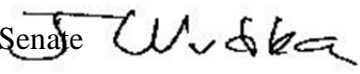




May 9, 2016

**To:** Mohsen El Hafsi, Professor, School of Business Administration  
**From:** Jose Wudka, Chair, Academic Senate   
**Subject:** MS of Supply Chain & Logistics Management

Dear Mohsen,

At its January 11 meeting, Executive Council reviewed the proposal for the creation of a self-sustaining MS of Supply Chain and Logistics Management program. Prior to this, I had asked Graduate Council, the Committee for Planning & Budget (P&B), the Committee for Library, Information Technology & Scholarly Communication, and the Committee for Diversity & Equal Opportunity to review the proposal as well and make recommendations.

Council recognized the need for the proposed program, but, following the careful analysis provided by Graduate Council and P&B, was concerned that the proposal lacked important details that would make it difficult to be approved by Coordinating Committee on Graduate Affairs (CCGA). Both these committees have provided extensive comments (attached) that I hope will help you fill-in the missing components. In addition they will be happy to discuss with you any specific issue, and I will be happy to assist you in this process.

I am looking forward to receiving the revised proposal in the near future. In the meantime, please let me know if you have any questions or comments.

Attachments



## Committee on Planning & Budget

January 4, 2016

To: Jose Wudka  
Chair, Riverside Division Academic Senate

Fr: Kenneth Barish *Kenneth Barish*  
Chair, Committee on Planning and Budget

### **Re: Review of the Proposal to Establish a Master's of Science in Supply Chain and Logistics Management degree program at UCR**

The Committee of Planning and Budget (CPB) has reviewed the proposal to establish a Master's of Science in Supply Chain and Logistics Management degree program at UCR within the School of Business Administration. CPB supports the creation of self-supporting programs where appropriate, including in this area. However, we are not able to support this proposal until the following items are addressed.

#### **Business Plan**

According to section VI.H of the UC Policy on Self-Supporting Graduate Degree Programs (dated 9/11/2011)<sup>1</sup>, "*State-supported and self-supporting programs must separately account for their use of resources.*" The budget in the proposed proposal, in contrast, presents only marginal costs. CPB would like to review an estimated budget for this program that includes all associated costs, including the faculty salaries, staff support, and facilities. This could be estimated and included as an overhead, but then an explanation of how that overhead was determined should be included. Given the true costs, CPB would then like know how many students the program would need to enroll to pay for all direct and indirect costs.

#### **Market Analysis**

CPB would like to see a more thorough market analysis that demonstrates competitiveness as well as higher education and workforce needs. Areas that need to be addressed include:

- (i) Tuition. The proposal should include a section discussing fees that includes a comparison with similar programs and a justification of the proposed fees.

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<sup>1</sup> CPB is aware that the policy is undergoing revision. We have reviewed a draft of the revised policy, and our concerns remain.

- (ii) Workforce needs. The proposal should include data pertaining to the job prospects for the region, California, and elsewhere. What types of jobs will require this Master's degree, how many of these jobs are available regionally, nationally, and internationally? Is California a hub for such positions?
- (iii) Target audience. Expected demographic information (e.g. foreign vs. domestic, resident vs non-resident) should be included. The career objectives from these different audiences may vary and should be discussed.

### **Faculty Effort**

The development of 4 classes, evaluation of capstone projects, and program service (e.g. admissions committee) will take significant faculty effort. Is this budgeted? Will any of this effort be compensated with a summer stipend or off-load teaching? What is the percent of classes taught by ladder rank faculty and will it change as a result of the program?

### **Academic Quality**

Self-Supporting Graduate Degree Programs are held to the same academic standards as state-supported programs. Given this, the proposal would benefit from letters of support from faculty at peer institutions. The letters could also serve to support the demand of a program in this field.

### **Plan for Evaluation**

CPB suggests for the evaluation to be expanded, including an ongoing evaluation from the start of the program. We also suggest the creation of surveys for various times in the student's careers, such as entry, midpoint, graduation, and post-graduation. The program would also benefit from the creation of various assessment metrics from the start.

In addition to the items listed above, we have a few additional comments and questions:

- Have the faculty voted on this proposal? If so, what is the vote?
- The proposal is also absent discussion of placement of students after graduation, which may be especially important since this is a professional degree requiring professional fees.
- [p1] *"The program is an ideal path for some of our students to pursue PhD programs in supply chain management and Logistics"*. This should be clarified or removed. While the program may be a possible pathway into a PhD program, with the program's high costs and professional orientation it may not be an ideal path.
- [p2] The quoted reports appear to be somewhat dated. We wonder if there are more up-to-date reports. Similar comments on p5 and elsewhere through text.
- [p6] "... recently developed strategic plan, UCR 2020" phrase seems dated.
- [p7] "as the program grows, it may be necessary" => will be necessary?

- [p7] “the MSCLM degree program will share resources with the MBA program”. What assurances are in place that this new self-supporting program will not drain resources from state-supported MBA program?
- [p8] “Initial administrative support will be provided by existing SoBA staff in conjunction....” Given the shortage of SoBA staff, this should be discussed. Also, it does not appear to be budgeted.
- [p10] “... students are expected to intern with local and global companies”. What support is in place to help assure placement and what are the placement expectations (e.g. 100%)? What if they can’t find an internship?
- [p13] “USC’s tuition for 2015-16 is \$46,160”. This would appear to be significantly less than the \$1330/unit used in the budget (exhibit II) for this program. What is the justification for charging more than USC? Has market research been done to substantiate?
- [p19] “a minimum of 15% of gross revenue will be allocated for financial aid ...” Given the expected domestic to international ratio, what are the financial aid expectations for domestic students?
- [p19] “We believe that we can deliver a high quality program to as many as 40 students per year utilizing current resources”. Given that this is a proposal for a self-supporting program, all costs should be budgeted and mechanisms need to be in place to insure that state-supported programs are not being adversely affected.
- [p18] “The School of Business Administration currently has a reserve that will allow it to launch ...” How much of the reserve is expected to be used and how long is expected to take to recover these costs?
- [p26] This spreadsheet should be fully explained in the text.
- There are several formatting errors (Professor Y. Peter Cheung’s CV includes formatting comments from Track Changes), courses should be listed in numerical order, etc.

November 24, 2015

To: Jose Wudka, Chair  
Riverside Division

From: David Lo, Chair  
Graduate Council



RE: Proposal for a Master of Supply Chain & Logistics Management

Graduate Council would like to thank the program for submitting their proposal for a Master of Supply Chain and Logistics Management. This proposal was reviewed at the Council's November 19<sup>th</sup> meeting. The Council is returning the proposal for revision, along with some documents that describe the UC policies on self-supporting programs (see attached). While the Council does not intend to suggest specific text for the revision, they do wish to point to a few items in the proposal that are likely to draw attention on review at both the campus and systemwide levels:

1. The admissions criteria for the program are not defined. For a graduate program in a specialized technical area, some admissions criteria would be helpful to describe, such as undergraduate course work in some relevant areas or quantitative methods, etc. Other holistic criteria can also be described that will be used by the admissions committee.
2. Graduate advising is not well described. Who will be responsible for graduate advising? In addition, since the argument has been made for the demand for graduates with degrees in this topic, who will provide career guidance for the students?
3. The financial plan lacks any detail. Of particular concern is the statement that there is sufficient existing capacity in the school to teach the classes. For a self-supporting program, all costs, including faculty teaching, advising, materials, and so on, should be accounted for in the financial plan, since the resources for the program cannot be drawn from state-supported educational programs and resources. Compensation for faculty, and any potential needs to hire staff and faculty for this program should be clear.

We look forward to seeing a revised proposal that adheres to the UC guidelines on self-supporting programs.

## POLICY ON SELF-SUPPORTING GRADUATE DEGREE PROGRAMS

Self-supporting programs allow the University to serve additional students above and beyond the resources provided by the state while fulfilling demonstrated higher education and workforce needs. Currently, there are populations of working adults not served by UC state-supported programs who would be willing to enroll in self-supporting graduate degree programs. This policy is designed to facilitate the establishment of self-supporting programs by the University and its campuses while ensuring that these programs do not use state resources. These programs will receive no state-support; however, they have the potential to generate resources that would enhance the quality, access, and affordability of core academic programs and departments. For example, they could provide additional support for graduate students and students in state-supported programs.

### I. General

- A. Self-supporting graduate degree programs should meet one or more of the following criteria, although meeting a single criterion is not necessarily sufficient justification for self-supporting status:
  1. primarily serve a non-traditional population, such as full-time employees, mid-career professionals, international students, and/or students supported by their employers;
  2. be offered through an alternative mode of delivery, such as online instruction or a hybrid model;
  3. be alternatively scheduled, such as during evenings, weekends, and summers; and/or
  4. be offered in an alternative location (e.g., off-campus centers).
  
- B. Such programs should not be undertaken if they strain the resources of the department that sponsors them or have an adverse effect on regular programs on campus. If the campus determines a graduate degree program should be offered on a self-supporting basis, such programs should be fully self-supporting upon inception or within a short phase-in period; “self-supporting” means that full program costs, including but not limited to faculty instructional costs, program support costs, student services costs, and overhead, should be covered by student tuition and fees or other non-state funds, including funds raised through private philanthropy. The sponsors of each proposed self-supporting program should submit a cost analysis and fiscal phase-in plan with their request for approval of proposed student tuition and fees as defined in the Implementation Guidelines.
  
- C. By expanding self-supporting programming that serves practitioners, the respective department may have access to additional field-based resources (working students, their employers, and field-based lecturers) that it might not otherwise be able to afford. Therefore, where appropriate, partnerships with the profession served are encouraged.
  
- D. Courses may be offered on-campus, at appropriate off-campus locations, or in a combination of on-campus and off-campus facilities. The programs may also use distance technologies (computer and video-based, e-mail, etc.) as appropriate. As provided by Academic Senate Regulation 694<sup>1</sup>, courses to satisfy the requirements of such programs may be given, either in whole or in part, at off-campus sites.

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<sup>1</sup> SR 694: *A school, department, or group of departments which offers a program leading to a Master’s degree under the jurisdiction of a Graduate Division, may, in cooperation with University Extension, provide at a center or centers other than a campus of the University, a program of graduate instruction designed to satisfy, in full or in part, the requirements for that degree. See <http://www.universityofcalifornia.edu/senate/manual/rpart3.html#r690>*

## II. Programs Ineligible for Self-Supporting Status

Doctor of Philosophy (Ph.D.) programs are not eligible to become self-supporting programs. In addition, an academic Master's degree program solely or primarily leading to a Ph.D. degree is not eligible to be self-supporting.

## III. Relationship to State-Supported On-Campus Programs

- A. Self-supporting graduate degree programs should be held to the same standards of quality as regular programs, as determined by the appropriate Graduate Council. Standards of admission and performance for any student, regardless of whether the program is a self-supporting or state-supported graduate degree program, should be demonstrably high. Just as in the case of state-supported graduate degree programs, the standards of admission and performance are governed by the Senate.
- B. Any self-supporting programs should be established by academic departments or units and staffed with faculty on the same basis as state-supported programs. Teaching faculty should be appointed through regular campus processes irrespective of academic series. Certain practice-oriented degree programs may warrant a higher proportion of non-regular faculty (e.g., clinical/adjunct faculty, lecturers, visitors), but that proportion must be in keeping with the standards of each campus' Graduate Council. Under no circumstances shall anyone teach in self-supporting programs whose appointment has not been subject to the appropriate academic review.
- C. The Dean of the school or college offering the self-supporting program is responsible for assuring that program publicity and marketing meet the highest standards of quality and accuracy, and the Dean is accountable to the Academic Vice Chancellor for such representations.
- D. Self-supporting graduate degree programs may be administered in cooperation with University Extension.<sup>2</sup> UC Extension's role is generally limited to assisting in activities that are part of the administration of the program (e.g., course enrollment, collecting tuition and fees, advertising, career services, and technical support) although UC Extension may provide more services when requested by the department. However, authority over courses, curriculum, and faculty appointment must be fully exercised by the academic unit responsible for the program.

## IV. Initiation, Approval, and Review Procedures

- A. Departments, groups of departments, or schools offering graduate degree programs under the jurisdiction of a Graduate Division may propose self-supporting programs.
- B. Self-supporting programs should originate with an academic unit that is already authorized to conduct graduate work on the campus at the level that is at least equal to the level of the proposed graduate program.
- C. The establishment of any new self-supporting graduate program shall be approved by the campus Graduate Council, Divisional Senate, Systemwide Academic Senate, campus administrators, the Chancellor, and the UC President according to established procedures and requirements as specified in the Compendium of Universitywide Review Processes for Academic Programs, Academic Units, & Research Units.<sup>3</sup>

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<sup>2</sup> SR 694. See footnote 1

<sup>3</sup> *The UC Office of the President (UCOP) and the CCGA review proposals for all new graduate degree programs, including self-supporting and professional degree programs. Self-supporting graduate degree programs must adhere to the same UC academic standards as do other graduate degree programs* (Compendium, January 2011).

- D. Graduate Councils or other duly appointed campus review bodies appointed by the Academic Senate shall review such programs as part of regularly scheduled campus program reviews, on the same basis on which regular academic programs are reviewed. Once established, the self-supporting program will be under the purview of the divisional Graduate Division, if appropriate,<sup>4</sup> to ensure adequate progress of students according to campus criteria.
- E. If approved, such programs shall be conducted in accordance with this Policy.
- F. Courses for self-supporting programs are subject to normal campus procedures for approval (i.e., approval by Committee on Courses [see Implementation Guidelines]).

## **V. Admission and Enrollment**

- A. Admission standards for self-supporting programs should be comparable in effect to those for the state-supported programs. In many cases, there will be no comparable state-supported programs.
- B. Students must be admitted to a Graduate Division through the regular admissions process in order to enroll in any program established under this policy.
- C. Access to courses offered as part of these programs must be equally available to all qualified students. No preference in enrollment may be given to members of any non-University organization.
- D. Admissions criteria may specify some type or period of work experience in the field.

## **VI. Program Funding and Student Tuition and Fees**

- A. Self-supporting programs will not be funded from State General Funds and reports of state-funded enrollments will exclude students in self-supporting programs. However, these enrollments will be reported to the Office of the President as a separate category which is not counted against the campus budgeted (state-funded) enrollment target. During the approved phase-in period, distribution of enrollment between state and non-state targets will conform to specifications of the phase-in plan.
- B. The President is responsible for reviewing and approving any proposed program tuition and fees for self-supporting graduate degree programs and subsequent increases or decreases. The President will report annually to The Regents on self-supporting graduate programs and their tuition and fee levels.
- C. Programs administered in cooperation with UC Extension shall follow all requirements of this policy, and tuition and fees must be set to cover all program costs as defined in I.B, above.
- D. Self-supporting program tuition and fees should be levied such that they will cover all program costs after a short phase-in period.
- E. Self-supporting program tuition and fees should be based on a full and accurate assessment of all program costs as defined in I.B. The proposed self-supporting program tuition and fees, its phase-in plan, and its justification shall be submitted with the proposal for the program to the President. When the self-supporting program tuition and fees have been fully implemented, no State General Funds (including student tuition and/or fee revenue from sources other than the program) will be provided to the program. Non-State funds can be used for a self-supporting program if a campus determines that it is necessary to meet a critical strategic need. If the program fails to reach self-support in line with its phase-in plan, state funds will be withdrawn

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<sup>4</sup> Some degrees in professional schools are under Graduate Council and CCGA jurisdiction.



from its support. Self-supporting programs will be periodically reviewed by campus and/or systemwide audit to assure compliance to policy.

- F. University employees enrolled in self-supporting degree programs are not eligible for reduced course tuition and fees. However, this provision does not preclude the option of the employee's department subsidizing a portion of the tuition and fees.
- G. Program deficits including any deficits during the phase-in period, will be covered by the campuses; state funds cannot be used to cover any deficit. Campuses are encouraged to identify in advance one fund source to be used to cover deficits.
- H. State-supported and self-supporting programs must separately account for their use of resources. Campuses shall not charge a "blended" tuition and fee level for any course or program (i.e., a program tuition and fee level that combines state-supported and self-supported students). However, self-supporting and state-supported students can be enrolled in the same courses so long as there is separate accounting for the self-supporting and state-supplied costs.
- I. Self-supporting programs must have an articulated financial accessibility goal for their students and a student financial support plan for achieving their goal. Examples of possible student financial support plan components include providing scholarships or grants from the program's own resources (e.g., return-to-aid from program tuition and fees assessed but not from state funds or tuition and/or fees charged to students in state-supported programs, or funds raised through private philanthropy), providing tuition and fee waivers, participation in federal and/or private loan programs, and participation in other external support programs such as veterans benefits. Self-supporting programs are responsible for meeting the administrative requirements and costs of financial aid program participation.

## REVISION HISTORY

This policy supersedes the Presidential policy of the same name dated June 24, 1996 and any guidance issued by the Budget Office prior to the issuance date of this revision.

## **Implementation Guidelines for the Policy on Self-Supporting Graduate Degree Programs**

### Program Approval

For new self-supporting graduate degree programs, campuses should obtain required program approvals. The establishment of any new self-supporting graduate program shall be approved by the campus Graduate Council, Divisional Senate, Systemwide Academic Senate, campus administrators, the Chancellor, and the UC President according to established procedures and requirements as specified in the *Compendium of Universitywide Review Processes for Academic Programs, Academic Units, & Research Units*.

### Cost Analysis and Tuition & Fee Approval Request

All programs must submit an annual cost analysis to Budget and Capital Resources. This analysis includes an estimate of average costs for the campus and school in addition to direct program costs. Program costs include the direct costs of staff and faculty salaries and benefits, supplies and equipment, and financial aid. Campus and school costs are the indirect costs for items such as instruction, research, public services, academic and administrative support, and operation and maintenance of the plant.

Programs are expected to demonstrate that student tuition and fees cover full direct and indirect costs, and, to the extent that program tuition and fee revenue is insufficient to cover these costs, that only non-State fund sources (excluding student tuition and/or fee revenue from sources other than the program) are used to subsidize the program.

In addition to the cost analysis, campuses must submit a program tuition and fees approval request letter to the Vice President – Budget and Capital Resources for all of their proposed self-supporting programs. Campuses must provide requested program tuition and fee levels and the percentage tuition and fee increases for each program, as well as provide information about upcoming new programs and programs operated by University Extension.

Newly proposed self-supporting programs submit the same cost analysis to Budget and Capital Resources. Programs are expected to become fully self-supporting within three years, though campuses may continue to subsidize programs with non-State funds (excluding student tuition and/or fee revenue from sources other than the program) at their discretion. Program deficits including any deficits during the phase-in period, will be covered by the campuses; state funds cannot be used to cover any deficit. Campuses are encouraged to identify in advance one fund source to be used to cover deficits.

### Faculty FTE

All faculty must be funded directly from the revenue of self-supporting programs in proportion to the faculty member's workload commitment to the program, or the program must reimburse an amount equivalent to the cost of faculty time. This includes the involvement of faculty from other departments. Alternatively, faculty can be paid for overload teaching within the 120% salary limitation that governs teaching in University Extension. Appropriate campus review committees should be vigilant to ensure that the overload option and 120% salary limitation are used appropriately.

### Enrollments

Because enrollments in these programs are self-supported, they should not be included in counts of state-supported enrollment. Programs should be identified in the Corporate Student System by a separate major code and attribute flagging the enrollment as self-supporting.

## Timeline


Campuses receive cost analysis templates for the next academic year in December, as well as the previous year's actual self-supporting enrollment numbers from the Corporate Student System. Campus financial statements, used in the preparation of the cost analysis, are posted online late in the month. Detailed instructions for the program tuition and fees approval request letter are also given at this time.

Templates and letters are due back to Budget and Capital Resources (BCR) by March 1. After review by BCR, templates and a summary of program tuition and fee requests are given to the President for approval, which usually happens by April. Campuses are then notified of approved program tuition and fee levels for the upcoming academic year. This information is also reported to The Regents annually.



December 7, 2015

To: Jose Wudka, Chair  
Riverside Division

From: Leonard Nunney   
Committee on Library, Information Technology and Scholarly Communication


Re: Proposal for a Master of Supply Chain & Logistics Management

The Committee on Library, Information Technology and Scholarly Communication reviewed the proposal for a Master of Supply Chain & Logistics Management at their December 7, 2015 meeting. The Committee sees no significant increase in library acquisitions will be needed for the program. Therefore, the committee approves the proposal.

**UC RIVERSIDE** UNIVERSITY OF CALIFORNIA | **Academic Senate**  
**COMMITTEE ON DIVERSITY & EQUAL OPPORTUNITY**

December 16, 2015

To: Jose Wudka, Chair  
Riverside Division of the Academic Senate

From: Manuela Martins-Green, Chair   
Committee on Diversity & Equal Opportunity

Re: Proposal for a Master of Supply Chain & Logistics Management

The Committee on Diversity and Equal Opportunity met on December 3, 2015 to discuss SoBA's proposal for a Master of Supply Chain & Logistics Management given the self-supporting program's claims regarding diversity. Specific aspects of diversity highlighted within the proposal included an objective to help bring greater socioeconomic diversity to the profession and to meet an untapped demand for under-represented minority graduates. The Committee wholeheartedly supports the proposal's intent and applauds the program for taking on this initiative. In addition, the Committee encourages departments that are contemplating their programs to consider incorporating this same initiative into their proposals.