



UNIVERSITY OF CALIFORNIA

Discussion of 2009-10 Budget Issues

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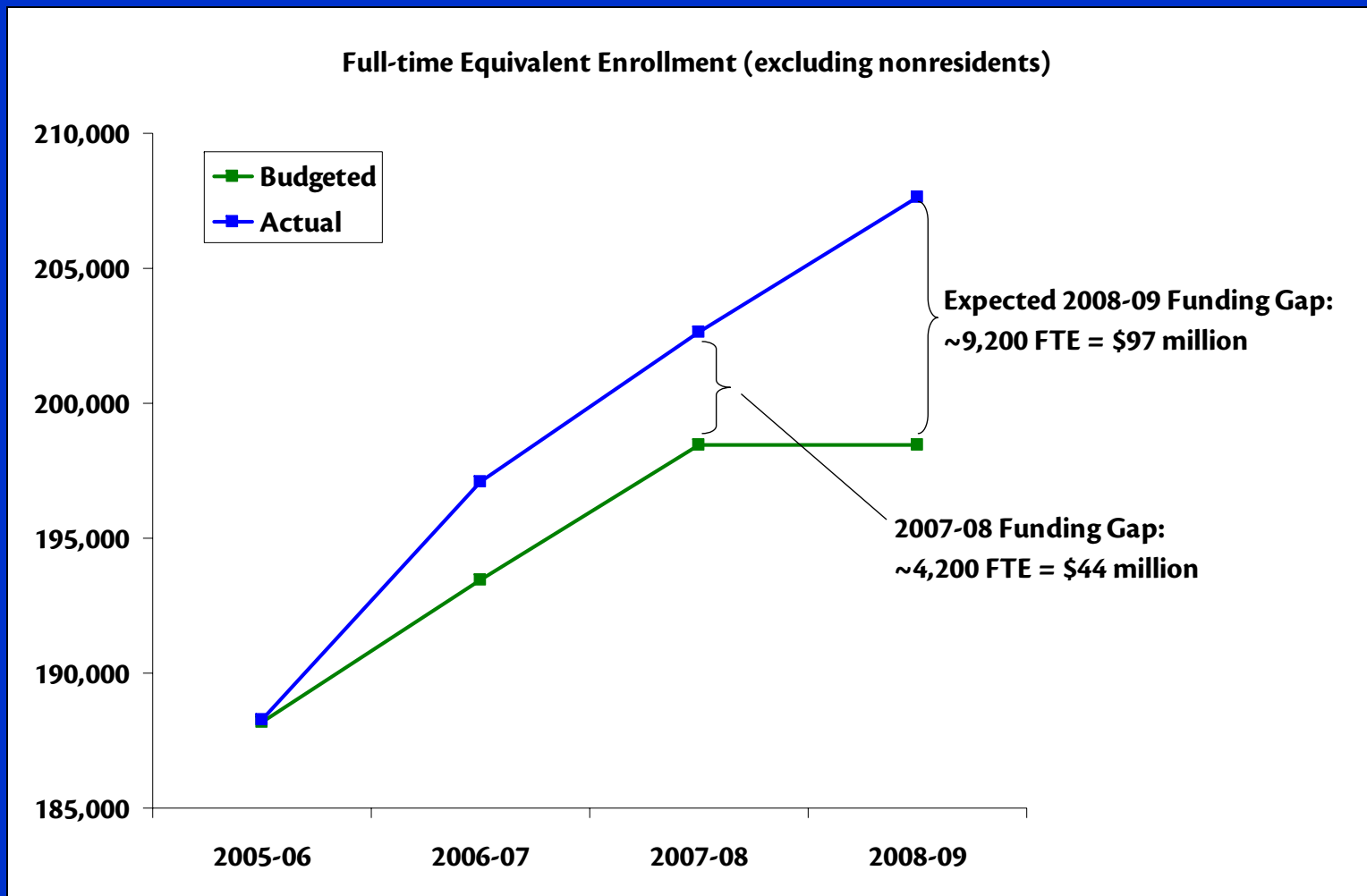
2009-10 UC Budget Revenue Options

- State General Fund Revenue
- UC General Fund Revenue
- Student Fee Revenue
- UC Program Efficiencies
- Campus Budget Reductions

2009-10 UC Budget Issues

- Enrollment Growth
- Compensation
- Health Benefits
- Purchased Utilities
- Retirement Contributions
- Campus Budget Priorities
- Capital Facilities Projects

Enrollment Growth



Compensation Costs

- 2008-09 continuation costs
- Academic merit increases
- Faculty salary lag
- Restoration of staff competitive salaries
- 2008-09 UC Budget – No state funding

Health Benefits

- 2009-10 health benefits costs may increase by 10 to 14 percent, representing a cost of \$30 to \$37 million
- Actual costs subject to collective bargaining

Purchased Utilities

- Campus cumulative deficits \$35 to \$40 million
- Natural gas and electricity costs \$25 to \$40 million

Retirement Contributions

- Restart of employer and employee contributions
- No contributions for past 18 years
- UC may need \$250 million initially from the State just to meet its 2009-10 first year costs

Campus Budget Priorities

- President Yudof's letter to campuses
- Identified specific needs for health sciences, student financial aid, graduate student support

Capital Facility Projects

- Must address enrollment growth, seismic safety, capital renewal, health sciences
- Dependent on legislative approval of state lease-revenue bonds