

**Multi-Year Plan for Professional Degree Fee Levels  
2011-12 through 2013-14**

Planning Assumptions for Development of Professional Degree Fee Levels

- The outcome of the ongoing State budget process this summer will influence decisions about 2011-12 fee increases as well as compensation and benefits cost drivers. UCOP will provide more direction in August 2010. For purposes of this exercise, campuses should use the following assumptions in developing their professional degree fee proposals.
- For 2010-11, assume permanent restoration of the \$305 million in one-time reductions that were included in the Governor's vetoes of the Special Session Budget package in February 2009. However, programs should be prepared to adjust their proposals if these funds are not included in the final 2010-11 budget.
- No decisions have yet been made about mandatory systemwide fee increases for 2011-12 and beyond. For development of professional degree fee proposals, assume that the combined Educational and Registration/Student Services Fees for 2011-12 are 10% higher than 2010-11 fees. For 2012-13 and 2013-14, assume that combined Educational and Registration/Student Services Fees will increase 10% each year.
- For 2011-12, UCOP proposes eliminating Educational Fee differentials that currently exist across student levels and programs. This will result in adjustments to professional degree fee levels. Additional information will be provided to the campuses shortly.
- Assume that the salary reduction/furlough plan approved by the Regents for 2009-10 will not be continued beyond September 1, 2010.
- Assume academic merit increases of 1.78% per year. In addition, while no decisions about compensation increases have yet been made, for purposes of this exercise, assume that ~~no~~ general salary range adjustments of 2% each year will be provided for all employees during 2011-12, 2012-13 and 2013-14. Faculty would receive merit increases in addition to the 2% salary range adjustments.
- In February 2009, the Regents approved the restart of contributions to the UC Retirement Plan in April 2010. The University is currently contributing 4%. While no decisions have yet been made, for this exercise, assume that employer contributions to the UC Retirement Plan will be 7% in 2011-12, 10% in 2012-13 and 12% in 2013-14.
- Assume that the costs of other employee benefits will rise 5-10% annually.
- Assume that other non-salary price increases will be 2.25% annually.
- Assume that there will be no increases in nonresident tuition for graduate professional students for the three-year period.
- Assume continuation of the current policy requiring that financial aid be supplemented by an amount equivalent to at least 33 percent of new professional school fee revenue or by an amount necessary to ensure that financial aid sources are equivalent to at least 33 percent of all professional school fee revenue.

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## I. PROJECTED PROFESSIONAL DEGREE FEES

**Specify your projected professional degree fees for each of the next three years. Please refer to the planning assumptions for further details about fee increase rates.**

	Proposed Last Year			New Proposed Fee Levels			Increases/Decreases		
	2010-11	2011-12	2012-13	2011-12	2012-13	2013-14	2011-12	2012-13	2013-14
Prof. Fee (CA resident)	\$14,664	\$15,691	\$16,789	\$15,216	\$15,984	\$16,788	4%	5%	5%
Prof. Fee (Nonresident)	\$14,664	\$15,691	\$16,789	\$15,216	\$15,984	\$16,788	4%	5%	5%
Mandatory Fees (CA resident)*	\$10,212	\$11,338	\$12,366	\$11,334	\$12,468	\$13,716	11%	10%	10%
Mandatory Fees (Non res.)*	\$10,212	\$11,338	\$12,366	\$11,334	\$12,468	\$13,716	11%	10%	10%
Health Insurance**	\$2,046	\$2,160	\$2,268	\$2,148	\$2,256	\$2,369	5%	5%	5%
Campus-based Fees***	\$3,324	\$3,423	\$3,626	\$3,458	\$3,598	\$3,746	4%	4%	4%
Nonresident Tuition	\$12,245	\$12,245	\$12,245	\$12,245	\$12,245	\$12,245	0%	0%	0%
Other (explain below)									
<b>Total Fees (CA resident)</b>	<b>\$30,246</b>	<b>\$32,612</b>	<b>\$35,049</b>	<b>\$32,156</b>	<b>\$34,306</b>	<b>\$36,619</b>	<b>6%</b>	<b>7%</b>	<b>7%</b>
<b>Total Fees (Nonresident)</b>	<b>\$42,491</b>	<b>\$44,857</b>	<b>\$47,294</b>	<b>\$44,401</b>	<b>\$46,551</b>	<b>\$48,864</b>	<b>4%</b>	<b>5%</b>	<b>5%</b>

\* Mandatory fees include Educational Fee and Registration/Student Services Fee.

\*\*Include disability insurance fee for medicine and dentistry.

\*\*\* Include Course Materials and Services Fees but not health kits.

**Additional comments, including explanation of any notable changes in 2011-12 or 2012-13 fees from the multi-year plan submitted last year:**

We have reduced the amount of fee increase requested last year due to concerns about the affordability of the DVM education. The debt incurred by DVM students is already high relative to future earning opportunities in the veterinary profession.

## II. PROGRAM GOALS AND EXPENDITURE PLANS

**Please explain why fee increases are necessary. What goals are you trying to meet and what problems are you trying to solve with fee increases? What are the consequences if proposed fee levels are not approved? What will be the educational benefits for students given the new fee revenue?**

The school's objectives that will be addressed with this increasing funding include:

1. Maintaining the quality of its programs in the face of declining budgets and escalating costs;
2. Meet accreditation requirements related to a major change in the curriculum, and the implementation of outcomes assessments.
  - In response to concerns of the American Association of Veterinary Medicine Colleges (AAVMC) Council on Education related to the UCD curriculum, the SVM is planning to implement a completely revised approach to the education of the DVM students beginning in July 2011. This change will require more small group teaching that will strain the school's faculty and financial resources. Funds from Professional Degree Fees can be used to compensate faculty for extraordinary teaching efforts related to this transition, to make modifications to our current classroom facilities to allow for more, smaller teaching rooms, fund education programs for faculty to improve their teaching effectiveness in the new curriculum with its emphasis on

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smaller group learning, and fund graduate students and other teaching professionals to make more resources available to students.

- The AAVMC Council on Education is requiring outcomes assessment of our graduates, in order to demonstrate the efficacy of our teaching programs. This is requiring additional personnel, and major systems modifications.

3. Attracting and retaining well qualified faculty. Because university faculty salaries are now well below those of comparison institutions, and because of the high cost of living in California relative to opportunities at comparison veterinary schools, it is exceedingly difficult to attract and retain faculty. Because a large percentage of our faculty are at or approaching retirement age, this problem will be exacerbated in the upcoming years. Funding is needed to offer start-up packages to our resource and clinical faculty, to offer housing allowances, to renovate laboratories and increasingly, to fund a portion of the offscale salaries being paid to new faculty.

**Please indicate how you intend to use the revenue generated by the Professional Degree Fee increase.**

	2011-12	2012-13	2013-14	Total
Faculty Salary Adjustments	\$0	\$50,000	\$33,686	\$83,686
UCRP Contributions	\$0	\$0	\$0	\$0
Benefits Cost Increases	\$0	\$0	\$0	\$0
Improving the Student-Faculty Ratio	\$0	\$0	\$0	\$0
Expanding Instructional Support Staff	\$25,771	\$18,927	\$0	\$44,699
Instructional Equipment Purchases	\$100,000	\$50,000	\$98,231	\$248,231
Providing Student Financial Aid	\$111,201	\$132,457	\$138,855	\$382,512
Other Non-salary Cost Increases	\$0	\$0	\$0	\$0
Facilities Expansion/Renewal	\$50,000	\$100,000	\$150,000	\$300,000
Other--Faculty training for new curriculum	\$50,000	\$50,000	\$0	\$100,000
<b>Total projected change in revenue</b>	<b>\$336,972</b>	<b>\$401,384</b>	<b>\$420,772</b>	<b>\$1,159,128</b>

**Additional Comments:**

**Please describe cost-cutting and/or fundraising efforts related to this program undertaken to avoid fee increases even greater than proposed. Please be as specific as possible.**

The School of Veterinary Medicine has undertaken massive cost cutting initiatives. The number of staff school-wide has been reduced by more than 11, through lay-offs and attrition. The Dean's Office budget has been reduced by 25%, and work processes streamlined. Administrative clusters have been formed, including centralizing curriculum support functions, eliminating one of six department MSO positions, consolidating administration of Vet Extension and one academic department, eliminating support for graduate veterinary students, eliminating all support for units other than academic departments and the Veterinary Medical Teaching Hospital, eliminating 3.5 faculty positions, and many other budget reductions strategies.

At the same time, aggressive fund raising efforts have resulted in gifts of \$23 million for fiscal 1009/10, the highest level in the school's history. We are continuing to invest in our highly effective development team. The SVM also realized the highest-ever year for extramural funding, bringing in

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\$108 million in extramural funding for the year just ended. Dedicated staff and faculty are taking on increasing workload in the face of declining resources, maintaining and even increasing excellence.

**If your program proposes uneven fee increases (e.g., increases that are notably larger in some years than in others), please explain why.**

Not applicable

**Please provide degrees for which the professional degree fee will be assessed and expected enrollment by degree.**

Degree	Enrollment			
	2010-11	2011-12	2012-13	2013-14
Doctor of Veterinary Medicine	524	524	524	524
Degree 2				
Total	524	524	524	524

### III. MARKET COMPARISONS: TOTAL CHARGES

**Please provide the total student tuition and fee charges of comparison institutions. Select a maximum of 8 institutions, including, where possible, a minimum of 3 public institutions. Please order programs, including your own program, from highest to lowest total cost, and provide an average of the public comparisons.**

	2010-11	2011-12	% Increase
<b>Residents</b>			
University of Pennsylvania	\$35,482	\$37,256	5%
<b>UC Davis</b>	<b>\$30,246</b>	<b>\$32,156</b>	<b>6%</b>
Cornell	\$27,700	\$29,085	5%
Ohio State	\$27,606	\$28,986	5%
Colorado State	\$23,706	\$24,891	5%
Public Average	\$28,948	\$30,475	5%
<b>Nonresidents</b>			
Ohio State	\$61,068	\$64,121	5%
Colorado State	\$52,706	\$55,341	5%
University of Pennsylvania	\$44,492	\$46,717	5%
<b>UC Davis</b>	<b>\$42,491</b>	<b>\$44,402</b>	<b>4%</b>
Cornell	\$41,700	\$43,785	5%
Inst 6			
Public Average	\$48,491	\$50,873	5%

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Source(s):

**Why were these institutions chosen as comparators?**

UC Davis is one of the top ranked veterinary schools in the country, along with University of Pennsylvania and Cornell. Other veterinary schools are not considered to be comparable. Colorado State University and the Ohio State University have strong programs, although they are consistently ranked below the top three.

**How were the projected fee increases for your comparison institutions determined?**

Increases of 5% were assumed, because we have no information on projected fee increases. Other schools are under serious budgetary pressures, like UC Davis, and will most likely increase fees more than 5%.

**Please comment on how your program's costs compare with those of the comparison institutions (public and/or private) with which you compete for students.**

The cost for residents is relatively high at UC Davis. However, the cost for California residents is dramatically lower than paying non-resident tuition at comparison institutions.

For non-residents, the cost of attending UC Davis is relatively low, and there is more room to increase fees in this area. However, since students establish residency after one year of attending UC Davis, the revenue from this population is small.

#### **IV. ENROLLMENT TRENDS AND DIVERSITY STRATEGY**

***Note: UCOP will provide campuses with data from the Corporate Student System that should be used to complete the table below for your program. If possible, provide comparable figures for your comparison public and private institutions in the columns shown.***

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	2005-06	2006-07	2007-08	2008-09	2009-10	Publics	Privates
Ethnicity							
Underrepresented							
African American	0%	0%	0%	0%	1%	2%	
Chicano/Latino	5%	8%	8%	8%	6%	4%	
American Indian	0%	0%	0%	0%	1%	1%	
<i>Subtotal Underrepresented</i>	<i>5%</i>	<i>8%</i>	<i>8%</i>	<i>8%</i>	<i>8%</i>	<i>7%</i>	<i>0%</i>
Asian/East Indian	10%	10%	11%	12%	12%	4%	
White	72%	67%	61%	57%	53%	83%	
Other/ Unknown	10%	13%	19%	23%	27%	5%	
International	2%	1%	0%	0%	0%	0%	
Total	100%	100%	100%	100%	100%	100%	0%
Socioeconomic							
% Pell recipients	23%	20%	23%	29%	21%		

Sources:

UC ethnicity, socioeconomic status: UC Corporate data

Comparison institutions: AAVMC Comparative Data Report, 2009-2010

**How does your program compare with other programs in terms of racial and ethnic diversity?**

The students in our program are more diverse than other veterinary institutions, with somewhat more underrepresented minorities, primarily due to the number of Hispanic students. UC Davis also has significantly more Asian students, and fewer white students.

**What is your strategy for increasing the enrollment of students from underrepresented groups in your program? What indicators of success do you monitor?**

The SVM appoints a committee to review applicants who submit a supplemental application for consideration of admission based on their disadvantaged background. The Admissions Committee also identifies applicants from non-traditional backgrounds or with non-traditional career interests for consideration of admission in order to meet societal needs.

**Please comment on the trend in enrollment of underrepresented groups in your program over the past five years. If necessary, what actions are you implementing to improve diversity in your program?**

The SVM has made significant progress in recent years, increasing the percentage of underrepresented minorities from 4% in 2004-05 to % in 2009/10. At the same time, the percentage of white students decreased from 74% to 57%, compared with a national average of 83%. We are continuing our outreach activities directed at high school students who are from underrepresented minority groups who have an interest in veterinary medicine. We will also continue the Summer Enrichment Program which identifies disadvantaged college students interested in veterinary medicine and provides five

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weeks of hands-on experience at the VMTH, preparatory classes for the GRE, counseling and information on career opportunities, all fully funded.

**Please comment on the trend in enrollment of students from low socioeconomic backgrounds (i.e., students who received Pell Grants as undergraduates).**

We do not have access to this information.

## **V. FINANCIAL AID STRATEGY AND PROGRAM AFFORDABILITY**

**What are your financial aid / affordability goals for your program? How do you measure your success in meeting them?**

The first priority is to assist all students with financial need. Additionally, funds are set aside for students showing outstanding promise.

**How will your financial aid strategies (e.g., eligibility criteria, packaging policy) help achieve these goals?**

The PDF funds are used to provide need-based gifts to all students with financial need. A 4-year \$20,000 recruitment grant is awarded to entering students showing outstanding promise. The SVM has an aggressive and successful development program designed to increase financial aid gifts available to students. As a result, total indebtedness for UCD students is lower than institutions such as University of Pennsylvania and Cornell, the most relevant comparison institutions.

**Please describe any programs available to students in your program to promote public service or provide services to underserved populations, such as targeted scholarships, fellowships, summer or academic-year internships, and Loan Repayment Assistance Plans.**

The Admissions Committee considers the career plans of prospective students, with a particular interest in students who are likely to return to the Central Valley, and underserved area particularly with respect to the food animal industry, and to students interested in Public Health. There is a special program for students interested in the MPVM degree, which emphasizes the Public Health focus of veterinary medicine. The summer Enrichment Program described above has been very effective in reaching students interested in underserved populations.

The loan repayment programs offered by a few other states would be available to our graduates if they were to relocate to one of those states. Loan repayment assistance programs are available for veterinarians who join the military. Two loan assistance programs have been announced to begin in 2011. The first is a pilot program to provide loan repayment assistance for veterinarians who commit to four years of employment in food animal veterinary medicine; this is a joint program between the AVMA and the AVMF, with funding from industry partners, and is available to veterinarians who are underrepresented in the profession due to race, ethnicity, geographic socioeconomic, or educational disadvantage diversity. The second is federally funded through the USDA and offers an assistance program for loan repayment for veterinarians who work in underserved rural areas, with five funded for California.

We reduced the proposed fee increase **solely** (not partly) out of concern for student indebtedness.

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Unfortunately, the reality is that the fees have been pushed so high that it is a very serious problem for our students. And the average indebtedness of graduates shown does not reflect the reality that our current students are facing—their debt will probably be more like \$170,000 upon graduation.

The increases in the PDF (net increase of about 3% after return to aid) are not the big problem—it is the huge increase in other fees. It is very difficult to come up with rationalizations that show otherwise.

**Please describe your marketing and outreach plan to prospective students to explain your financial aid programs.**

The SVM has a comprehensive website that includes links to the campus Financial Aid Office websites. Brochures are distributed at the annual admissions interview workshop and during recruitment visits to other universities. Oral presentations are made by the Graduate Financial Aid analyst at the interview workshop and to the new students during their orientation week. One-on-one discussions with a Student Programs representative are readily available to any interested prospective student.

**Note: UCOP will provide you with figures from the Corporate Student System that should be used to complete the table below. If possible, provide comparable figures for your comparison public and private institutions in the rows shown.**

Graduating Class	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09
Cumulative Debt	\$ 56,279	\$ 279	\$ 61,266	\$ 71,005	\$ 93,984	\$ 101,643	\$ 113,437
Percent with Debt	88%	80%	84%	91%	90%	82%	83%

**Please comment on the trend in the indebtedness of students in your program. What impact do you expect your proposed fee and financial aid plan to have on this trend?**

The trend is very significant, and the level of indebtedness is becoming very high. This change is due primarily to increases in UC fees, and not the Professional Degree Fees. The increase in PDF being proposed is significantly less than the increases in other UC fees, and it plays a relatively minor role in the increased indebtedness. However, the trend toward increasing indebtedness will continue. Because of this, the requested fee increase has been decreased from the 7% approved last year to 5% requested now.

**Note: UCOP will provide you with figures from the Corporate Student System that should be used to complete a portion of the table below. However, each program is responsible for providing its own estimate of the median (or average, or typical) starting salary for its graduates. If possible, provide comparable figures for your comparison public and private institutions in the rows shown. UCOP will also provide you with a formula for you to use to calculate the last column.**



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	2008-09 Average Debt at Graduation	Graduates with Debt	Median Salary at Graduation	Est. Debt Payment as % of Median Salary
This program	\$ 111,134	87%	\$78,466	20%
Public comparisons	\$ 113,390	88%	\$75,000	22%
Private comparisons	\$	%	\$	

Sources: AAVMC Comparative Data Report

UC: Corporate data

Comparison institutions: AAVMC Comparative Data Report

**Please describe your program’s perspective on the manageability of student loan debt for your graduates in light of their typical salaries, the availability of Loan Repayment Assistance Programs, loan repayment plans, and/or any other relevant factors.**

With the recent increases in UC fees, the debt levels have become quite high relative to starting salaries. Students identify this as a very serious issue, and it is a tremendous source of concern. Because of this, the requested fee increase has been decreased from the 7% approved last year to 5% requested now. Several states have state-funded loan repayment assistance programs for veterinarians, however California does not. There are programs available through private foundations and government programs to help students manage their loan debt:

1. The American Veterinary Medical Foundation (charitable branch of the AVMA) has worked with private industry and the AVMA to develop the Food Animal Veterinarian Recruitment and Retention Program (FAVRRP). This program is designed to provide financial incentives in the form of current student loan debt grants for veterinarians who commit to four years of employment in food animal veterinary medicine.
2. The National Institute of Food and Agriculture (NIFA) within the U.S. Department of Agriculture (USDA) has almost finished with implementing the Veterinary Medicine Loan Repayment Program (VMLRP). The VMLRP will pay up to \$25,000 each year towards qualified educational loans of eligible veterinarians who agree to serve in a NIFA designated veterinarian shortage situations for a minimum period of three years.
3. A variety of loan repayment plans and repayment calculators are available through the Federal Student Loans Web site at <http://studentloans.gov>, including the following:
  - a. Graduates entering lower paid fellowship and residency positions are eligible to participate in the new federal Income Based Repayment Plan which reduces the monthly debt repayment to 15% of the graduate’s income that exceeds 150% of the federal poverty guideline for the graduate’s family size.
  - b. Students interested in practicing in public service positions may participate in the Public Service Loan Forgiveness Program which is designed to forgive or cancel (100%) of the remaining federal Direct Loan balance of a student who has made 120 monthly payments on his/her Direct Loan while employed in a public service job, defined as 501(C)(3) non-profit organizations including medical schools and teaching hospitals.

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- c. Graduated Payment plans that start out low and increase every two years. The length of the repayment period will be up to ten years. This is an advantage for students with incomes that may increase steadily over time. Monthly payment will never be less than the amount of interest that accrues between payments. Although the monthly payment will gradually increase, no single payment under this plan will be more than three times greater than any other payment.
- d. Income Contingent Repayment (ICR) (Direct Loans Only) allows students the flexibility to meet Direct Loans obligations without causing undue financial hardship. Each year, monthly payments can be calculated on the basis of adjusted gross income (AGI, plus spouse's income if married), family size, and the total amount of your Direct Loans.
- e. With Income-Sensitive Repayment Plans (FFEL Loans only) monthly loan payments are based on annual income. As income increases or decreases, so do the payments. The maximum repayment period is 10 years.

**Do graduates of your program who pursue public interest careers (as defined by your discipline) typically earn substantially less upon graduation than other students? If so, what steps does your program take to ensure that these careers are viable in light of students' debt at graduation?**

They do not earn substantially less.

## **VI. STUDENT AND FACULTY CONSULTATION**

**Has your program sought meaningful consultation with its students and faculty about the proposed fee increase for 2011-12? If so, how, and what student/faculty feedback was received?**

The proposal was discussed with the SVM Dean's Council and Executive Committee for faculty input. They endorsed the request for an increase of 5%, down from the 7% previously approved.

**If not, how will you consult and solicit feedback prior to September 17? If your academic calendar does not allow for consultation by September 17, when and how will it occur? Please be specific. (Note that starting next year, OP will ask campuses to begin consultation with students during the spring term prior to fall submission of fee proposals.)**

**Please confirm that your plan has been shared with the appropriate representative from your campus's graduate student organization before the plan is submitted to UCOP and provide a brief description of the feedback received.**

Plan shared with students at a school-wide meeting

It was discussed at school-wide meeting to which all students were invited. Students indicated that they were not concerned about the relatively modest increases in the Professional Degree Fees, but they were much more concerned about the level of increases in other UC fees.

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**Please confirm that your plan has been shared with the campus's Graduate Dean before the plan is submitted to UCOP and provide a brief description of the feedback received.**

Plan shared with Dean Jeff Gibeling, Graduate Division on October 11, 2010 \_\_\_\_\_  
The Dean provided no feedback on the proposal.

**VII. OTHER**

**Please describe any other factors that may be relevant to your three-year plan (such as additional measures relating to your program's affordability, etc.).**