

Proposition 13

- Requires a two-thirds vote to *raise* taxes, but only a simple 50 percent majority to *lower* taxes⁸
- Sets a 1% cap on corporate property tax-rate
- All property tax revenues allocated by the state government rather than local municipal governing bodies.⁹
- Creates budget crisis every year¹⁰

The Compact of Higher Education

- Signed in 2004, shifted government malfunction to the UC and CSU systems.
- Planned to increase state funding barely above inflation.¹¹
- Asked the UC and CSU to write their “budget plans based on the assumption that student fees will increase by [...] *10 percent per year on average*”¹²
- *Deliberately* shifted the cost of education onto students
- Undermined the UC’s “fundamental missions [of] teaching, research and public service.”¹³

[8] Shrag, Peter. *Paradise Lost: California's Experience, America's Future*. London: University of California Press, 1999. p. 156

[9]<www.lao.ca.gov/reports/2011/calfacts/calfacts_010511.aspx#xee_link_2_1294170707>

[10]<www.nytimes.com/2010/10/02/us/politics/02budget.html>

<www.sfgate.com/cgi-bin/article.cgi?f=/c/a/2009/02/15/MNSD15UNQH.DTL> <www.nytimes.com/2008/09/03/us/03calif.html> <www.sfgate.com/cgi-bin/article.cgi?f=/c/a/2004/07/06/BAG0C7H3N11.DTL>

References continued inside

26 regents.²

18 are political appointees, 12 year terms, and no requirement that they have experience in educational administration.³

4 democratically elected:

- I. Governor
- II. Lieutenant Governor
- III. Speaker of the Assembly
- IV. Superintendent of Public Education.

2 are *non-voting* faculty, even though the state constitution provides for full rights of participation⁴

1 is a student, appointed by the other regents for a one year term

0 are non-senate lecturers

0 are general staff

Sherry Lansing

- Chair of the regents
- On the search committee for UCSD’s new chancellor,⁵
- At least \$1 million dollars invested in Qualcomm
- 2006 joined the board of directors of Qualcomm⁶
- Since 2006 the UC has quadrupled its investments in Qualcomm, to a total of nearly \$400 million.⁷

Budget Cuts, Fee hikes, Privatization

“Failure of the State to provide any funding increases would cause tuition and fees to rise by 16 percent annually.”¹

-- UC Office of the President
September 2011

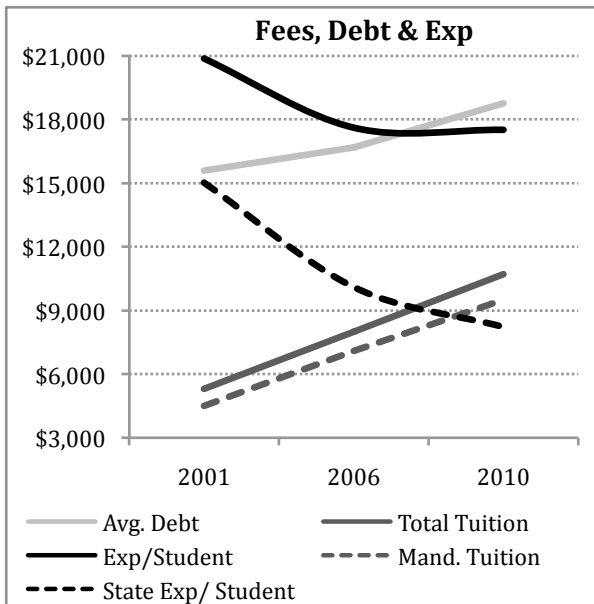
RECLAIM UCSD

reclaimucsd.wordpress.com

[1] www.universityofcalifornia.edu/regents/regmeet/sept11/f8.pdf

Paying More For Less

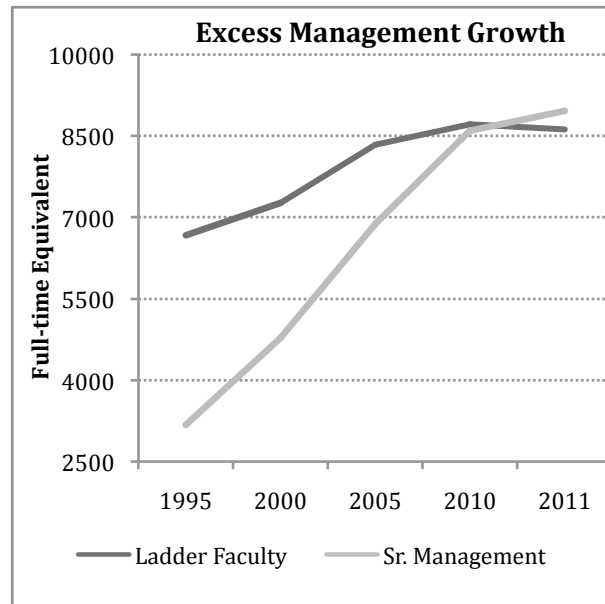
- Mandatory fees set by the regents have more than doubled since 2001 adjusted for inflation.¹⁴
 - UCSD's average debt at graduation increased 20%. In 2009, 48% of UCSD students graduated with debt at an average of \$18,757.¹⁵
 - Since 1990 expenditure per student has fallen over 19%. At the same time, *state support* per student fell 60% while tuition support more than tripled.¹⁶
- The UC shifted from public funding toward personal, private funding. *This shift was not and is not inevitable.*



[14] By a factor of 2.55 adjusted for inflation. <www.ucop.edu/budget/fees/documents/history_fees.pdf><goo.gl/mh9MK>
 [15] Adjusted for inflation.<www.universityofcalifornia.edu/accountability/index/3.7><goo.gl/EYpp3>
 [16] <budget.universityofcalifornia.edu/files/2011/11/2012-13_budget.pdf>

UC Excess Management

- From 1995 to 2010, senior management positions increased 182%, while teaching positions increased 48%.¹⁷
 - In 2007, excess growth in senior management cost \$603 million/year.¹⁸
 - As instructors retire they are not replaced,¹⁹ and three professors at UCSD were recently recruited to a private institution.²⁰
- The UC is moving from academic to entrepreneur. *This movement is not inevitable.*



[17] <www.ucop.edu/ucophome/uwnews/stat/><goo.gl/mr0nW>
 [18] <socrates.berkeley.edu/~schwrtz/Part_13.html>
 [19] <www.utsandiego.com/news/2011/aug/14/local-colleges-universities-face-budget-impacts/>
 [20] In the summer of 2011, three UCSD professors were recruited to a private university in Texas <articles.latimes.com/2011/jun/29/local/la-me-brain-drain-20110629>

Investment Risk

- Since 2004 billions of dollars have been invested through private investment firms²¹
 - These firms are non-transparent, lightly regulated, and highly risky
 - These firms have charged the UC tens of millions of dollars so far.
 - UC made highly risky investments, despite advice of a former treasurer²² and awareness of the risk.²⁴
 - UC lost \$23 billion in the 2008 financial crisis, some of which can be linked to highly risky investments.
 - The UC is now asking for workers to pay into the pension system as they cut benefits to absorb its losses.²⁵
- The UC privatized and jeopardized its investments. *This was not and is not inevitable.*

[2] <www.universityofcalifornia.edu/regents/about.html>
 [3] Article 9 §9 (a) <www.leginfo.ca.gov/const/article_9>
 [4] Article 9 §9 (c) *ibid.*
 [5] <chancellorsearch.ucsd.edu/>
 [6] <investor.qualcomm.com/directors.cfm#>
 [7] Appendix Two of the "Investor's Club" report <spot.us/pitches/337-investors-club-how-the-uc-regents-spin-public-funds-into-private-profit/story>
 [11] Increase funding 3% to 4% when the authors should have expected inflation as high as 3.19% (previous avg inflation) <www.dof.ca.gov/html/fs_data/latestecondata/documents/BBFYCPI.XLS>
 [12] Italics added. <www.universityofcalifornia.edu/news/compact/compact.pdf>
 [13] <www.universityofcalifornia.edu/aboutuc/mission.html>
 Part Two of the "Investor's Club" report <spot.us/pitches/337-investors-club-how-the-uc-regents-spin-public-funds-into-private-profit/story>
 [21] Part Two of the "Investor's Club" report <spot.us/pitches/337-investors-club-how-the-uc-regents-spin-public-funds-into-private-profit/story>
 [22] <www.eastbayexpress.com/gyrobase/parskys-party/Content?oid=1083283&showFullText=true>
 [23] <changinguniversities.blogspot.com/2009/11/how-regents-sold-university-down-river.html>
 [24] <www.cbo.ucsd.edu/PDF/feb7.pdf><www.nbclosangeles.com/logs/prop-zero/The-Horror-Horror-of-UC-Pension-Reform-102074043.html>