Dear Coordinating Committee Members and Guests,

On behalf of Bob Newcomer, please find below a summary of the impact on the 2012-13 California State budget for UC, written by UC Vice President of Budget and Capital Resources Patrick Lenz. Bob will discuss this further with you at Monday’s Coordinating Committee meeting (2-4 pm in room S 30).

Best,
Heather

--- Forwarded Message
From: Clare Sheridan <clare.sheridan@ucop.edu>
Reply-To: Clare Sheridan <clare.sheridan@ucop.edu>
Date: Thu, 5 Jan 2012 23:43:13 +0000
To: <UCACOUN-L@LISTSERV.UCOP.EDU>
Subject: FW: SGR Daily Briefing - 1/5/12

Dear Council,

The governor released his 2012-13 budget proposal today. VP Lenz’ summary of its import for UC is below.

Best,

--clare

From: Muoi Trinh
Sent: Thursday, January 05, 2012 3:26 PM
Subject: SGR Daily Briefing - 1/5/12

UC State Governmental Relations

Daily Briefing
Governor releases 2012-13 budget

Governor Jerry Brown released his 2012-13 budget proposal today. Please see summary below from UC Vice President of Budget and Capital Resources Patrick Lenz.

“Today, the Governor released his 2012-13 State Budget and here’s what the budget means for the University of California. The 2012-13 State Budget will assume the mid-year budget “trigger” reduction of $100 million will be a permanent reduction to the UC base budget, however no additional cuts are being proposed for UC (or CSU) by the Governor. The budget will not include any assumptions on a long-term funding agreement at this time, however, the Governor will include in his “A Pages” of the budget his desire to establish an agreement that would provide 4 percent increase in base funding each to UC and CSU beginning in the 2013-14 fiscal year. The 2012-13 Budget does include the $90 million as a result of our request for the budget to fund the state’s obligation for UCRP, however, there will be no provisional language that directly associates this funding with UCRP. The budget will include the restructuring of the GO and Lease Revenue Bonds beginning in the 2012-13 year and on the GO Bonds there will be language directing the Controller to do a “true up” of any estimates that are high or low as reflected in the Governor’s budget (so basically we going to be held harmless for any errors based on early GO bond debt service estimates). All schedules with the exception of Energy Partnership Program and continuing language that “no state General Funds shall be spent on auxiliaries” have been taken out of the budget. The Merced $5 million remains in the budget as does funding for the Science Institutes, however this funding is now rolled up into the UC base budget. Funding for the Subject Matter Projects has been shifted to the State Department of Education with language that SDE will transfer both the state and federal funds back to UC to continue funding these programs at the same level. Finally, there will be a “2012-13 Budget Trigger” for UC representing a cut of $200 million (same for CSU) if the Governor’s November Revenue Initiative fails (FYI – the budget trigger for K-14 is nearly $5 billion).

On the Cal Grant front, the Governor’s budget proposes to move the current 2.0 GPA requirement to 2.7 and the 3.0 requirement to 3.25. He also will significantly reduce the funding previously afforded to the Independent and Private Colleges and Universities.”


The higher education chapter is attached and available at

PLEASE NOTE: The Daily Briefing is designed to provide fast, accurate information about pressing budgetary and legislative events in Sacramento. Information changes quickly. Every effort is made to report accurately. If new information develops, however, it will be reported in the next Daily Briefing.

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----- End of Forwarded Message