

UNIVERSITY OF CALIFORNIA

Preliminary Discussion of the University's 2008-09 Budget and Initial Planning for New Process to Develop the 2009-10 Budget



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Development of 2008-09 Budget

- Preliminary planning underway for the 2008-09 budget in accordance with Regents' priorities
- Task Force to Evaluate University Funding Options, co-chaired by Regents Moores and Gould
- Systemwide academic planning process

Priorities previously endorsed by Board of Regents

- Maintain a viable student-faculty ratio
- Pay competitive salaries for faculty and staff
- Ensure adequate support is provided for research
- Continue to enroll students to provide access to a high quality education
- Ensure student fee increases are as predictable as possible and adequate financial aid is provided
- Stabilize support for student academic preparation programs

Highest Priorities for 2008-09

- Compensation package of 5% for COLAs, merits, employee benefits and other cost increases;
- Enrollment workload increase of 2.5% (5,300 FTE);
- Funding for core needs – instructional equipment, instructional technology, libraries, ongoing building maintenance;
- Continue multi-year plan to restore student-faculty ratio;
- Graduate academic student support;
- Research initiatives of importance to the state;
- Continuation of one-time funding for Merced;
- Funds for deferred maintenance, if one-time funds are available.

Funding for 2008-09 budget plan will come from a variety of sources

- Base budget adjustment of 4%
- Additional base budget adjustment of 1% for core needs
- Enrollment funding at the agreed-upon marginal cost
- Student fee increases or equivalent state funds
- UC General Funds

Capital Outlay

- Compact specifies \$345 million from GO bonds (or State lease revenue bonds)
- Funding for 2008-09 will require a new bond measure
- Plan will continue to include projects that address seismic and life-safety improvements, enrollment growth, modernization of aging facilities, and infrastructure

Reinstatement of Retirement Contributions

- In the current version of the State budget, funds are not included for the State's share of resuming employer contributions in 2007-08
- Need to revisit this issue for 2008-09

Next Steps

- Further discussion at September meeting
- Approval of budget plan in November
- Governor's Budget is released January 10