2021-22 State Budget and President’s Allocations

# Summary

* The 2021 State Budget Act provides UC with a base budget increase of $547.9 million, including $302.4 million to restore cuts to the University’s budget made in 2020-21. In addition, the Budget Act approves $728.6 million in one-time funding for a variety of University programs, including $325 million for deferred maintenance needs across the system.
* UCSF will receive a net increase of $32.1 million in recurring State support and an additional $37.3 million of one-time support.
* UCSF continues to be excluded from actions related to rebenching.

# Recurring Allocations to UCSF

* **2020-21 Budget Cut Restoration:** The budget includes funding to restore the 2021-22 budget cut. UCSF will receive $23.8 million. These funds will flow to the Core Financial Plan to help fund this year’s pooled cost increases and approved funding requests.
* **2021-22 Undesignated Increase:** To help address salary, benefit, and other cost increases, UCSF will receive an increase of $6.75 million, consistent with the UCSF Corridor agreement. As with the restored budget cut, these funds will flow to the Core Financial Plan to help fund this year’s pooled cost increases and approved funding requests.
* **PRIME Enrollment Funding:** UCSF will receive $1.855 million of support for San Joaquin Valley (SJV) PRIME plus $2.58 million for 65 additional PRIME Urban Underserved enrollments.
* **Student Mental Health:** UCSF will receive $536,000 to support universal prevention, early intervention, and treatment services. Allocation amounts were determined using a methodology that accounts for the base level of support required at each campus, an Equity Index (i.e., accounting for the mental health needs of underrepresented and food and housing insecure students), and enrollment levels.
* **Faculty Hiring Incentive Program:** UCSF will receive $85,000 for five years to support salary of a former Presidential Postdoctoral Fellow.
* **Student Academic Preparation and Educational Partnerships (SAPEP):** UCSF will receive an additional $20,000, on top of $140,000 provided in 2020-21, as a redirection of support previously provided by UCOP.
* **Agriculture & Natural Resources (ANR):** In recent years, the Legislature has specifically designated a portion of UC’s appropriation to support UCOP, the UCPath Center, and ANR. To accommodate this, in lieu of the usual UCOP assessment mechanism, the campuses have each received a series of one-time reductions in State fund allocations. For 2021-22, the Legislature eliminated the designated funding for UCOP and the UCPath Center but retained a line-item for ANR. Assuming this practice will continue in future years, each campus is now receiving a reduction in their recurring State fund allocations. UCSF’s share of this reduction is $3.58 million. This adjustment is offset by a reduction in the UCOP assessment, restored this year.

# One-time Allocations to UCSF

* **Deferred Maintenance and Energy Efficiency:** UCSF will receive $10.56 million, which will likely be used to fund a new roof for the Kalmanovitz Library.
* **Savings Related to Debt Financing:** UCSF will receive $5.4 million from savings related to bond financing and declines in debt service. These funds will be held centrally to support capital needs.
* **Additional one-time support:** UCSF will receive funding for the following programs:
	+ Hematologic Malignancies Consortium Pilot: $1.39 million
	+ California Institute on Law, Neurosciences, and Education: $3.5 million
	+ UCSF Dyslexia Center: $15.2 million
	+ UCSF Health Modeling Consortium: $1.25 million
* **California Institutes for Science and Innovation (Cal ISIs):** The Budget Act provides $20 million for the California Institutes for Science and Innovation. These funds will be held at UCOP until a final decision is made on the appropriate distribution at each campus.

# UCOP Assessment

* Campus shares of the UCOP Assessment continue to be allocated based distributions of students enrollment, employees, and total expenses. UCSF’s share of the UCOP Assessment for 2021-22 is $29.4 million. This represents a slight proportional increase from 12.6% to 12.8%, due to increases in UCSF’s shares of employees and total expenses, but a reduction in the dollar amount of the assessment due to the removal of ANR funding and the related reduction in campus allocation of State funds.

# Rebenching

* Rebenching is the systemwide effort to equalize funding across campuses on a weighted enrollment basis, with graduate students and health sciences students and residents receiving greater weight. Over time, UCOP has distributed incremental State funding in such a way that all campuses (except Merced and San Francisco) have equal levels of State funding on a weighted student enrollment basis.
* New this year, the President allocated $16.5 million on a recurring basis to the Riverside, Santa Barbara, and Santa Cruz campuses as the first year of a three-year commitment, with the goal of increasing State funding per unweighted student for these campuses to 95% of the systemwide average.
* UCSF continues to be excluded from the rebenching conversation and is instead funded based on the “Corridor” agreement with UCOP. The new allocation had no negative impact on UCSF.