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June 18, 2012

The President
The White House
1600 Pennsylvania Avenue, N.W.
Washington, D.C. 20500

Vice President Joe Biden
The White House
600 Pennsylvania Avenue, N.W.
Washington, D.C. 20500

Dear Mr. President and Mr. Vice President:

You issued a challenge recently to college presidents, calling for greater transparency in providing important information about costs and financial aid to students, and requested that all colleges develop consumer-friendly tools to help students and families understand college costs and financial aid. The University of California appreciates your leadership in this effort, particularly your focus on student access, college completion, affordability, and accountability.

As President of the University of California, I established the annual UC Accountability Report, which supports the University's strategic planning and informs budget decisions, as well as ensures the responsible stewardship of the institution. The report reflects the University's commitment to be open and accountable in all its activities, its decision-making and its governance. It also clearly demonstrates the University of California's leadership in transparency, and in its collection, analysis, and presentation of data across a broad spectrum of activity surrounding student access, affordability, and success at our campuses.

I am in complete agreement that students and their families need clear and understandable information regarding the costs of a college education and the type and amount of financial aid they may qualify for, in order to make informed decisions regarding the value of offers from different institutions. UC campus financial aid offer letters typically include the following common elements:

- The student's total cost of attendance, which reflects not just tuition but all other expected expenses, tailored to the student's expected housing category and based upon a comprehensive survey of actual student expenditures.
- Grants and scholarships, or "gift aid," which reduce the cost for many students.
- The student's net cost, which represents the true cost that students and their families are expected to finance.
- The share of the student's net cost expected to be paid by the student through savings, federal loans and/or employment such as work-study.

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- The share of the net cost expected to be paid by parents from current income, savings, or parent loans.

UC clearly and widely discloses this type of information about how students can finance a UC education in a variety of ways beyond actual individual offer letters--on the internet, in our printed materials, in our web-based individual student financial aid calculators, and as a major part of our counselor-conference presentations held across the state of California. UC has been reviewing and commenting on the various proposed cost-comparison tools that have been released by the White House, the US Department of Education (ED), and the Consumer Financial Protection Bureau (CFPB), including the college scoreboard, the cost-comparison worksheet, and the Financial Aid Shopping Sheet developed jointly by ED and the CFPB.

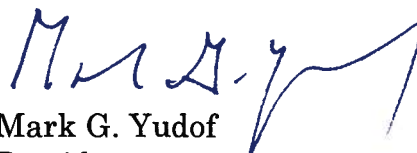
Overall, the University of California has been extremely supportive of efforts to provide greater transparency to students and families about college cost and affordability. UC is supportive of adding new information from the shopping sheet about student debt and expected estimated monthly loan payments. The University of California stands ready to work with you, the Department of Education, the CFPB and others as these materials are further refined to ensure that students and families have accurate and comparable information as they make decisions regarding their future and higher education.

Even as reductions in California's State support for the University have, regrettably, shifted more of the cost of a college education to students and their families, the university continues to maintain an impressive track record with respect to both access and excellence. We enroll a far higher percentage of Pell Grant recipients (39 percent) than comparable research universities; our students succeed, as evidenced by a high six-year graduation rate of 83 percent (85 percent for Pell grant recipients); and only about half of UC students graduate with student loan debt. Our borrowers' average debt at graduation is about \$18,000, which is manageable in light of their earning potential, and well below the national average.

Again, thank you for your leadership in higher education, and I appreciate the opportunity to share my views with you.

With best wishes, I am,

Sincerely yours,



Mark G. Yudof
President

cc: Provost Pitts
Provost-designate Dorr
Senior Vice President Dooley
Vice President Sakaki
Associate Vice President Falle