University of California
Update on the 2013-14 Budget

Executive Vice President Nathan Brostrom
Vice President Patrick J. Lenz

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Budget Update: May Revise State General Fund Changes

• 2012-13 General Fund revenues up $2.8 billion
• 2013-14 General Fund revenues down ($1.3 billion)
• Significant capital gains taxes paid in 2012
• Federal payroll tax holiday not extended
• Revenue loss as a result of Sequestration
Budget Update: May Revise
2013-14 UC Budget

- Continues support for 5/5/4/4 multi-year funding proposal
- Continues call for 4-year tuition freeze
- Continues support for debt restructuring proposal
- Continues support for Online Technology funding
- Discontinues proposal for unit cap on State-subsidized courses
- Initiates discussion on Performance Outcome Measures
## 2013-14 UC Budget Update: May Revise

**2012-13 State General Funds** $2,377B

- 2012-13 Deferred tuition and fee buyout 125.0M
- 5% Base Budget Adjustment 125.1M
  
  [$10M for Online Education]
- Annuitant Health Increase 6.4M

**Available for Operations** $256.5M

- Lease Revenue Bond Payment Adjustment 10.2M
- G.O Bond Debt Service 201.7M

**2013-14 State General Funds** $2,846B*

*Numbers don’t add due to rounding.*
May Revise: UC Budget Requests

- Governor’s support for debt restructuring proposal

Comparison of Restructured Debt Service – 30% Variable / 70% Fixed Rate
May Revise: UC Budget Requests

• Address UCRP employer costs
  – UC requests $67 million to cover 2013-14 UCRP costs above 2013-14 base budget increase of 5%
  – Governor’s Budget supports 5% base budget increase for CSU and an additional $51.4 million for CSU employer retirement costs

• One-time funding to reduce UCRP liability costs
$15 million for UC Riverside School of Medicine, funding consistent with Governor’s health care reform

- UC capital facility needs, particularly Classroom and Academic Building at UC Merced

- Proposition 39 energy efficiency funding and CARB Cap and Trade revenues