education, Educational Policy, and Planning and Budget and by the Divisions. Additional committees are free to opine on the proposed business plan if their chairs consider that it raises issues within their purview. Professor Cowan's letter of transmittal, which explains the structure of the planning document, is below.

The attached PDF file contains Professor Cowan's cover letter to Chair Croughan, the business plan in Powerpoint format, a spreadsheet providing the underlying financial analysis, and an appendix that explains how the EAP program currently operates.

In order to facilitate Council review at its December 17 meeting, comments are requested by December 5.

Sincerely,
Martha Winnacker

Martha Kendall Winnacker, J.D.
Executive Director, Academic Senate

UNIVERSITY OF CALIFORNIA

BERKELEY • DAVIS • IRVINE • LOS ANGELES • MERCED • RIVERSIDE • SAN DIEGO • SAN FRANCISCO



SANTA BARBARA • SANTA CRUZ

Universitywide Office
UC Education Abroad Program
6950 Hollister Avenue, Suite 200
Goleta, CA 93117-5823

Phone: 805/893-4762
Fax: 8025/893-2583
Website: eap.ucop.edu

October 24, 2008

Professor Mary Croughan, Chair
Academic Council
University of California Academic Senate
1111 Franklin Street
Oakland, California 94607-5200

Dear Mary,

I am pleased to submit to you, for review by the Academic Senate, this copy of the proposal for a new business plan for the University's Education Abroad Program that I have submitted to President Yudof.

The proposal is cast in a PowerPoint format. The advantage of the format lies in its capacity to highlight succinctly the primary elements of the plan. The format's limitations of course include an overly terse recounting of the research and analysis that lie behind the proposal and a simplification of the complexities of EAP's activities and of the challenges we face. The focus on the three-year period from 2009-10 through 2011-12, in deference to President's Yudof's instructions to me in his letter of August 18, also results in scant attention to the several prior years that were the concern of the Senate's response to last year's report of the Ad Hoc Committee on International Education. That focus also means virtually no attention to EAP's longer-term planning for the period after 2011-12. Getting EAP's fiscal house in order during the three-year period will be a critical foundation for that longer-term planning effort.

I also realize that many faculty who read this report will be unfamiliar with EAP's present programs and administrative structure. I therefore include an overview of EAP as Appendix B. And I include a glossary that I hope will help faculty decipher the "in-house" terminology we use.

Undoubtedly the members of Senate committees who examine the proposal will wish to ask for additional information and clarifications. I stand ready to respond promptly to all inquiries. I am committed to aiding the Senate's review in any way I can. I know that, as a plan-in-process, it will profit from the Senate's careful consideration.

Sincerely,

A handwritten signature in cursive script, appearing to read "Michael Cowan".

Michael Cowan
Acting Executive Director

Cc: President Yudof
Interim Provost Grey
Associate Provost Greenstein

University of California Education Abroad Program

UOEAP Business Plan

Recommendations

October 2008

UC International Education in Challenging Times

The current economic climate makes unrealistic the UC goal of doubling, within 5 years, the number of students studying abroad on a combination of EAP, campus, and third-party provider programs

Economic Factors

- Global economic downturn
- California State deficit
- University of California budget cuts
- Weakness of US dollar
- Increasing costs of study abroad

International Education Factors

- Uncertain study abroad enrollments in current economic climate
- More students gravitate to short-term summer programs

EAP: A Resource in Challenging Times

EAP serves UC's international aspirations by pursuing three mandates:

- **Maintain UC standards of academic quality**

“The quality of EAP's programs . . . has served as the ‘gold standard’ for university-based international exchange programs in the United States.” (Academic Council March 3, 2008)

- **Serve UC students' study abroad aspirations**

Promote broad student access to meaningful study abroad opportunities. Provide high quality academic programs to a diverse student population that are affordable, sustainable and scalable

- **Serve international education goals of UC campuses**

Achieve cost effective delivery of EAP programs and a broad portfolio of international education services to campuses

EAP: The Gold Standard

“The quality of EAP’s programs . . . has served as the “gold standard” for university-based international exchange programs in the United States.”

(Academic Council March 3, 2008)

Key elements of EAP’s outstanding quality:

- A US leader in immersion programs
- The US leader in exchange programs with more UC students on exchange programs* than any other major US university at a cost typically far less than if the student enrolled directly in that institution
- A leader in integration of courses taken abroad into students’ degree programs
- EAP offers high-quality study abroad at a cost to students typically far less than comparable programs of third-party providers
- A leader in ensuring high academic quality and faculty oversight
- EAP reciprocity students help internationalize UC campuses
- A leader in the percentage of students on year-long programs
- EAP offers UC students a range of international programs and services that no single UC campus could sustain on its own
- 63,000 EAP alumni offer loyal base for campus development efforts

* See Figure 1

The Challenge

The Challenge: How can EAP retain its quality and reputation in a much more cost effective manner?

➤ **President's directive to UOEAP:**

- Achieve major economies and greater cost-efficiency
 - Depend much less on general funds
 - Rely much more on student fees
 - Serve a wider range of campus international programs
 - Implement over a three-year period, beginning 2009-10
- (President, August 2008)

➤ **Academic Senate's directive to UOEAP to preserve Academic Quality and Senate Authority**

“Council recommends that one of the University's principal priorities be the maintenance of EAP's high quality academic programming. It should retain its position among a diverse portfolio of *some* campus-based and quality third party programs . . .”

(Academic Council, March 2008)

EAP Response: A New Business Plan

Elements of the New Business Model:

1. Campus Revenue

MCOI, campus office support, return to aid, scholarship funding, campus fees

2. UOEAP Revenue

Ed. & Reg. fees less return to aid, program fees, base budget, development funds

3. Increased Student Fee Revenue

UOEAP will generate most of its revenues from student program fees, but in a manner that will not unduly discourage student participation in EAP programs

4. UOEAP Reduction of Expenses

UOEAP will significantly reduce administrative expenses in the Study Centers and further reduce expenses at UOEAP

See glossary for terms

EAP Funding Model

SUMMARY OF SELECT REVENUE & EXPENDITURE DATA			
	2005-06 (Actual)	2008-09 (Estimated)	2011-12 (Estimated)
Revenue:			
Appropriations	\$20,156,000	\$18,507,000	\$4,393,000
Student Fees / Other	\$4,532,000	\$6,393,000	\$20,431,000
Expenditures:			
UOEAP	\$8,492,000	\$7,134,000	\$6,465,000
Int'l Field Operations	\$16,241,000	\$15,901,000	\$13,564,700
Scholarships	\$1,506,000	\$1,271,900	\$261,900
Campus EAP Support	\$959,000	\$933,000	\$0
FTE	2566	2355	2255
Impact on Campuses	n/a	n/a	\$11,409,000

- This new plan facilitates two major goals; 1. achieves major economies and efficiencies and 2. remains a “gold standard” of affordable, high quality programs
- By 2011-12 the Business Plan will reduce EAP’s General Fund Appropriations by a total of 85% or \$16M from the 2005-06 level
- In return EAP will collect and retain student fees, less return to aid
- In line with projected revenue, EAP will make additional cuts in expenses at UOEAP and in International Offices
- Among the cuts will be the replacement of most UC faculty International Office Directors residing abroad
- Academic oversight and quality control will be ensured through appointing host university faculty liaison or program officers where UC faculty previously served; in depth, focused program reviews; California based UC faculty providing on-going consultation, academic administration and problem solving
- Administrative costs overseas will be reduced. In EAP “self-construct” classes the cost of instruction will be reduced by managing class size and the number of courses offered
- EAP will eliminate programs that are too expensive and those with minimal enrollment
- UOEAP will continue reducing overhead through further streamlining of operations, eliminating redundant processes and relying more fully on I.T. for efficiencies.
- EAP will retain \$4.4M in appropriations as a base budget – amount sufficient to provide essential and scalable services.
- The plan provides a projected positive financial impact to the campuses of \$11M (as projected for 2011-12), principally due to the pass-through of appropriations removed from EAP’s annual budget and transformation of the UC faculty International Directorship model

1. Campus Revenue

Each campus will receive funding and fees directly from the Office of the President

Each campus will receive the following:

- MCOI funds generated by the campus's EAP students
- Return to Aid generated by the campus's EAP students
- The campus "pro-rata" share of the scholarship funds presently allocated to UOEAP by the Office of the President
- The campus "pro-rata" share of funds to support EAP Campus Office operations currently allocated to UOEAP by UCOP

Other Revenue Sources

- All campus-specific fees for services and facilities used by the campus's students while participating in an EAP program

2. UOEAP Revenue

Approximately 85% of General Fund Appropriation will be removed by 2011-12

UOEAP will receive the following:

- EAP students' Education and Registration fees, minus Return to Aid
- Additional EAP program fees approved by the Office of the President
- Base budget funds from the Office of the President sufficient to enable UOEAP, *without a net increase in staff*, to offer essential services to campuses that can be provided in a more cost effective manner by UOEAP

Future Revenue Sources

- EAP will partner with campuses to generate gifts and grants from private parties, corporations, foundations, and Federal agencies

3. Increased Student Fee Revenue

UOEAP will generate most of its revenues from student program fees in a manner that will not unduly discourage student participation in EAP programs

In setting fees for particular programs, UOEAP will take into account:

- The actual per-student instructional and administrative costs of the program
- Student demand for the program
- Student access to the program
- Third-party providers' fees for comparable programs
- Other sources of revenue available to fund the program

By 2014-15, EAP projects a modest increase in the student FTE participating in EAP programs through more effective outreach and retention strategies

4. Reduction of UOEAP Expenses

“While [the Academic] Council agrees that in the current budgetary climate a cut of some kind [to EAP] is necessary, all cuts should be done carefully to minimize impact on academic quality, and in consultation with the Academic Senate.”

(Academic Council, March 2008)

To improve efficiencies and cost effectiveness, UOEAP will continue to reduce its administrative expenses and further reduce the per student FTE costs

Study Center Administrative Cuts

- Replace two-thirds of its in-residence UC faculty Study Center Directors with faculty Liaison Officers from partner institutions, with local Resident Directors or California-based mechanisms of academic oversight
- Consolidate study centers in countries that currently have multiple study centers
- Reduce the direct instructional costs by bringing student/faculty ratio in EAP organized classes in line with comparable classes held on UC campuses
- Serve a wider range of UC interests without an increase in administrative costs

UOEAP Administrative Cuts

- Reduce and eliminate redundant and unnecessary processes and use IT capacities to streamline operations
- Build programmatic capacity without an increase in staffing
- Continue restructuring operations (IT, strategic research, institutional advancement etc.)
- UOEAP will benchmark its office space to the amount that would be provided by a campus to host comparable activities

Increase outside cost sharing

- Enter into study abroad consortia to share instructional and administrative expenses.
- Increase the number of non-UC students to subsidize UC students

The Work Ahead: Enhancing UOEAP's Services to Campuses

Examples

- Health, Safety, and Security
- Generate loyal alumni for campuses
- Research and analysis
- Rich International Education Information/Data
- Facilitate reciprocity student participation
- Negotiate with partner institutions
- Academic Integration
- Negotiate with third-party providers
- Marketing and Recruitment
- Services to UC students on non-EAP programs
- Enhance Campus Development efforts
- Provide high priority programs for UC
- Information Technology
- Support Campus activities in EAP's International Centers

The Importance of Academic and Administrative Oversight

All parties involved in the academic development and administration of international education opportunities for UC students will adopt clear performance standards

Given the growth of UC student participation in campus and third-party programs, it is essential that the Academic Senate define clearly and rigorously and ensure the implementation of the standards that will be used to determine when participation in non-EAP as well as EAP programs is worthy of UC academic credit

- The Academic Senate will establish explicit procedures and standards of academic oversight of EAP, campus study abroad programs, and third-party programs used by UC students
- UOEAP will achieve more efficient delivery of programs and services
- Each campus administration will establish explicit performance standards for all its international education operations

Next Steps

Review of Plan

21 October 2008	UOEAP submits proposed business plan to the Office of the President
25 October 2008	UCOP submits proposed plan to the Academic Senate and campus administrators for review and comment
November 2008	Academic Senate reviews proposed plan
December 2008	Academic Senate and campus administrators submit their comments and recommendations to UCOP
January 2008	UCOP approves plan, with modifications as appropriate

Implementation of Plan

January-June 2009	EAP Acting Executive Director works with UCOP, Senate and campus administrators to develop detailed phased three-year implementation plan, with benchmarks
July 2009	Executive Director issues annual report on the state of international education at UC, including progress in implementing business plan.
2009-10	Full implementation of new funding model. Phased implementation of other aspects of new business plan.
July 2010	Executive Director issues annual report on the state of international education at UC, including progress in implementing business plan.
2010-10	Continued phased implementation of business plan.
July 2011	Executive Director issues annual report on the state of international education at UC, including progress in implementing business plan
2011-12	Completion of phased implementation of business plan.
July 2012	Executive Director issues annual report on the state of international education at UC, including results of implementation of business plan

Glossary of Terms

EAP	Education Abroad Program
Ed. Fee	Education Fee
<i>FTE</i>	Full Time Equivalency
ILP	Intensive Language Program
L&C Program	Language & Culture Program
LO	Liaison Officer
MCOI	Marginal Cost of Instruction
OP	Office of the President (UC)
Reg. Fee	Registration Fee
SC	Study Center
SCD or SC Director	Study Center Director
UC	University of California
UCIE	University Committee on International Education
UO or UOEAP	Universitywide Office of EAP

Explanation of Terms

- **Campus Office Support:** Funds provided by OP (previously funneled through UOEAP) to support the EAP campus office operations.
- **Education Fee:** The Educational Fee is a Universitywide mandatory charge assessed against each resident and nonresident registered student. The Educational Fee is assessed uniformly across all campuses of the University.
- **FTE:** In contrast to headcount, the FTE measure converts part-time student attendance into the equivalent full-time basis. For example, two half-time students would be represented as one FTE student.
- **Headcount:** Headcount refers to the number of individual students attending college, whether they attend on a part-time or full-time basis.
- **Immersion Programs:** Immersion Programs, in which UC students are enrolled as non-degree students at host universities abroad. They are taught by host university faculty in a broad range of regular classes also taken by the host university's degree students.
- **Intensive Language Program (ILP):** In non-English speaking countries, Immersion programs often preceded by an intensive language program (ILP) so that students can develop adequate language skills for taking host university classes.
- **Language and Culture Programs:** Language and Culture Programs for students at all levels of language training.
- **Liaison Officer:** A faculty member from a host university who is appointed by UOEAP to oversee EAP's program at the university.
- **MyEAP:** EAP's current systemwide web-driven database system that retains UC and Reciprocity EAP student application and participation records as well as UC student's EAP account statements, study list and grades. MyEAP has various access portals that gives EAP students, UOEAP Staff, EAP Campus Office Staff, and Study Center Staff direct authorized web access to specified data in order to retrieve and update data that is relevant to them.
- **Pre-ILP:** A program held prior to the ILP and Immersion Program to qualify students, with only elementary foreign language skills for those programs.
- **Reciprocity Students:** Undergraduate and graduate students from major universities abroad enrolled on UC campuses as full-time EAP "reciprocity" students as a part of EAP's exchange agreements with those universities.
- **Registration Fee:** The University Registration Fee is a Universitywide mandatory charge assessed against each registered resident and nonresident student.
- **Resident Director:** A local senior staff member at a host country site who is appointed by UOEAP to administer an EAP program at that site.
- **Return to Aid:** Portion of financial aid derived from student fees that is returned to the campuses to fund student financial aid.
- **Self-Construct Programs:** Programs developed entirely by UOEAP, including UC courses and instructors hired by UOEAP.
- **Third-party Program:** Non-UC providers of international programs. These providers may be non-profit or for-profit organizations.

EAP Program Enrollment: Figure 1

UCEAP Headcount Participation by Program Type: Academic Year 2007-2008.

Program Type	Frequency	Percent	Cumulative Percent
Immersion	1,882	41.6	41.6
International University	1,085	24.0	65.5
International University & Immersion	263	5.8	71.3
Joint Program (UC and Partner Institution)	108	2.4	73.7
UC Construct	907	20.0	93.7
UC Construct with Partner Institution	284	6.3	100.0
Total	4,529	100.0	

EAP Business Plan Appendix A
Assumes reduction of general funds in equal decrements

Net Impact to
Campuses
2011-12

	<u>2008-09</u>		<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	
(a) 2007-08 Deficit Carry Forward Revenue:	(\$1,188,783)	(a) Carry Forward Revenue:	(\$1,534,475)	\$3,587,668	\$6,038,267	
(b) Appropriations		(b) Appropriations				
General Fund	\$19,330,834	General Fund	\$19,330,834	\$19,330,834	\$19,330,834	
Reduction in General Fund	(\$3,000,000)	Reduction in General Fund	(\$7,443,611)	(\$11,867,222)	(\$16,330,834)	\$16,330,834
Opportunity Fund	\$1,131,666	Opportunity Fund	\$1,131,666	\$1,131,666	\$1,131,666	
(c) EAP Scholarships	\$1,039,280	(c) EAP Scholarships	\$261,780	\$261,780	\$261,780	\$777,500
General Fund Debt Repayment	\$0	General Fund Debt Repayment	\$0	\$0	\$0	
	Subtotal		Subtotal	Subtotal	Subtotal	
	\$18,501,780		\$13,280,669	\$8,837,058	\$4,393,446	
Fees		Fees				
(d) thru (g) Student Fees	\$5,892,504	(d) thru (g) Student Fees	\$17,824,497	\$19,025,006	\$19,931,170	
(d) Educational	\$0	(d) Educational	\$11,320,320	\$12,114,432	\$12,114,432	(\$7,304,854)
(d) Registration	\$1,588,708	(d) Registration	\$1,605,120	\$1,765,632	\$1,765,632	
(d) Summer	\$1,827,767	(d) Summer	\$1,955,710	\$2,092,610	\$2,929,654	
(d) Summer Pgrm-Specific Fee Component	\$391,468	(d) Summer Pgrm-Specific Fee Component	\$391,468	\$391,468	\$391,468	
(d) Pre-ILP/ILP	\$6,392,504	(d) Pre-ILP/ILP	\$1,063,218	\$1,137,644	\$1,137,644	
(e) Participation	\$806,000	(e) Participation	\$1,100,160	\$1,134,720	\$1,203,840	
(f) Supplemental Program	\$284,900	(f) Supplemental Program	\$388,500	\$388,500	\$388,500	
(g) Campus	\$0	(g) Campus	\$0	\$0	\$0	
(h) Cooperative Program	\$200,000	(h) Cooperative Program	\$200,000	\$200,000	\$200,000	
(h) STIP	\$300,000	(h) STIP	\$300,000	\$300,000	\$300,000	
(i) Less: Return To Aid	\$0	(i) Less: Return To Aid	(\$4,166,722)	(\$4,530,563)	(\$4,809,578)	
Total Revenue	\$24,894,284	Total Revenue	\$27,438,444	\$23,831,500	\$20,015,038	\$9,803,480
Expenses:		Expenses:				
(j) UOEAP Salaries	\$4,728,716	(j) UOEAP Salaries	\$4,255,844	\$4,255,844	\$4,255,844	
Benefits	\$993,030	Benefits	\$893,727	\$893,727	\$893,727	
Supplies & Expenses	\$802,250	Supplies & Expenses	\$771,730	\$739,989	\$706,979	
Equipment (IT UO & Study Centers)	"	Equipment (IT UO & Study Centers)	"	"	"	
Consultants/Prof. Services (Legal)/Other Services	"	Consultants/Prof. Services (Legal)/Other Services	"	"	"	
Other	"	Other	"	"	"	
Rent	\$763,000	Rent	\$793,520	\$825,261	\$858,271	
Less: Sub let to UCSB	(\$153,000)	Less: Sub let to UCSB	(\$260,000)	(\$270,400)	(\$281,216)	
Total UOEAP Expenses	\$7,133,996	Total UOEAP Expenses	\$6,454,821	\$6,444,421	\$6,433,605	
(k) Scholarships	\$1,271,780	(k) Scholarships	\$261,780	\$261,780	\$261,780	
" Campus Financial Support	\$933,000	" Campus Financial Support	\$0	\$0	\$0	
(l) Int'l. Office Academic / Instructional / Admin. Expenses	\$13,692,000	Int'l. Office Academic / Instructional / Admin. Expenses	\$13,692,000	\$13,692,000	\$13,692,000	\$602,000
Int'l. Office Reciprocal Expenses (Reg & campus fees)	\$2,209,200	Int'l. Office Reciprocal Expenses (Reg & campus fees)	\$2,209,200	\$2,209,200	\$2,209,200	
	Subtotal		Subtotal	Subtotal	Subtotal	
	\$15,901,200		\$15,901,200	\$15,901,200	\$15,901,200	
		Less:				
		Int'l. Directors and Staff reductions / LO additions	(\$555,000)	(\$1,480,000)	(\$2,590,000)	
		(l)2 Reduction in Program Instructional expenses	(\$750,000)	(\$750,000)	(\$750,000)	
		Plus: Instructional Payment to Campuses for Reciprocity Students	\$1,003,500	\$1,003,500	\$1,003,500	\$1,003,500
Expenses Total	\$25,239,976	Expenses Total	\$22,316,301	\$21,380,901	\$20,260,085	\$1,605,500
Surplus/(Deficit)	(\$1,534,475)	Surplus/(Deficit) - Current Year	\$5,122,142	\$2,450,599	(\$245,048)	
		Surplus/(Deficit) - Cumulative	\$3,587,668	\$6,038,267	\$5,793,219	\$11,408,980
Per-FTE	(\$652)	Per-FTE	\$2,377	\$1,137	(\$109)	
Enrollment:		Enrollment:				
Participants	4,030	Participants	3,820	3,940	4,180	
FTEs:		FTEs:				
Regular Academic Year	1,950	Regular Academic Year	1,760	1,760	1,760	
Summer Stand alone	250	Summer Stand alone	250	250	350	
Pre-ILP/ILP	155	Pre-ILP/ILP	145	145	145	
Total FTE	2,355	Total FTE	2,155	2,155	2,255	
Reciprocal Students Inbound (FTE)	1,115	Reciprocal Students Inbound (FTE)	1,115	1,115	1,115	

Key Elements of Change in Funding Model:

UCOP removes \$16.3 M in General Fund appropriations or 85% by 2011-12
UCOP removes \$0.8 M in General Fund and other scholarship appropriations
Included in fund reductions are amounts previously paid by UOEAP in support of campus EAP offices (\$1M) & scholarships (\$.7M) to student participants
UCOP passes reductions in appropriations to campuses who realize a total net financial benefit of \$11.4 M in 2011-12
EAP will no longer collect / remit campus fees => campuses who so elect, will charge students directly.
EAP transitions to fee based model in 09-10 collecting / retaining all fee income (excl. campus fees) less return to aid
EAP retains a total base budget of \$4.4 M (\$3 M in General Funds, \$1.1 M in Opportunity Funds, and \$0.3 M in scholarships)

Notes:
2008-09

Assumes:

- (1) Appropriations reflect general ledger adjusted balance on July 1
- (2) The Opportunity Fund is not reduced
- (3) The outstanding deficit from the prior year carries forward; there is no repayment of the original deficit
- (4) For modeling purposes all fees are shown as line items

Notes:
2009-10 and subsequent years

Assumes:

- (1) Incorporates assumptions for 2008-09 unless otherwise noted.
- (2) Introduction of fee-based financing in 2009-10. Educational, Registration, most Summer fees reflect UC-wide projected amounts EAP retains all fees and remits Return-to-Aid
- (3) Enrollment projected to drop in 2009-10& 2010-11 as EAP program changes take hold. Modest rise in 11-12 (summer enrollment)
- (4) Reflects historic 4% reduction in Educational/Registration/Participation fees due to attrition

<p>(a) GL deficit (2007-08) carried forward excluding del Amo/donations/campus scholarships/rent encumbrance</p> <p>(b) Based on 2008-09 (OP) Funding Plan reducing State General Funds (only) by \$3,000m. Assumes no new block grant provided in 2008-09 (\$740K received in 2007-08), or debt repayment</p> <p>(c) Reflects fund appropriations</p> <p>(d) Actual Registration, Summer Stand alone and Pre-ILP/ILP fees for 2008-09. Educational Fee remitted to UCOP Summer unit fee for 2008-09 is \$158. Additional non-unit fee revenue charged to break even : Madrid \$919, Cambridge \$893, Sussex \$896 Fall Registration and Participation Fees multiplied by 1.3 for spring participants reflecting recent levels of participation</p> <p>(e) \$200 per participant (fee excludes Pre-ILP/ILP enrollment). Participants net of historic 4% attrition.</p> <p>(f) Supplemental Program Fee of \$1,100 per participant for "Great Cities Programs"</p> <p>(g) Campus fees remitted (passed through) to UC campuses</p> <p>(h) Excludes one-time Cooperative Program Income (from US partner universities) accrual of \$335k</p> <p>(i) Return to Aid covered by Educational Fee remittance</p> <p>(j) Reflects projected budget proposed by UCOP Rent includes partial year contribution from space sub let to UCSB Total expenses compare to \$7.984m in 2007-08</p> <p>(k) Includes \$777k in appropriations, an additional supplement in 08-09 of \$233k in scholarship funds from UO, and \$262k for Lowenhaupt reciprocity scholarships Campus support is made by a general fund transfer of funds</p> <p>(l) Field Office + Reciprocity reflects proposed budgeted figures provided by UCOP. Includes all field expenses and payments to UC campuses Total Compares to \$17.008m ledger amount for 2007-09</p>	<p>(a) Reflects prior year operating balance</p> <p>(b) General Fund appropriations reduced down to \$3 million in equal decrements No annual block grant or debt repayment</p> <p>(c) Only Lowenhaupt Scholarship (reciprocity) maintained at funded appropriation levels. Other appropriated scholarships returned to campus.</p> <p>(d) Educational Fees increased 7% per year, Registration Fees by 10% per year through 2010-11 (Governor's compact) 2008-09 Registration Fee = \$864, Educational Fee = \$6,262. 2009-10 Registration Fee = \$950, Educational Fee = \$6,700 2010-11 Registration Fee = \$1,045, Educational Fee = \$7,170. 2011-12 Registration Fee = \$1,045, Educational Fee = \$7,170 Summer and Pre-ILP/ILP fee increases by 7% per year</p> <p>(e) Participation Fee increased to \$300 per participant for all three years</p> <p>(f) Supplemental Program Fee of \$1,500 per participant for "Great Cities Programs"</p> <p>(g) Campus fees no longer collected and remitted to campuses. Fees charged at the discretion of the campuses</p> <p>(h) Cooperative Income and STIP remain constant</p> <p>(i) In 2009-10, Return to Aid is 28% of Educational/Registration/Summer/Campus Fees In subsequent years, it is the base year amt + 33% of year-over-year Ed. / Reg. / Summer fee incr., PLUS 25% of Campus fee increases</p> <p>(j) Personnel expenses are initially capped at 2008-09 level and then reduced Rent increased 4% per year (per escalation clause in agreement); reduced by UCSB sub let contribution</p> <p>(k) A total of \$777k in appropriations for scholarships may now be borne by UC campuses. Only \$262 for reciprocity scholarships will remain (ref. (c) above) Campus EAP support will henceforth be determined by the campuses</p> <p>(l) 1-3 Field Office Director positions reduced by 3, then 8, then 14. Assumes phased reduction in staff FTE. (l) 1 Assumes a Liaison Officer position replaces each elim. FOD @ salary of \$40k (l) 2 Program Instructional Expenses reduced by 10% in total (l) 3 EAP pays approx. \$900 per reciprocity FTE to campuses to offset instructional cost.</p>
---	--

RECONCILIATION TO LEDGER OF CARRY FORWARD FROM 2007-08 (\$ 000)

	<u>APPROP.</u>	<u>EXPEND.</u>	<u>ENCUMBRANCES</u>	<u>Bal.</u>
FIELD OFFICES				
UO	25,409	26,187		(778)
APP. CONTROL	8,709	7,984	789	(64)
SCHOLARSHIPS	(902)	16		(918)
ADJUSTMENT	1,061	1,253		(192)
TOTAL	0	0	(763)	763
	34,277	35,440	26	(1,189)

Includes all ledger accounts except for del Amo/donations/campus scholarships
Adjusted to exclude encumbrance for 2008-09 UO rent

RECONCILIATION OF DEFICIT CARRYFORWARD TO G/L BALANCE

<u>GENERAL LEDGER</u>	<u>(\$1,536,667)</u>
Add donated funds that reduced deficit (they are committed funds):	
UCB SCHOLARSHIP	\$1,505
UCSD SCHOLARSHIP	\$6,000
UCSB SCHOLARSHIP	\$157
WISE SCHOLARSHIP	\$66,781
DUTTENHAVER SCHOLARSHIP	\$300,655
EAP LONDON SCHOLARSHIP	\$33,914
ALLAWAY SCHOLARSHIP	\$5,146
JACOBS FAMILY FUND	\$106
DEL AMO FUND	\$852
Sub Total	\$415,116
Deduct 08-09 Rent Encumbrance booked in 07-08 (Incr'd. deficit):	\$763,000
CARRY FORWARD FOR MODELING	<u>(\$1,188,783)</u>

OVERVIEW OF THE UC EDUCATION ABROAD PROGRAM

September, 2008

The **UNIVERSITY OF CALIFORNIA's Education Abroad Program (EAP)** is one of the oldest, largest, most diverse, and most prestigious study abroad programs for higher education in the nation. EAP focuses on providing high-quality international programs that expose UC students and faculty to diverse languages, traditions, knowledge and cultures, thereby developing citizens aware of, and able to operate in, the international environment. Over nearly 63,000 UC students have studied on EAP since its inception, benefiting from the network of EAP campus offices and study centers abroad which provide extensive services for their preparation and participation in EAP. In addition, 1400 undergraduate and graduate students from major universities abroad annually enroll on UC campuses as full-time EAP "reciprocity" students as a part of EAP's exchange agreements with those universities. EAP is a formal UC instructional program. Students receive UC credit and grades for their EAP coursework. UC Academic Senate, academic units, faculty, and staff are extensively involved in the initiation, development, implementation, and oversight of EAP programs,

- In the 2007-08 academic year, EAP sent more than 4,500 UC students abroad, the highest number ever, to 131 host institutions in 31 countries throughout the world. Because EAP is a UC systemwide program, it affords considerable economies of scale for UC by providing programs that could not be offered by individual campuses alone, by keeping programs affordable to students, and by providing a single, efficient locus for interactions of universities abroad with UC.

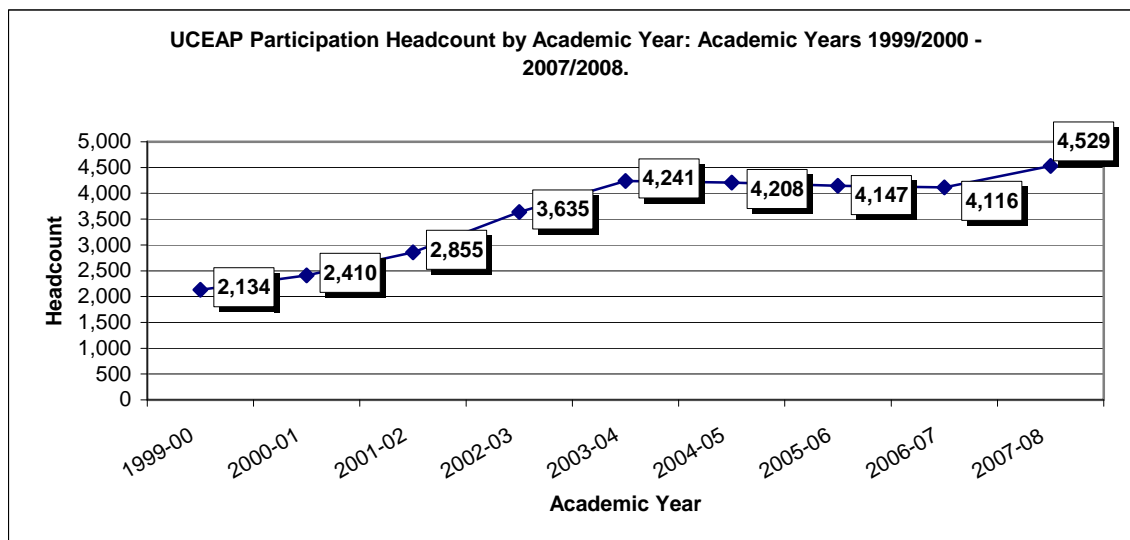
Building on its year-long and one-semester immersion programs at host universities, which have been at the core of EAP's offerings for over four decades, EAP has over the past decade expanded its portfolio to include a variety of other programs desired by UC students. EAP's program options can be characterized as follows:

- Full Immersion Programs, in which UC students are enrolled as non-degree students at host universities abroad. They are taught by host university faculty in a broad range of regular classes also taken by the host university's degree students. In non-English speaking countries, these are often preceded by an intensive language program (ILP) so that students can develop adequate language skills for taking host university classes.
- Language and Culture Programs for students at all levels of language training.
- General Education Programs, which allow UC students to fulfill UC campus breadth requirements.
- Special Focus Programs, which target a specific discipline or topic (e.g., tropical marine biology in Queensland, tropical ecology in Costa Rica, international business and economics in the Netherlands and Shanghai, peace and security studies in Japan, advanced engineering in France, Hong Kong, Japan, Turkey, and the U.K., relationships between the U.S. and Europe in Sweden, China and globalization in Beijing, U.S.-Mexico cross-border issues in Mexico City).

- Internship or Independent Research Programs such as the Field Research Program in Mexico, where students initially take intensive courses in Spanish and research methodology, then complete a research project under the supervision of a faculty member from a host university. In addition, students can complete internships, independent study projects, or volunteer work in immersion or special focus programs in more than 25 countries. Such opportunities provide them with additional hands-on experience in their disciplines and further immersion in host cultures.
- Graduate Programs. In addition to course and research programs designed specifically for graduate students, graduate students can participate in coursework in most immersion and language/culture programs offered by EAP, as well as conduct independent study or research projects at host institutions.

Because educational research has indicated that the academic, cultural, and personal benefits of study abroad programs increase the longer students stay abroad, the more they study the host country language, and the greater their immersion in host institutions and cultures, EAP has concentrated on immersion and language/culture programs. Today, about half of EAP students participate in immersion programs, a quarter participate in language and culture programs, and another quarter go on special focus programs.

From 1999-2000 to 2003-04, there was rapid growth in the number of students who participated in EAP, owing largely to the diversification of types of programming available. From 2003-04 to 2005-06, the EAP budget and enrollments were capped by the Office of the President and new program development was halted, resulting in steady EAP enrollments. However, EAP student numbers increased again in 2006-07 and reached an enrollment peak in 2007-08.



A variety of economic factors affecting family incomes are likely to result in a slight decline in EAP enrollments, as well as enrollments in other universities' study abroad programs, for a few years. But we have good reason to believe that, within four or five years, the combination of EAP programs, campus programs, and thirty party programs will generate larger number of UC students engaged in meaningful international academic study. UC's challenge will be to ensure

that such study genuinely meets UC's high academic standards and maximizes students' opportunity to deeply engage the societies in which they undertake their studies.

Administrative Structure

As an academic program, EAP is a creature of the Academic Senate. As an administrative unit, EAP is structurally located within the Division of Academic Affairs in the University of California's Office of the President (OP). Physically, the systemwide office of EAP (UOEAP) is located in the City of Goleta, on the outskirts of Santa Barbara near the UC-Santa Barbara campus. Professor Michael Cowan, a UCSC faculty member, has been UOEAP's Acting Executive Director since May, 2008. UCD Professor Bruce Madewell serves as UOEAP's Academic Dean.

EAP consists of three major administrative components:

- Each of the nine general UC campus has a **Campus EAP Office**, administered by the campus (often within the framework of a more general International Programs office), that serves as the link between EAP and UC student and faculty communities. The Campus EAP Offices conduct outreach, recruitment, advising, selection, and orientation activities for students and faculty. Each Campus EAP Office has both an administrative director and a faculty director, as well as advising and support staff.
- EAP supports forty **Study Centers** throughout the world that act as UC embassies in addition to serving specific EAP functions. These centers provide support, information, and academic services for UC students and faculty while they are abroad. Twenty of the Study Centers are supervised by UC faculty members (Study Center Directors), who are generally appointed for two years of service. The remainder are administered by local faculty members (Liaison Officers) or academic staff (Resident Directors), often UC graduates, who are hired by EAP. Study Center Directors, Liaison Officers, or Resident Directors are usually assisted by local staff. In addition, five host institutions in Canada, Hong Kong, and Turkey provide all services and oversight for EAP students at those locations.
- The **Universitywide Office of EAP** (UOEAP) presently houses 80 employees who develop, administer, coordinate, and support all EAP programs and activities. Key administrative positions at UOEAP include the Executive Director, Academic Dean, and unit heads for administrative services, human resources, finances and budget, information technology, and strategic marketing/communications, as well as four Regional Directors who provide operational and academic oversight for each of four geographical regions.

Maintenance of Academic Quality

EAP is strongly committed to ensuring that its program meet UC's high standards of **academic** quality. EAP partners with many of the world's foremost institutions of higher education and, because of extensive faculty involvement at every level of EAP, provides diverse, high quality programs that meet the academic expectations of students, parents, faculty, staff, and administrators.

The Academic Senate's **University Committee on International Education (UCIE)**, which consists of members from Senate divisional international education committees from all UC campuses, oversees all academic aspects of EAP. UCIE is responsible for approving new programs or changes to programs and the discontinuance of programs, as well as program courses and credit, and oversees the formal review of EAP programs, recommends candidates for Study Center Directorships to the UC President, and provides advice on academic policies and procedures to EAP's Director.

Faculty oversight of EAP occurs at all stages of the life cycle of EAP programs:

- **Strategic Planning:** Faculty advisory committees (FACs), composed of UC faculty from a diversity of disciplines and all UC campuses, have been set up to guide program planning in international "hot spots," including Shanghai, India, and the Middle East. A Strategic Planning Group, composed of representatives from UOEAP, UCIE, and the campus faculty and administrative director groups (CCD, CAD), has periodically offer information and advice to the UOEAP leadership to aid EAP planning.
- **Program Development:** Faculty advisory committees, composed of UC faculty from across the campuses, are set up for every new program under development and provide guidance on the academic quality of proposed programs, their fit with the UC curricula, and their design, content, and structure. All new program proposals are sent to additional UC faculty familiar with the disciplinary focus or geographic location of proposed programs for review and comment, and all new programs must be approved by UCIE before they can be offered.
- **Early Implementation for Programs Designed by UC Faculty:** Some EAP programs are designed by FACs. In addition to designing the content and structure of these programs, the FACs review these programs after their first year of operation and offer suggestions for improvement. Thereafter, smaller UC faculty committees provide ongoing advice regarding the academic structure and content of these programs.
- **Formal Senate Reviews:** UCIE appoints UC faculty committees to review all new programs after they have been operating for 3 years and all EAP programs within a given country every 10 years.
- **Ongoing Assessments:** Profiles of higher education in host countries and of host institutions are developed regularly by UOEAP staff. Study Center Directors, Liaison Officers, and Resident Directors file annual reports. Regional Directors and UOEAP Senior Leaders occasionally conduct focused site visits and submit reports on these visits. All reports are posted on UOEAP's Web site. UOEAP Regional Directors complete periodic status and strategy reports for all EAP programs, and these reports are presented to UCIE for review and comment. In addition, EAP students complete on-line evaluations for all EAP programs, and returned students are surveyed to determine the academic merits and use of their EAP coursework.
- **Faculty Oversight:** Faculty oversight is provided by UC faculty serving as Study Center Directors, the Executive Director, the Academic Dean, Campus Faculty Directors, UCIE members, and members of campus international committees, as well

as by UC faculty serving on advisory and review committees and site visit teams. Study Center Directors serve as the UC instructors of record for the programs they oversee, while the UOEAP Academic Dean acts as the instructor of record for EAP programs supervised by local faculty members or academic staff.

- **Program Closures:** In some cases, EAP programs are closed owing to low enrollments, high costs, safety and health concerns, low academic quality, or other academic or operational problems. In these cases, a UOEAP team develops a proposal and rationale for the closure which is then reviewed and acted upon by UCIE.

Because EAP is becoming a core, critical, and crucial part of the training of students in an increasingly interdependent world, “**Academic Integration**” has become an EAP priority, focused on embedding EAP into the academic curricula of the UC campuses. The primary goal of academic integration activities is to convince UC academic units to view EAP courses as their own so that these courses become a core part of UC academic programs. The aims of EAP’s academic integration programs are to:

- Provide study abroad programs for all disciplines and academic levels, including graduate students.
- Institute pervasive recruitment and advising activities based on disciplines rather than geographic areas.
- Encourage EAP courses to be treated as “normal” home campus credit. It is important to note that all EAP courses already go through similar processes of course approval as do home campus courses and that all students automatically receive UC credit and grades for all EAP courses.
- Insure that EAP courses fulfill language, general education, major, and minor requirements.
- Provide new courses and opportunities on all the home campuses for outgoing or returning EAP students.

To achieve these ends, **Academic Integration activities** are led by EAP Campus Faculty Directors with support and assistance from campus and UOEAP academic integration staff, as well as the EAP Academic and Associate Deans, Regional Directors, and Interim Director. These activities take the form of:

- **Outreach:** Presentations, workshops, discussions, meetings, and Web-based and printed materials which target academic unit personnel (faculty, staff advisors, chairs, deans) and which explore ways to integrate EAP into the curricula of academic units and to assess their international education needs.
- **Promotion:** Working with faculty, advisors, returned students, and teaching assistants to promote EAP in the classroom and in department offices, as well as include EAP in the informational materials of academic units.

- Advising: Working with academic units to develop materials that advise students on why, when, and where to study abroad, and the courses that would best fit their academic programs and fulfill graduation requirements. Working with academic advisors in academic units to insure that the proposed academic programs for outgoing EAP students are reviewed and approved by departmental or college advisors, insuring that students make normative progress towards their degrees.
- Requirements: Approving and compiling EAP courses that fulfill major, minor, and breadth requirements, then making this information widely available for program selection and advising.
- Bridges: Developing UC courses or training that provide bridges to EAP experiences.

EAP provides a variety of **services and support for students**, both on their home campuses and while they are abroad.

- Because of its scale and reciprocal exchange connections with foreign universities, EAP strives to make its programs affordable for all UC students.
- Students can apply their normal UC financial aid packages to EAP participation, incorporating some of the additional costs of studying abroad in financial aid calculations. In addition, EAP has provided over \$1 million dollars in financial aid annually to the campuses for EAP students.
- Student safety is one of EAP's highest priority. Program staff continually monitor safety and health issues at all locations worldwide and work with the U.S. Department of State, the World Health Organization. On-site staff in the host countries provide students with academic, security, and logistical support, including orientation, counseling, and safety services and crisis management plans.
- EAP arranges for housing for EAP students abroad. In some cases, EAP students live with host families, deepening their cultural and social awareness of the host country and facilitating their immersion in the host culture.
- Besides providing many academic services to EAP students, insuring that they receive UC credit and grades for their coursework abroad, EAP Study Centers also arrange events, excursions, presentations, and other activities to provide students with additional cultural and academic experiences.

In short, EAP is an outstanding academic program that aims to assume even greater value for our UC campuses and the University as a whole, in partnership with campus programs, during a time of increasing globalization and international initiatives, collaborations, and conflicts. EAP helps students meet their academic and career goals in ways that enhance their ability to live and work effectively in the international arena. The immersion and intensive language experiences offered by EAP are of particular value not only to the students themselves but to their home UC campuses. In enhancing students' self-confidence, global competence, and career options, these experiences help generate EAP alumni who are grateful to UC and receptive to appeals made to them on behalf of campus development efforts. And such students serve as exemplary

ambassadors who enhance the University's presence as a leader in global research, teaching, and service.