

Brown and Yudof Bail on Master Plan

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this letter is being sent to all SCFA members

To the SCFA membership:

We have reproduced below an important update concerning Governor Brown's compact with UC President Mark Yudoff, which has been prepared by Robert Meister and our colleagues at the Council of UC Faculty Associations. The article also appears on the [Keep California's Promise](#) site and on [Calitics.com](#) where you can (and we hope that you will) post your comments.

Best Regards,

The SCFA Board

BROWN AND YUDOF BAIL ON THE MASTER PLAN

By: Bob Meister, President of CUCFA (Professor of Political and Social Thought, UCSC)

On June 27, Governor Jerry Brown vetoed language inserted by both houses of the legislature that would have tied UC funding to admitting a minimum number of students (the same enrollment target as in previous budgets). His veto message says as follows:

"Deletes provision 15 of item 6440-001-0001 from AB 1497, because the requirement contained in this provision that the University achieve an enrollment target of 209,977 resident full-time equivalent students creates unnecessary cost pressures on this item and is unnecessarily restrictive."

Is such language no longer necessary? In the Schwarzenegger years the state budget set an enrollment target for UC and required that funds be "reverted" to the state if UC did not meet that target. Jerry Brown's first budget maintained the goal of a minimum expected enrollment but explicitly rejected the reversion penalty. This year, the enrollment target itself was missing from the Governor's January budget and from the May revise. After the LAO noticed its absence, the state legislature put it back.

Governor Brown's veto means that, although Master Plan eligibility still exists on paper the state will no longer monitor UC's compliance with Master Plan expectations. The Governor's veto should thus be read as a symbolic repudiation of the Master Plan's link between UC's state funding and its commitment to admit all eligible Californians. Maybe UC will keep its in-state

enrollments constant for next year. But if you want a sense of where things are headed, just listen to President Yudof crow: "[The] bill included California resident enrollment target language that is not consistent with funding levels provided from the State... In accordance with my request the Governor vetoed the budget provisions on the enrollment target" (Yudof to Regents, June 29, 2012)

On Friday, June 30, Eric Hays (The Council of UC Faculty Association's Executive Director) and Joe Kiskis (CUCFA's VP for External Relations) attended a meeting at UCOP in which the likely outlines of the Governor's compact with Yudof were revealed. Joe reports as follows:

In the event that Brown's ballot initiative does pass, the governor has promised to dust off the multi-year (4-year? 5-year?) UC funding agreement that was apparently worked out between OP and the Governor during the spring and has since been on hold. The present version of this has a 6%/yr increase in state support for UC. That is the 4% previously rumored plus 2% for UCRP. In that eventuality, OP would likely ask the Regents for a 6%/yr tuition increase. (You read that right.) In the event that the ballot initiative does not pass, OP will probably ask the Regents for a tuition increase sufficient to make up for the \$250M trigger, the lost \$125M tuition buy out, and some other increasing fixed costs for a total increase of 20.3% to be effective Jan. 1, 2013. Yes, mid-year.

So here's the deal. Jerry Brown will allow UC's in-state tuition to compound, even in his best-case scenario, and has agreed with Yudof that UC will no longer be accountable for replacing California students with non-residents, each of whom yields a surplus revenue of c.\$22,000. The UC campuses that displace California students will, moreover, will be allowed to keep all the extra money this brings in thereby increasing their budgetary advantage over campuses that meet what were once regarded as Master Plan expectations. (See http://cucfa.org/news/2012_jun24.php) But from now on there will be no Master Plan targets stated in the budget, and thus no official reason for the Governor or his Department of Finance to keep track of whether the UC system and its individual campuses are complying with the Master Plan's commitment to find a place for all eligible Californians. If they don't, who will? The California Post-Secondary Education Commission, which was created for this purpose, was abolished in last year's budget. When the Legislature tried fulfill this Master Plan role, the Governor used his line-item to block this at Yudof's request.

Eric Hays has kept track of how far the Governor Brown has moved away from Master Plan language in the Schwarzenegger budgets:

- 2010-11 (Schwarzenegger's last year): "The Legislature expects the University of California to enroll a total of 209,977 state-supported FTES during the 2010-11 academic year. This enrollment target does not include nonresident students and students enrolled in non-state-supported summer programs. The University of California shall report to the Legislature by March 15, 2011, on whether it has met the 2010-11 academic year enrollment goal. For purposes of this provision, enrollment totals shall only include state-supported students. If the University of California does not meet its total state supported enrollment goal by at least 512 FTES, the Director of Finance shall revert to the General Fund by April 1, 2011, the total amount of enrollment funding associated with the total

share of the enrollment goal that was not met." (page 604-605 of http://www.documents.dgs.ca.gov/osp/GovernorsBudget/pdf/fbudsum_1011.pdf)

- 2011-12 (Brown's first year): "The Director of Finance shall not revert state funds appropriated to the University of California for the 2011-12 fiscal year pursuant to subdivision (c) of Section 59 of Chapter 7 of the Statutes of 2011 even if the university does not meet its total state-supported enrollment goal." (page 602 of http://www.documents.dgs.ca.gov/osp/GovernorsBudget/pdf/Governors_Budget_2011-2012.pdf)
- 2012-13 (language inserted by the Legislature and vetoed by Governor Brown): ""The Legislature [emphasis added] expects the University of California to enroll a total of 209,977 state-support-ed full time equivalent students during the 2012-13 academic year. This enrollment target does not include nonresident students and students enrolled in nonstate supported summer programs. The University of California shall report to the Legislature [emphasis added] by May 1, 2013, on whether it has met the 2012-13 academic year enrollment goal."