

Media Advisory For immediate release: July 14, 2009



UC employees, students join state Senator Leland Yee to protest President Yudof's proposals, offer alternatives at regents' meeting

WHAT: press conference with Senator Leland Yee and UC employees

WHERE: UC San Francisco, Mission Bay, 1675 Owens Street, SF

(outside the Community Center on the Owens Street side)

WHEN: 7:30–8:00am, Wednesday, July 15

VISUALS: hundreds of protesting employees, students



As UC's Board of Regents votes on giving President Mark Yudof "emergency powers" to slash budgets and impose furloughs, employees are angry that simple alternatives to cover the small decrease in state funding are not being considered.



Joined by state Senator Leland Yee (D–San Francisco/San Mateo), hundreds of UC staff, faculty and students will attend the meeting to call attention to the root of the problem: a board of regents acting with no transparency or accountability to the people of California it is supposed to be serving. A coalition of unions representing tens of thousands of UC workers will demonstrate at the meeting.

Recent bills co-authored by Senator Yee (SB 217, SB 218 and SCA 21) call for greater legislative oversight of UC finances, and would prohibit the recent trend by the regents of awarding executive raises while simultaneously raising tuition for students.

"President Yudof proposes to cut patient and student services by cutting our hours. This will increase patient to staff ratios and therefore hurt patient care," says Lakesha Harrison, a licensed vocational nurse and president of AFSCME 3299, which represents patient care and service workers. "UC can tighten the belt without devastating effects. Unfortunately, instead of working with its workers to find solutions, UC administrators have been blocking transparency and real dialogue.

"The decrease in state funding amounts to only 2.5% of UC's budget," says Jelger Kalmijn, a staff research associate and president of University Professional and Technical Employees (UPTE–CWA 9119), which represents 10,000 researchers, techs and health care professionals. "California has a budget crisis, but UC has billions of dollars of reserves that could be tapped. Or UC could redirect its fundraising abilities, use other sources of income such as the highly profitable medical centers, or institute a pay cut for the thousands of executives who make exorbitant salaries," said Kalmijn. (See fact sheet on next page).

"The only crisis UC faces is a crisis of leadership," says Kathy Renfro, a library assistant and member of the Coalition of University Employees, representing clerical workers. "Rather than discussing the alternatives," she said, "President Yudof is calling for cuts that will result in lasting damage to the patient care, education and critical research which is saving lives and revitalizing our economy."

UC BUDGET FACTS: California needs fiscal transparency from UC: the lavish spending by the regents shows there are many reasonable options to cover the small drop in state funds.

Let's put UC's decrease in state funds in perspective:

\$3.13 billion – UC received from the state in '07-08

\$3.07 billion – current governor proposal for '08-09 (with federal aid)

\$2.63 billion – current governor proposal for '09-10

This \$500 million decrease in state funds is only 2.5% of UC's \$20 billion budget. Mark Yudof claims tuition increases and pay cuts from employee paychecks are needed at a time when:

- **\$1.6 billion** was raised by UC in gifts and donations in the last fiscal year. Use of these funds should be an option.

Source: <http://www.universityofcalifornia.edu/accountability/index/12.9>

- **\$7.2 billion** exists in UC's Short Term Investment Pool, a reserve fund separate from endowments and retirement funds. A portion of these funds can be used while the regents develop long-term, sustainable options.

Finances: http://www.ucop.edu/treasurer/invinfo/COI_IAG_Perf_Summary_3-09.pdf

- **\$80 million** was spent in 2009 by UC on properties purchased at values 13% and 64% above market (one was brokered by C.B. Ellis a company affiliated with Regent Richard Blum). If there is a "funding crisis" why was this done?

Source: http://www.contracostatimes.com/business/ci_12141812

- **Hundreds of millions** of additional grant dollars will flow into UC this fiscal year due to increased federal research funding to NSF and NIH via the economic stimulus bill. These funds will help cover the gap.

- **10 executives** were hired or awarded compensation increases during the Regents May 7th 2009 meeting. If there is a "funding crisis" why was this done?

The decrease in state funding is real. But it is outrageous for Mark Yudof to propose the shortfall can only be remedied by cutting staff pay and raising student fees. Before further damage is done to the university, we demand a full list of available options to cover the decrease in state funds.