

February 24, 2015

**COLLEGE, DIVISION, AND PROFESSIONAL SCHOOL DEANS
VICE PROVOST AND DEAN JEFFERY GIBELING**

RE: 2015-16 Allocation of Graduate Tuition per Budget Model

Dear Deans,

I am writing to provide you with the 2015-16 graduate tuition budget model allocations. These funds will be distributed as base allocations effective July 2015. However, we know it is critical to have information about the funds available now as support offers are made to prospective graduate students and you determine how these funds will be deployed to support graduate education in your unit.

A total of \$2.6 million in incremental revenue growth is available for distribution through the graduate budget model. This amount is calculated based on the change in graduate tuition and Nonresident Supplemental Tuition (NRST) revenues from 2013-14 to 2014-15 due to increased graduate student enrollment and changes in the number of national and international students. We have also applied the 5 percent tuition increase approved by the Regents for 2015-16 to maintain consistent buying power for the funds distributed. Attachment I shows how this amount was determined as well as the allocations described below.

Tuition Allocations to Deans

The budget model distributes 33 percent of the incremental growth in graduate tuition to Deans, based on the lead dean designation for a graduate program, to support investments in graduate education. In 2015-16 the total amount allocated is \$369,000. The distribution by unit is based on increased graduate student enrollment in programs from Fall 2013 to Fall 2014. Programs that had decreased enrollment were excluded. Attachment II provides the allocations by unit. Budget and Institutional Analysis (BIA) will provide Assistant Deans with detailed data, at the program level, for your use in determining internal allocations.

NRST Allocation to Graduate Programs and Groups via the Office of Graduate Studies

The budget model distributes 50% of the NRST generated by incremental growth in Master's enrollments (excluding MFA students, which are treated like Ph.D. students in the model) to the Office of Graduate Studies (OGS) to be directed to the graduate programs. In 2015-16 the total amount allocated is \$250,000. The distribution by program or group is based on increased enrollment of national and international master's students from Fall 2013 to Fall 2014. Programs that had decreased enrollment were excluded. OGS will inform programs of their allocations and copy the assistant deans.

Provost Share of Tuition and NRST

The budget model distributes 67% of the incremental growth in graduate tuition, 100% of the incremental growth in NRST paid by Ph.D. and MFA students, and 50% of incremental growth in NRST paid by Master's degree students to the Provost. In 2015-16, the total

Provost share is just under \$2 million. These funds will be re-invested in graduate education, primarily graduate student support, including:

- Graduate Fellowships distributed by OGS: an increase of \$815,000 in 2015-16 for a total of \$17.6 million available.
- Supplemental NRST Allocations for 2nd and 3rd year graduate students who are not GSRs, distributed by OGS: an increase of approximately \$400,000 in 2015-16 for a total of \$2.5 million available.
- GSR NRST Buy-Down Program for 2nd and 3rd year Ph.D. and MFA students, funded by central campus: estimated to cost \$1.0 million in 2015-16
- TA Fee Remission funded by central campus: estimated to increase by \$1.2 million in 2015-16, of which a maximum of \$639,000 will be funded from the graduate tuition revenue and the remainder will be funded from other Provost Allocation sources. The total campus cost in 2015-16 is estimated to be \$25.2 million.

For additional context, we have provided the Flowchart for Graduate Tuition Revenue Budget Model as Attachment III. Additional information about the Graduate Budget Model is available on the BIA website <http://www.budget.ucdavis.edu/budget-model/index.html>.

Please contact Seija Virtanen, Principal Budget Analyst, at (530) 752-7628 or svirtanen@ucdavis.edu with any questions about these allocations.

Sincerely,



Sarah Mangum
Director, Academic Budget and Policy
Budget and Institutional Analysis

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Attachments

cc: Assistant Deans
Senior Associate Vice Chancellor Ratliff
Director Nachman
Analyst Virtanen
Director Albrecht

Attachment I

2015-16 Graduate Tuition in the Budget Model Allocations

Incremental Growth of Graduate Tuition Revenue <i>dollars in thousands</i>			
2014-15 Graduate Revenue	Tuition Estimate	NRST Estimate	Total
Ph.D. Students	\$33,971	\$10,622	\$44,593
Master's Students	\$11,071	\$4,933	\$16,004
Total 2014-15 Estimated Revenue	\$45,042	\$15,555	\$60,597
2013-14 Graduate Tuition Revenue	Tuition	NRST	Total
Ph.D. Students	\$33,825	\$9,625	\$43,450
Master's Students	\$10,153	\$4,432	\$14,585
Total 2013-14 Actual Revenue	\$43,978	\$14,057	\$58,035
Incremental Growth			
Ph.D. Students	\$146	\$997	\$1,143
Master's Students	\$919	\$501	\$1,419
5% Tuition Increase in 2015-16	\$53	-	\$53
Total Available for Allocation	\$1,118	\$1,498	\$2,615
Allocations			
Deans: 33% Tuition	\$369		
Programs & Groups: 50% Master's NRST	\$250		
Provost:			
67% Tuition	\$749		
100% Ph.D. NRST	\$997		
50% Master's NRST	\$250		
<i>Provost Subtotal</i>	<i>\$1,996</i>		
Total Allocated	\$2,615		

Attachment II**2015-16 Graduate Tuition Allocation to Deans**

College	Fall 2013 to Fall 2014 Enrollment Growth^{1,2}	Estimated Tuition Allocation to Deans
CA&ES	81	\$98,604
CBS	26	\$31,651
COE	86	\$104,082
HArCS	22	\$26,173
MPS	48	\$58,432
DSS	26	\$31,651
SOE	4	\$4,869
SOM	5	\$6,087
SVM	6	\$7,304
TOTAL	303	\$368,851

¹Enrollment Growth number excludes programs that had decreased enrollment. Campus total academic graduate student Fall 2013 to Fall 2014 enrollment change was 117 students, and 46 NRST students.

²Enrollment based on paying students. Excludes CalVet waiver and In Absentia students. Part-time students are counted as a full student.

Attachment III

Description of Estimates and Allocation Process for Graduate Tuition Budget Model As of February 17, 2015

Estimating Revenue to be Distributed:

1. Total Graduate Tuition for distribution will be based on:

Estimated three quarter average graduate academic enrollment for 2014-15
X 2014-15 tuition rate
- 2013-14 graduate tuition revenue
Net available graduate base tuition for distribution through the budget model

Total Graduate Tuition estimate will socialize CalVet waivers, *In Absentia* graduate students, UC employees, and part-time students. This means that the per student rate of incremental graduate tuition will be less than the total tuition paid. Only programs that have increased enrollment over 2013-14 will receive an allocation. Programs that have a decrease will not receive funds until they have exceeded the 2013-14 enrollment, this also decreases the per-student rate available to allocate to programs that had increases.

2. Total Graduate Non-Resident Supplemental Tuition (NRST) will be based on:

Estimated three quarter average graduate academic enrollment for national and international students for 2014-15
X 2014-15 NRST rate
- 2013-14 Graduate NRST revenue
Net available graduate NRST for distribution through the budget model

Programs that have a decrease in NRST enrollment will not receive funds until they have exceeded the 2013-14 enrollment, this also decreases the per-student rate available to allocate to programs that had increases.

3. In the case of an anticipated tuition increase, the amount available for distribution will be increased by the expected tuition rate change.

Estimating Allocation Amounts for 2015-16:

4. Allocation amounts will be based on the growth of National and International graduate academic student enrollment by program/group and by Master's/PhD based on a comparison of Fall enrollment.
5. Allocations to units will be based on fall enrollment by program. The goal is to provide some certainty of funding now to allow programs/groups and units to make enrollment decisions for next year. This means that at the program/group level, there could be some "lag" in metrics that may need to be managed year to year.

Attachment III (continued)

Distribution: Funding and enrollment detail at the program/group level will be provided to each Dean, the same data will be used by OGS for the allocations that will be provided directly to the programs/groups.

Timing: Estimates and detail by mid-February 2015. Actual funds allocated July 2015.

6. University Student Aid Program (USAP) will be calculated as usual to ensure that UC Davis complies with UCOP requirements for student aid. The change in USAP amount will be a part of the Provost/OGS 67% share of tuition used to support various aspects of graduate student support.
7. Graduate Program Fellowship Allocations, Ph.D. NRST Supplemental Fellowship Allocations, GSR buy-down costs, and TA Fee Remission costs, will be estimated by BIA and will be partially funded from the Provost/OGS 67% share of tuition and the NRST revenue, with any net need coming from other Provost Allocation sources.

Distribution: Graduate Program Fellowships and Ph.D. NRST Supplemental Fellowship Allocations will be distributed by OGS to graduate programs/groups. GSR buy-down and TA Fee Remission costs are distributed automatically to the grant or individual TA through a central process.

8. Post-Candidacy NRST Waiver costs will be estimated by BIA in coordination with OGS and a funding adjustment will be made as needed. If increased funds are needed, may be part of the Provost/OGS 67% share or funded from other Provost Allocation Sources.

Distribution: OGS manages waiver approval process that is centrally funded and managed through Registrar. Programs should inform potentially eligible students to apply in spring quarter for the following academic year.

Attachment III (continued)

