

Eleven Theses on Growth

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I. Growth that is rapid and unplanned makes the campus worse.

UC's Office of the President estimates that UC received \$9120 for each new student FTE during the best budget years of the early 2000s. For those same years it estimates the **average** cost of educating an undergraduate at \$18,000 per student FTE.²

Under this formula a campus's **average state funding per student declines with growth**, and declines most sharply on the campuses that grow most rapidly.³

This funding formula was generally beneficial to low growth campuses—those at or near their current enrollment caps in 1999-2000 (such as UCSB)—but not to high-growth campuses that would **need** to pay for growth-related costs above the level funded..

During Tidal Wave II, UCSC was one of the campuses that grew by over 40%, and was thus among those most adversely affected by the funding formula described above.

NB The c. 5000 students that we added over five years is roughly equivalent to the number of students that UC Merced will take over 10 years: UC Merced's academic growth has been forward-funded at the

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² See the May 2006 UCPB report, *Current Budget Trends and the Future of the University of California*, p. 48, which is now available online: <http://www.universityofcalifornia.edu/senate/committees/ucpb/futures.report0506.pdf>. UCPB's data on this point comes from an academic paper written by two senior executives in UC's Office of the President. See Gerald R. Kissler and Ellen Switkes, "The Effects of a Changing Financial Context on the University of California," Center for Studies in Higher Education Research & Occasional Paper Series: CSHE.16.05 (December 2005), p. 10.

³ *Current Budget Trends*, p. 8.

average cost while UCSC accepted the same total growth, backward-funded, at \$9120 per student.

Enrollment growth can make the campus better only if it is **preceded by plans that offset the prima facie negative effects of the formula under which that growth is funded**. Such plans must be comprehensive: i.e., academic, financial and physical. They must specify the conditions under which enrollment growth would be beneficial to campus quality, and **make further growth conditional** on meeting targets set by the plan.

Planned growth would integrate the use of enrollment-generated revenues with other sources of funds.

It is obvious, for example, the campus cannot have a new professional school without planning for students to be enrolled in it; and it is equally obvious that it cannot **start** a new professional school by adding freshmen enrollments first and planning later: there must first be forward-funding from the state and also private fundraising. At that point, the campus could decide whether to add professional degree students by increasing overall campus enrollment targets or by replacing freshman admissions with professional school admissions, thereby becoming more selective at the undergraduate level.⁴

In the absence of a plan for conditional growth, the default plan is for the campus to grow as fast as it can and then mitigate the ways in which that growth has already made us worse.

II. State General Fund support per student has declined systemwide by 35% (in constant dollars) since 1990.⁵

There are essentially five reasons for this provided in a May 2006 UCPB Report:

1) **No forward funding for high-growth campuses:** UC was willing to resume growth after the baby-bust of the 1980s under a funding formula that pays for each incremental student only half of its average per student cost. This formula had a negative effect on those UC campuses that received the most growth-generated dollars (as explained in Thesis I, above).

⁴ <http://senate.ucsc.edu/cpb/cpb1336.htm>

⁵ *Current Budget Trends*, p. 10.

2) **Lower tax effort:** As California's population grew, real per capita spending on higher education has fallen by 12%, and UC's share of State personal income has fallen by approximately one third (from .33% to .21%).

3) **Increased reliance on user fees:** Undergraduate tuition has effectively doubled in recent years.

4) The **state budget crisis:** Since 2001 the growth formula described above has been dramatically underfunded, which negatively affects the high-growth campuses (such as UCSC) most of all. UCPB's May 2006 report demonstrates how little state spending effort per capita would be required to reverse UC's budgetary decline, and makes it clear that the decline itself is the result of the state's political decisions about taxing and spending, and not an unavoidable consequence of state economic trends.⁶

5) **The illusion that private funding can fill the gap.** UCPB's May 2006 Report demonstrates that privatization has never been a coherent plan for the system as a whole.⁷

NB: There is every reason to believe that average per student funding at UCSC (as a high-growth, low-endowment campus) has declined even more than the systemwide average of 35%.

III. UCSC did not do the physical planning necessary to accommodate the 15,000 students it took under the 1988 LRDP.

1999-2000 (the beginning of Tidal Wave II), BAS Vice-Chancellor Tom Vani produced a 280- page funding "Initiative" that revealed the following:

Virtually no site-work (or "pre-planning") had been done to implement the 1988 plan to grow from 10,000 students to 15,000 students.

The campus had dire infrastructural needs, such as an inadequate sewer system, that were to have been upgraded or replaced under the 1988 LRDP (i.e. before we reached 15,000 students).

Meeting these needs from enrollment-generated funds would be prohibitively expensive, if not impossible.

⁶ Current Budget Trends, pp. 25-37.

⁷ *Current Budget Trends*, pp. 1-25. Some of these five reasons can, of course, be seen as effects of (or responses to) others. The relation between them varies over time.

Not meeting these needs would affect how many new students could be housed on campus and where the campus could build; it would also create future regulatory problems involving the city and county.

The total cost of catching up on infrastructural planning could require that the new funds generated by increased enrollments be diverted from educational use for the first several years. This was unfeasible at the time.

The problem of funding campus infrastructural needs under the 1988 LRDP was not resolved through 2004, and there is no reason to believe it has been confronted in the present LRDP process.

From 1999-2004 CPB produced a series of reports to the Senate demonstrating the negative effects of enrollment growth without prior physical planning to accommodate it.

CPB showed that the **gap** in capital facilities between UCSC and the next lowest UC campus would increase as a result of unplanned enrollment growth.

CPB showed that lack of infrastructural and capital planning would be a growing **lag** in closing the gap.⁸

Following CPB's recommendation, the Academic Senate resolved that further campus enrollment growth under the 1988 LRDP should be conditional on demonstrating that further enrollment growth would not further widen the "gap" and "lag" described above, and that some progress had been made in closing them.⁹

IV. UCSC did not do the advanced academic planning necessary to accommodate the 15,000 students it took under the 1988 LRDP, or the additional 2700 students that then-Chancellor Greenwood promised UC President Atkinson that our campus would accommodate at the Silicon Valley Center.¹⁰

EVC Simpson's 1998-2000 request for "Initiatives" was an alternative to an academic plan for spending the new money generated by new student

⁸ <http://senate.ucsc.edu/cpb/svc221sg.html>

⁹ <http://senate.ucsc.edu/cpb/cpb1336.htm>

¹⁰ <http://planning.ucsc.edu/plans2001/>

enrollments that were already upon us. CPB expressed no confidence in the “Initiatives” process as a way to address unmet planning needs.¹¹

Following abandonment of the “Initiatives Process,” the 2000-2003 “Ten Year Plan” process failed to produce a campus-wide academic plan for accommodating 15,000 students by 2010 – a number that we had nearly reached by 2004.¹²

The call for “Ten Year Plans” did not acknowledge that 17,700 students were expected by 2010, and that planning had ceased for an undergraduate program at the Silicon Valley Center (SVC) to accommodate the overflow.¹³

NB: The administration quietly dropped the undergraduate component of the SVC in 2000 following an Academic Senate Resolution asking it to produce academic plan showing undergraduate students at SVC would receive a UC-quality education, assuming that these students would be funded at half the average cost of educating students on the main campus as explained in Thesis I, above). Had the Senate not so acted, the administration might have gone forward with admitting undergraduates to the SVC, and then called whatever curriculum it offered there its “academic plan.”¹⁴

From 1999-2004 CPB made a series of reports to the Senate demonstrating the negative effects of enrollment growth without prior physical planning to accommodate it.

CPB showed that as a result of unplanned undergraduate enrollment growth UCSC’s percentage of graduate enrollments would drop to c. 9%-- and remain far lower than the next lowest UC campus in the foreseeable future.¹⁵

CPB reminded the campus that the 1988 LRDP process had negotiated a 15,000 enrollment cap so that the campus could achieve a 15% graduate student ratio (normative for the UC system).¹⁶ UCSC nearly reached that

¹¹ <http://senate.ucsc.edu/cpb/CPBInitiativesRpt.1273.pdf>

¹² <http://senate.ucsc.edu/cpb/indxPlan.htm>

¹³ <http://senate.ucsc.edu/cpb/indxSVRC.htm>

¹⁴ <http://senate.ucsc.edu/cpb/indxSVRC.htm>

¹⁵ http://senate.ucsc.edu/cpb/1348_1A.htm

¹⁶ <http://planning.ucsc.edu/lrdp/docs/1988lrdp/graphical/intro/back.html>

cap without ever having made a plan to increase its graduate student ratio (which had in fact declined).¹⁷.

The Senate resolved in 2002 (based on CPB's recommendation) that further campus enrollment growth should be conditional on reversing the decline in the graduate student ratio that was occurring under the 1988 LRDP, and required that progress in this area be reported regularly to the Senate as a whole.¹⁸ Such reports have all but ceased.

V. No campus-wide academic plan yet exists that justifies further enrollment growth at UCSC.

Instead of producing a comprehensive plan for the 17,700 students UCSC expects by 2010, the campus has proposed a new LRDP with an enrollment cap of 21,000 for 2020 and a series of divisional "plans" that consist of resource requests for new FTE to be generated by the first 2,700 additional students.

The Strategic Futures Report, on which the LRDP is based, called for the creation of a plan to justify the new enrollment cap, which it presented as a more or less arbitrary compromise between the 17,000 students that the campus had already committed itself to take and a possible cap of 25,000 students.¹⁹

The Strategic Futures Committee's main academic argument for growth is that new student FTE can be expected to generate new faculty FTE, and that under conditions of enrollment growth departments and deans would make resource requests to fund new positions and programs.²⁰

The Strategic Futures Committee did not ask departments or deans which of its requests for new resources would be a high priority for the reallocation of presently existing resources.

The Strategic Resources Report, thus, provides no reason to conclude that the present use of existing resources is a higher priority than all of the good

¹⁷ <http://senate.ucsc.edu/cpb/indxEnrol.htm>

¹⁸ <http://lrpd.ucsc.edu/sfc.shtml>; <http://senate.ucsc.edu/cpb/cpb02031406.pdf>

¹⁹ <http://lrpd.ucsc.edu/sfc.shtml>

²⁰ The SFC Report also relies heavily on the policy argument that under the Master Plan UC must expand as state population increases. The question of whether the UC system will grow, however, begs the question of how large UCSC should become, and under what conditions it can improve (or even maintain) its academic quality by growing substantially larger.

ideas that might be proposed in the future—and that no good things can happen without the incremental resources that growth produces.

The still unanswered question is whether **rate and proportion** of enrollment growth required to generate incremental resources will dramatically lower average funding per student and make the campus worse overall. This is a high price to pay to create new positions which—if they are indeed a high priority—should be filled even if the campus is at steady-state.²¹

VI. The only way to control the rate and proportion of campus growth (and limit the decline in average funding per student) is through academic planning that goes beyond a series of requests for incremental resources that presuppose (but do not address) the likelihood of a worsening overall budget resulting from growth.

A new form of campus planning is needed that provides a rational basis for raising or lowering freshman enrollment targets in order to achieve **targeted growth** that advances programmatic and resource goals.²²

Targeted growth may or may not occur primarily at the freshman level, depending on the planning conditions that are set.

Unless the campus can condition enrollment growth on the achievement of campus targets, continued rapid growth will continue to put us further behind other UC campuses in essential areas affecting educational quality.

Academic planning will then be driven by the need to graduate the increasing numbers of freshmen who are already upon us while still preserving the possibility that a diminishing number of students can receive the kind of undergraduate education UC has traditionally promised under the Master Plan.

NB: This is already the experience of faculty in departments and divisions that have borne the brunt of increased enrollments under the 1988 LRDP.

VII. There is nothing in the documents going forward in the present LRDP process that would preclude the campus from taking student FTE up to its 21,000 enrollment cap

²¹ <http://senate.ucsc.edu/cpb/indxEnrol.htm> ; <http://senate.ucsc.edu/cpb/cpb03041450.pdf>

²² <http://senate.ucsc.edu/cpb/cpbqprin.html>; <http://senate.ucsc.edu/cpb/cpb03041450.pdf> ;

within a very short (e.g. six year) time period, even if there are still no infrastructural or academic plans to accommodate them.

The Strategic Futures Report did not impose on the new LRDP enrollment target any of the specific conditions that the Senate tried (with the benefit of hindsight) to incorporate into the endgame of reaching our 15,000 enrollment cap under the 1988 LRDP.

When Senate Committees pointed this out in 2004, there was a promise that conditions on growth could still be incorporated in planning documents yet to be produced.²³

No such documents have been produced, and the administration's promise to produce them seems to have been forgotten.²⁴

VIII. Based on its historic and present performance, there is no reason to believe that the UCSC campus administration will voluntarily adopt a conditional and targeted approach to campus enrollment growth once a new LRDP is approved with a 21,000 student FTE enrollment cap.

Between 1988 and 1999 the campus did almost none of the requisite academic or resource planning to accommodate growth from 10,000 to 15,000 student FTE.

Rather than saying that it was not ready for growth, the campus administration nevertheless agreed to absorb the entire growth originally projected between 1988 and 2010 in the period between 1999 and 2005.

The campus administration has yet to confront some of the infrastructural and environmental issues (such as inadequate sewers) that Tom Vani identified in 1999.

The campus has yet to reverse the negative campus impacts of growth under the 1988 LRDP identified by CPB between 1999 and 2004.

The campus administration has yet to address the deficient justification provided in the SFC Report for the new "envelope" of 21,000 students. These

²³ <http://senate.ucsc.edu/senmin/04NovMF.pdf>

²⁴ <http://senate.ucsc.edu/senmin/Feb2005min.pdf>; <http://senate.ucsc.edu/cpb/CPB04051468.pdf>

deficiencies were clearly identified by CPB (and other Senate Committees) in 2004 and in subsequent follow-up reports.

The campus administration has had a full year to respond to the inadequacies in EIR revealed by CPB, and has refused to do so, even when faced with a Senate resolution calling for accountability.²⁵

The administration offered no defense of the EIR at the April 26 Senate meeting. It merely threatened the faculty with bad decisions that it might make if the LRDP were delayed in order to correct the EIR on basic questions, such as whether traffic bottlenecks would make the campus inaccessible were it to grow without an adequate mitigation plan.

The administration has stopped promising to address such issues..

IX. The best opportunity for the Senate to impose planning conditions on future growth is before Regental approval of a new LRDP with a substantially increased enrollment cap that would permit the campus to grow.

The campus cannot be asked to accept increased freshman enrollments unless there is a new LRDP based on a higher enrollment cap.

A new LRDP must be approved by the Regents.

The moment of Regental review is the **only** opportunity **above the level of the campus administration** for the UCSC Senate to express its ongoing concerns about past growth.

Strong and vocal Senate opposition to the LRDP stands a good chance of delaying Regental approval of it.

Delaying Regental approval is the best opportunity for the Senate to get the campus administration to accept **conditions on future enrollment growth that would address the lessons of the past.**

X. The campus administration continues to make the argument that any questions about future campus growth under a new LRDP come either too soon or too late—and that “now” is never the time to address them.

²⁵ <http://senate.ucsc.edu/meetings/06Apr/CPB0506LRDPAS1488.pdf>

It is true that the decision of whether to grow within “the envelope” of a new LRDP has yet to be made, but it is **unlikely that the administration will accept specific limitations on growth in the future** if it refuses to adopt the principle of conditional growth at a moment when it needs Senate support for the LRDP.

It is true that the Senate could (and should) have raised its objections earlier—perhaps in Fall 2004 when the inadequacies of the Strategic Futures Report were under discussion.²⁶ At that point, however, the administration requested and received another chance by saying that **the right time to object was after the completion of the EIR**, on which work could proceed in parallel with correcting the acknowledged deficiencies in campus plans.

The completed **EIR has now been reviewed and rejected** by both CPB and the Senate as a whole on grounds that raise questions about the feasibility of future campus growth.

Without contesting any of the Senate’s objections to the EIR, **the administration was planning to proceed with approval of the new LRDP** and may yet do so despite the Senate’s recent resolution asking for further information on the EIR.]

XI. Once in every generation, the Academic Senate has the opportunity to make the campus administration do its job. Now is the time.

²⁶ <http://senate.ucsc.edu/senmin/04NovMF.pdf>