

Increased Masters Enrollment Incentive

PRINCIPLES

- Facilitate growth in graduate master’s enrollment
- Establish a financial framework for considering different enrollment strategies for master’s students
- Expand funding for graduate student fellowships
- Support creation of new graduate programs
- Recognize that expanded or significant levels of master’s education is not feasible in all disciplines
- Simplify revenue allocations and clarify financial incentives
- Achieve an academically healthy balance between undergraduate, master’s, doctoral, and professional education in the context of other campus activities and initiatives

DESCRIPTION OF PROPOSAL

This proposal allows graduate groups and programs that offer masters degrees to opt-in to a new budget model that will provide greater financial resources to the unit than the current graduate budget model if the program grows master’s enrollment.

The optional master’s budget model allocation would be as follows for every additional master’s student in the program over an established base enrollment level:

Optional Master’s Budget Model Allocation for New Enrollment*

	Unit Dean	Program Fellowships via OGS	Provost
Tuition-total	40%	50%	10%
Nonresident Supplemental Tuition (NRST)	80%	n/a	20%
Tuition \$/student	\$4,488	\$5,610 Every 7-8 Students=1 graduate student fellowship**	\$1,122
NRST \$/student	\$12,082	n/a	\$3,020

Current Master’s Budget Model Allocation*

	Unit Dean	Program Fellowships via OGS	Provost
Tuition-Net of Aid^	33%	n/a	67%
NRST	n/a	50%	50%
Tuition \$/student	\$1,918	n/a	\$3,894
NRST \$/student	n/a	\$7,551 Every 5-6 International Student=1 graduate fellowship**	\$7,551

*Based on 2015-16 tuition rates, does not account for reductions in revenue due to waivers.

**Assumes the value of a fellowship is approximately \$42,600. Includes \$25K stipend, tuition, fees, & GSHIP.

^UCOP Policy requires that approximately 48.2% of graduate tuition be used for financial aid.

USE OF FUNDS ALLOCATED TO DEANS

Funds allocated to Deans are available to be used to support any expense associated with graduate education.

Deans and participating programs must agree on the use and/or split of funding between deans and programs received from the Master's allocation at the time the program opts-in to the model. This agreement should be reviewed regularly.

REQUIREMENTS TO PARTICIPATE

To participate in the optional master's budget model allocation, the following must occur:

- The program must be a Master's degree that does not charge a professional degree supplemental tuition and is not a self-supporting degree program.
- The faculty in the graduate program must agree to participate.
- The lead dean for the program must agree to participate.
- The program and dean must agree on the use of any funding received through the master's model allocation.
- The program and lead dean must submit a notification to the Dean of Graduate Studies of their intent to participate and documentation of the agreements and enrollment plan noted above.

FUNDING ALLOCATION METHODOLOGY

1. Determine Starting Enrollment

When an existing Master's program decides to opt-in to the master's allocation model, OGS and BIA will determine the starting enrollment level upon which incremental growth will be calculated. Currently some master's programs have significant enrollment variations year to year. Therefore, the year a program chooses to opt-in could have a significant impact on the potential allocations under the model. It is not our intent to create a situation where a program could intentionally reduce enrollment in the year prior to opting-in to increase future allocations under the model. This determination will be made based on a review of the program enrollment over the most recent three full years of data available at the time a program chooses to opt-in based on the following scenarios:

Scenario 1: If enrollment data shows that the program grew over the past 3 years, then the most recent enrollment will be the starting point.

Scenario 2: If enrollment data shows that the program has declined over the past 3 years, then a 3-year average will be used and the program will not receive an allocation under the master's budget model until their enrollment exceeds that amount.

Scenario 3: If enrollment data shows that the program has remained relatively flat, or varied in a way that doesn't reflect a clear trend, then either an average or most recent year could be the starting point. Should there be an explanation for the variance (e.g. not admitting students every year) the Dean of Graduate studies will negotiate an appropriate starting point that takes into account that information, the historical enrollment data, and the program's future enrollment plans.

2. Enrollment parameters.

Enrollment figures used in the allocation calculations will be actual 3-quarter average enrollments. Allocations will be based on the revenue associated with the incremental change in enrollment from the base year determined per item 1 above, and the current year. If a program has reduced enrollment, they will receive a reduced allocation until the point that they reach their base enrollment level.

3. Waivers.

Tuition levels used in the revenue calculations will not be reduced to account for waivers or in-absentia. This is because data suggests that the use of in-absentia status for master's students is rare and to ensure that there is not a disincentive for programs to admit students who qualify for legal waivers such as CalVet.

4. Tuition Discounts.

Tuition levels used in the calculation will take into account lower tuition rates paid by students who are registered part-time and pay lower tuition or who are UC employees and pay reduced tuition, who are also expected to be part-time students under the UC policy for employee discounts.

5. Allocation Timing.

Allocations will be made in arrears based on final data. For example, if a program increased enrollment between 2016-17 and 2017-18 the allocation would be provided in spring of 2018 after the final enrollment census. This should occur within the same fiscal year that the enrollment increase occurred, but not at the beginning of the year. Programs should be able to estimate the funding that will be provided based on enrollment and tuition rates so that they can plan spending throughout the year. This is similar to how professional schools receive tuition allocations.

CONTINUATION OF CURRENT BUDGET MODEL ALLOCATIONS FOR ALL OTHER GRADUATE ACADEMIC PROGRAMS

All other graduate academic programs, master's and doctoral, will continue to participate in the current graduate budget model. Master's programs that opt-in to the master's incentive model will not participate in the existing graduate budget model. It is generally expected that once a program opts-in to the incentive, they will stay in the incentive budget model allocation. However, should a master's incentive program enrollment decline to below their base enrollment, they have the option of returning to the graduate budget model. More information on the current graduate budget model is available here:

<http://www.budget.ucdavis.edu/budget-model/documents/BdgtModel-Working-Paper-Grad-Tuition-V02-1.pdf>

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