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

Full-time Equivalent Enrollment (excluding nonresidents)

- **Budgeted**
- **Actual**

**Expected 2008-09 Funding Gap:**
- ~9,200 FTE = $97 million

**2007-08 Funding Gap:**
- ~4,200 FTE = $44 million
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