



BUDGET AND INSTITUTIONAL ANALYSIS

Graduate Tuition in the Budget Model

Frequently Asked Questions (FAQs)

As of February 18, 2014

These questions and answers are intended to provide additional clarity to the most recent white paper on graduate tuition in the budget model (version 2.1).

NRST allocations for 2nd and 3rd year international Ph.D. students

1. What is this new program?

The Provost is proposing to add \$2 million in support for graduate education starting next year (2014-15). The goal is to help graduate programs be in a position to consider Ph.D. applicants without the financial burden of the NRST in years two and three.

The funds will be distributed to programs that have pre-candidacy 2nd year and 3rd year international Ph.D. students. In subsequent years, the funding will increase to reflect anticipated increases in international Ph.D. enrollments.

2. Will students pursuing an M.F.A. be included in this program?

Yes. Given that the M.F.A. is a terminal degree, 2nd year and 3rd year international M.F.A. students will be treated the same as Ph.D. students for this new program.

3. How are you going to distribute the funds?

Funds will be distributed via two mechanisms: expansion of the GSR buy-down program and supplemental allocations to graduate programs from Graduate Studies.

Expansion of the GSR buy-down program

The GSR buy-down program will be expanded so that 100% of the NRST for 2nd year and 3rd year international Ph.D. students who have not advanced to candidacy will be covered from central funds.

Supplemental allocations

For students who do not receive NRST remission as a benefit of their appointment as a GSR, Graduate Studies will determine the number of pre-candidacy 2nd year and 3rd year international Ph.D. students and 2nd and 3rd year international M.F.A. students in each program during the winter and spring quarters of the previous academic year and fall quarter of the current year, and allocate funds directly to the graduate programs early in winter quarter based on this three-quarter average. Funds will be available to spend in the following academic year.

For 2014-15, this would mean using an average of fall, winter and spring 2012-13 and fall 2013 enrollments. These allocations will not be a strictly dollar-for-dollar allocation for each student every quarter but will provide significant relief against the NRST barrier.

4. What does this mean for Graduate Program Fellowship Allocations (formerly known as block grants)?

All graduate programs will continue to receive their fellowship allocations from Graduate Studies (and programs have already been informed of these amounts for 2014-15). In addition, funds for 2nd and 3rd year international Ph.D. and M.F.A. students will be distributed as a separate supplemental allocation to graduate programs.

5. When my graduate program receives some of this money, how can it be spent?

These funds are intended to be used to support graduate education. These funds can obviously be used to increase the level of support for current graduate students or to help support new students. For these purposes, the funds can be spent just like the Graduate Program Fellowship Allocations and the mechanism to award them will be the same. These funds may also be used to support graduate instruction by providing a faculty buyout or hiring lecturers to teach a graduate course.

6. It sounds like you are trying to increase the number of international graduate students. Are you?

One of the goals of this policy is to enable graduate programs to consider international applicants without having to take into account the financial burden of the NRST in years two and three. This program will make the cost of an international student the same as the cost of a national student who is not a California resident, since national students normally obtain California residency by year two.

7. I thought we had budget problems. Where is this money coming from?

While tremendous budgetary pressure remains, we do have some additional revenue coming from the state and from increased undergraduate enrollments. Going forward, as part of the overall budget model, revenue from an increased number of graduate student enrollments will help fund this program, but an investment in reducing the negative effects of the NRST on admission and employment decisions regarding graduate students for our international students is long overdue.

8. Is campus eliminating the NRST for these students?

No. The campus does not have the authority to waive or eliminate the NRST, but it can allocate funds to mitigate the impact. Students will still see charges for the NRST on their bills.

9. So, from the student's perspective nothing is changing. Is that correct?

Yes. From a student's perspective, the NRST will continue to be charged. Programs may choose to award the NRST fellowship to a particular student from these new allocations,

or programs may continue to use their Graduate Program Fellowship Allocations (formerly block grants) to award NRST fellowships. The NRST may be remitted because the student is working as a graduate student researcher (GSR).

10. What about the GSR buy-down program? Is it going away?

No. The buy-down program is not going away. In fact, it is being expanded. The buy-down program will continue to rebate 25% of the tuition at the level of the grant for all GSRs supported by extramural funds.

The GSR buy-down program will be expanded to cover 100% of the NRST for pre-candidacy 2nd year and 3rd year international Ph.D. students and 2nd and 3rd year international M.F.A students. And the buy-down program will continue to cover 25% of the NRST for all 1st year Ph.D. students and master's students with GSR appointments.

11. Do I still need to include the NRST on my grant's budget?

Central campus is committed to expanding the GSR buy-down program so that the NRST for 2nd year and pre-candidacy 3rd year international Ph.D. students is covered from central resources. However, the technical mechanism for achieving that is a work in progress. BIA is working with representatives from General Accounting, Student Accounting and Graduate Studies to determine the most efficient way to expand the buy-down program and whether or not PIs will need to continue to budget the NRST. More information will be provided as soon as it is available.

12. What about when the NRST comes back after the three-year waiver period?

Per Regental policy, the NRST is waived for Ph.D. students that have advanced to candidacy for a period of three years. After this three-year waiver period, the charge of NRST to the student resumes.

However, beginning this year (2013-14), UC Davis offers a non-competitive fellowship program intended to mitigate the NRST challenge during the 4th and 5th years after advancement to candidacy. More information and instructions on how to participate in this program are available from Graduate Studies here:

<http://gradstudies.ucdavis.edu/ssupport/nrst.html>.

13. Why are we doing this?

As stated in response to question #6, one of the goals of this policy is to enable graduate programs to consider international applicants without having to take into account the financial burden of the NRST in years two and three. Another goal is to help provide graduate programs with the resources to make multi-year, competitive offers to prospective graduate students. This will help some graduate programs get a step closer to being able to make such offers.

Master's Revenue Sharing Pilot Program

1. Why is the master's revenue sharing pilot program going away?

The master's revenue sharing pilot program was always intended to be temporary and it was, in many respects, a test case for the new budget model. The intent has been to develop a revenue sharing plan that applies to all graduate programs.

2. How will revenue be allocated in the future?

The proposal is that starting in 2014-15 graduate programs will receive 50% of the NRST from incremental growth in master's students using 2013-14 as the base year for enrollments. These allocations will be made by Graduate Studies directly to the graduate programs.

The Provost will retain 50% of the NRST from the incremental growth in master's students and 100% of the NRST from incremental growth in Ph.D. students to partially offset the cost of the new supplemental allocations for 2nd and 3rd year International Ph.D. students.

The Provost will allocate 33% of the tuition from incremental growth in master's students (and from incremental growth in doctoral enrollments) to the deans of the schools, colleges and divisions. Incremental enrollments will be calculated using 2013-14 as the base year. Each dean will determine how to further allocate the funds.

3. What about the growth that participating programs achieved over the last two years? Do they lose that funding?

No. Transition plans are a very important part of the new budget model. In keeping with that, the programs that participated in the pilot will receive an ongoing allocation of funds that is equivalent to what was generated during the pilot. To the extent that programs have made investments to support additional master's students, it is reasonable to allocate funds that continue ongoing support for those increased enrollments.

For master's enrollment increases after 2013-14, the revenue will be distributed per the methodology described under question #2.

4. How can these funds be used?

These funds are intended to be used to support graduate education. These funds can obviously be used to increase the level of support for current graduate students or to help support new students. For these purposes, the funds can be spent just like the Graduate Program Fellowship Allocations and the mechanism to award them will be the same. These funds may also be used to support graduate instruction by providing a faculty buyout or hiring lecturers to teach a graduate course.