

**THE REGENTS OF THE UNIVERSITY OF CALIFORNIA
MEETING AS A COMMITTEE OF THE WHOLE**

July 14, 2011

The Regents of the University of California met on the above date at UCSF–Mission Bay Community Center, San Francisco.

Members present: Regents De La Peña, Gould, Hallett, Island, Kieffer, Lansing, Lozano, Makarechian, Mireles, Newsom, Pattiz, Pelliccioni, Reiss, Ruiz, Varner, and Zettel

In attendance: Regents-designate Mendelson, Rubenstein, and Stein, Faculty Representatives Anderson and Simmons, Secretary and Chief of Staff Kelman, Associate Secretary Shaw, General Counsel Robinson, Chief Investment Officer Berggren, Chief Compliance and Audit Officer Vacca, Provost Pitts, Executive Vice President Brostrom, Chief Financial Officer Taylor, Senior Vice President Stobo, Vice Presidents Beckwith, Darling, Duckett, Lenz, and Sakaki, Chancellors Birgeneau, Block, Blumenthal, Drake, Fox, Katehi, Leland, White, and Yang, and Recording Secretary McCarthy

The meeting convened at 8:40 a.m. with Chairman Lansing presiding.

Chairman Lansing said that the State legislature recently cut the University's budget by \$650 million. When those cuts are combined with an additional \$350 million in mandatory costs, UC faces a budget shortfall of \$1 billion. Chairman Lansing reaffirmed the Regents' commitment to access and quality. All possibilities for dealing with the budget shortfall would be examined and evaluated.

PUBLIC COMMENT

Chairman Lansing explained that the Board had been convened as a Committee of the Whole in order to permit members of the public an opportunity to address University-related matters. The following persons addressed the Board concerning the items noted:

1. Mr. Nelson Cortez, UC Santa Cruz student, expressed his opinion that the issue of a possible "trigger" reduction in State funding to UC later in the year and the University's response to such a reduction should be tabled at the current meeting and considered separately, if necessary in the fall should the State cut UC's budget further.
2. Ms. Joelle Gamble, fourth-year UCLA student, stated that students understand that California is in a financial crisis that has resulted in an educational crisis. This crisis offers the Regents an opportunity to take a stand for maintaining UC as an affordable, accessible university. She stated that the Regents should follow the course of action taken by California State University (CSU) and vote against a "trigger" increase in student tuition.

3. Mr. Kulginder Sran, UCSF dental student, stated that any future tuition increase should be discussed and considered at that time. He spoke against a “trigger” increase, which he stated would allow an additional 5.6 percent tuition increase should State revenue projections not be met in the fall. He expressed his opinion that such a “trigger” increase would set a dangerous precedent of a tuition increase without proper discussion or consideration. He noted that a similar “trigger” was proposed and then tabled in the CSU budget.
4. Mr. Spencer McLeod, UC Berkeley student, stated that the future of the UC system lies in the hands of the Regents. He asked the Regents to save the University for the benefit of future Californians.
5. Ms. Chris Schildt, UC Berkeley alumna, UC Berkeley graduate student, and head steward for United Auto Workers (UAW) Local 2865, which represents 12,000 academic student employees throughout UC campuses, commented that the current State budget represents a continued attack on public education. She expressed disagreement with the current proposal to increase tuition, which she characterized as being against UC’s founding principles. For the first time, student fees would be a greater revenue source than State funding. UAW 2865 stands for maintaining the rights of future generations to high-quality public education. Ms. Schildt stated that the Regents should not adopt a model of privatization.
6. Ms. Amanda Armstrong, member of UAW Local 2865, urged the Regents to support the goals of affordability and accessibility for public education, upon which UC’s reputation for quality stands. She stated that union members would fight against the unnecessary dismantling of the UC system. Union members witness the effects of budget cuts, such as increased class sizes, workloads, student debt, time to graduation, facilities in disrepair, and reduced library hours. The University needs new leadership from within UC, willing to fight to protect public education. She stated that there are too many administrators at UC.
7. Mr. Eran Zelnik, member of UAW Local 2865, stated that the Regents should vote against the proposed tuition increase and should reduce the number and salary levels of upper management. These savings could be redirected to the core functions of the University, teaching and student support. New revenue should be sought for the University by closing tax loopholes and introducing new taxes on corporations and the wealthy.
8. Mr. Ahmed Mostafa, UC Santa Barbara student, noted that the plan for the future should be one of unity and collaboration. He spoke against a proposed “trigger” tuition increase.
9. Ms. Bahar Navab, president of the UC Berkeley Graduate Assembly, acknowledged the difficult financial challenges the Regents face, but stated that the financial burden should not be transferred to students. She spoke in favor of maintaining both quality and affordability. She stated that graduate students cannot be expected to incur increasing

debt and encouraged the exploration of sustainable long-term solutions. She expressed her concern about a possible “trigger” increase.

10. Ms. Vishalli Loomba, president of the Associated Students of UC Berkeley (ASUC), stated that she is a first-generation American who, like many of her fellow students, benefited from UC Berkeley’s accessibility and excellence. She expressed concern that the University would no longer provide opportunities for students like her because of increasing tuition levels. UC doors would be closed to many students with great potential. She stated that the Regents should consider all alternatives for absorbing budget cuts before deciding on another fee increase. She also spoke against a “trigger” fee increase of 5.6 percent that would set a dangerous precedent for transferring budget cuts to students with no discussion of alternatives.
11. Ms. Giselle Armendariz, first-year student at California State Polytechnic University, Pomona, stated that UC tuition has increased more than 300 percent over the past decade. She said that funding for California higher education is being cut while the state’s corporations are receiving huge tax cuts. She stated that UC has taken no stance on issues of corporate taxes and that several Regents sit on boards of corporations that receive tax breaks. For instance, Regent Lozano is on the board of the Walt Disney Company, which benefits from a newly created Enterprise Zone. She urged Regents who sit on corporate boards to advocate for funding for UC instead of corporate tax breaks.
12. Mr. Joseph Silva, third-year UCLA student, asked the Regents to reject the proposed fee increase and to lobby the Legislature to end corporate tax loopholes. He stated that Governor Brown had proposed the elimination of the Enterprise Zone program. Mr. Silva noted that State funding of higher education would bring more benefit to California than corporate tax breaks would. He noted that several Regents sit on corporate boards and that Regent Lozano sits on the board of the Walt Disney Company, which could benefit from the Enterprise Zone program.
13. Mr. Alex Jreisat, UCLA transfer student and first-generation college student, expressed concern about the frequency of tuition increases and the lack of a plan to combat the State’s disinvestment in higher education. He stated that tuition has increased more than 300 percent in the last ten years, and UC’s financial aid has not kept pace. Mr. Jreisat stated that he had to incur additional indebtedness before his first quarter at UCLA has begun. Education spending is a necessary investment in the future. Corporate tax breaks should be eliminated in favor of investment in education.
14. Mr. Matt Abularach, fourth-year UCLA student, expressed his opinion that the Regents should become more visible to the students. He stated that the Regents could have taken a public stance supporting extension of temporary tax increases. He invited the Regents to visit more often with students on campus so that students and the Regents could work together on many issues.
15. Mr. Jeremy Pilaar, fourth-year UC Berkeley student, stated that UC Berkeley is at an important crossroads. Further cuts would gut the quality of the University and further

tuition increases would decrease access. The State government must be petitioned to raise revenues. All segments of the University should work together to find innovative sources of revenues, such as an oil severance tax. He stated his opposition to a 5.7 percent “trigger” tuition increase, because it would preclude any discussion or student involvement. He urged the Regents to table discussion of a “trigger” increase, as did CSU.

16. Ms. Sydney Fang, UC Berkeley ASUC Senator-elect, spoke in defense of public education for all California students. She stated that the proposed tuition increase comes at a time when students are struggling because of consolidation of academic programs, elimination of vital student services, delayed graduation, and the possibility of dropping out of school for lack of funds. Ms. Fang acknowledged that the Blue and Gold Opportunity Plan provides access for many students, but it excludes AB 540 students and also is not guaranteed for subsequent years. She stated that students of color, non-traditional students, and first-generation students would be most affected by the proposed tuition increase. She advocated exploring alternative sources of revenue rather than raising tuition.
17. Ms. Julia Gettle, third-year UC Berkeley student, stated that the University needs to strengthen its advocacy efforts in Sacramento. She noted that, although State legislators affirm their support for the University, they have continually cut UC’s budget. She stated that the University’s budgetary position with the State has been affected by years of initiative budget measures and federal mandates, which have left higher education as the largest part of the California budget that can be cut. Ms. Gettle encouraged the use of stronger messaging and more widespread advocacy measures, particularly in State committee hearings and at the legislators’ district offices.
18. Mr. Andrew Albright, UC Berkeley undergraduate and ASUC Senator-elect, noted that the proposed fee increase would make it impossible for him to continue with his planned double major, since the cost of the necessary additional semester would be prohibitive. In order to graduate with a limited amount of debt, he would have to lower some of his academic goals. While he acknowledged the budgetary pressure on the Regents, he noted that tuition increases result in graduating students with lower qualifications and thus a less-qualified California workforce. The Regents should have a vested interest in creating a strong workforce; however, the proposed tuition increase would do the opposite.
19. Ms. Mollie Epstein, treasurer of the UC Berkeley Graduate Assembly, stated her opposition to proposed tuition increases, particularly a “trigger” increase. Increasing student tuition in response to every State budget cut is not a sustainable practice. The tuition increases are particularly difficult for graduate students, the majority of whom are financially independent from their parents. Graduate students depend on the Regents’ support, particularly as the federal government has threatened to cut federally subsidized loans. The California public higher education system is at risk of losing the best graduate students to schools with better financial aid packages. UC depends on its graduate students to perform research, write grant proposals, and to teach undergraduates, all of which would be affected by a decline in the quality of its graduate students.

20. Ms. Lacie Pierre, UC Merced student and Student Fee Advisory Committee vice-chair, delivered a statement from Lamar Williams, president of the Associated Students of UC Merced. She noted that the State had once again failed to fund public higher education adequately. Both students and the UC administration should work together to improve funding of higher education. Mr. Williams is of the opinion that the explanation of proposed higher fee increases is not clear. She urged the Regents and UC administration to join students in their stand to urge the State Legislature to maintain the accessibility of UC.
21. Ms. Leigh Mason, fourth-year UC San Diego student and associate vice-president for student services of the Associated Students of UC San Diego, stated that a tuition increase in addition to the existing eight percent increase would be unjust. Families and working students are already scrambling to pay for this fall's tuition and classes would begin in just a few weeks. She suggested cutting overhead at the campuses before raising tuition again.
22. Mr. Jared Voskuhl, external vice president of UC Davis Law Students Association, acknowledged the difficult position of the Regents in having to make budget cuts. He expressed gratitude for the Regents' work with the State Legislature and for the fact that the budget cut was \$650 million rather than the possible \$1 billion.
23. Mr. William Hamilton, director of academic affairs for the Associated Students of UC Merced, thanked the Regents for their continued support of the Merced campus. He expressed gratitude that he has not seen cuts to Merced's building infrastructure and the new buildings under construction. He noted the positive support for the Merced campus from the Office of the President. Mr. Hamilton stated that he went to both high school and community college in the Central Valley and is grateful that he was able to transfer to UC Merced. He thanked the Regents for their service to the state and to the underserved region of the Central Valley.

The meeting adjourned at 9:15 a.m.

Attest:

Secretary and Chief of Staff