



The Usual Place, February 23rd, 2016

The topic for tonight's discussion was "University Finances".

Earlier this month, Chancellor Dirks sent out an email to students, staff, and faculty stating that UC Berkley was running a 150 million dollar deficit. Fellows discussed the deficit's impact on the student experience. They also discussed potential cuts, fundraising strategies, public/private partnerships, and solutions.

A couple of Fellows expressed concern over the impact of the campus finance perils on the student experience. One Fellow noted the Computer Science department imposed a minimum GPA requirement because of its inability to expand with a limited budget. This Fellow noted that this policy squeezed disadvantaged students out of the major because they did not have the same access to CS education prior to their arrival at Cal that their more privileged counterparts had access to. Another Fellow noted that they were concerned about the possibility of cuts being waged against the public health and gender and women's studies departments. These departments have not received the kinds of donations allotted to the sciences, but their work is just as important to the larger community.

A Fellow stated that we cannot "cut out way to greatness." Fellows discussed the need to bolster fundraising efforts with more friendly outreach initiatives to reduce cuts. They called this approach "friend-raising"—as opposed to fundraising. Many of these "friend-raising" strategies involved student/alumni partnerships. One Fellow suggested that we host fundraising events featuring various parts of the campus including the new art museum, the law school, the East Asian library, and other parts of the campus.

A couple of Fellows grappled with the possibility of utilizing public/private partnerships to raise money. They noted that various sectors of the campus already engaged in these practices. A few Fellows noted that funding from private sources traditionally goes towards the sciences. They stated that the campus should find ways to make sure that other parts of the campus (particularly the humanities) receive those benefits as well. While the university must look into more private funding sources, Fellows claimed that strides must be taken to make sure that we maintain our status as a public institution. A couple of Fellows stated that we should continue to look into securing more funding from the state.

A couple of Fellows discussed athletics in light of campus wide budget cuts. One Fellow asked about the amount of money the campus contributes to subsidize athletics. Another Fellow provided some illuminating information in light of the prior speaker's inquiry. This Fellow noted that the annual subsidy for athletics decreased to about five million dollars, down from previous years. UC Berkeley is one of only three Division 1 schools to decrease their subsidy. This Fellow also noted that when football revenue is factored in to the equation, the net revenue is higher than the annual subsidy. A few Fellows recommended more substantial cuts to athletics. A Fellow claimed that a couple of elite universities withstood cuts to athletics, including the University of Chicago and Columbia. Nonetheless, another Fellow noted that the campus is "still on the hook" for the debt associated with the stadium renovations for at least the next fifty years, so cutting football is not an option.

A couple of Fellows discussed administrative decision making issues and leadership transitions. One Fellow discussed the issues with Operational Excellence, the cross campus initiative to consolidate finances and streamline administrative services. This Fellow lamented that many of the problems that emerged from Operation Excellence were foreseeable and that little was done to mitigate risks when they were identified. Further, this Fellow also expressed that they were displeased with the way that many budgetary decisions were made without consultation from staff in the affected departments who knew more about the budgetary needs of the campus than the consultants that were brought in. This Fellow stressed that the campus should look to seasoned staff members for their expertise in the future. Lastly, a Fellow also pointed out that the Vice Chancellor of Finance stepped down and stated that the campus is currently gearing up for a search to permanently fill the position.

During the "action minutes" segment of the meeting, Fellows brainstormed a number of potential solutions or interventions to resolve the University's funding issues. Citing the Operational Excellence shortfalls, one Fellow suggested that the campus work to coordinate communication and utilize prior knowledge before making larger budgeting decisions. Another Fellow suggested that we should include alumni in more events that aren't only concerned with fundraising.

One Fellow recommended that we mobilize around the fact that nineteen of Forbes' 30 under 30 were UC Berkeley affiliates. He suggested that the campus could have a networking and fundraising event highlighting their contributions. Similarly, Fellows suggested that we should have more "friend-raising" events. A Fellow suggested that one opportunity for "friend-raising" could be the campus' 150th anniversary in 2018. This Fellow also urged the group to turn away from looking at the fundraising models of other schools. Berkeley is a unique place that requires a unique fundraising strategy. With this introspective spirit in mind, another Fellow suggested that the campus should harness its activist history and work to create a coalition for a campaign to get the state to reinvest in UC Berkeley.