



May 13, 2005

2005-06 May Revision

The governor's May Revision to his 2005-06 state budget proposal sustains his support for the administration's "compact" with the University of California. As such, the May Revision preserves the January budget's proposals for a modest increase in state funding for the University in 2005-06 to fund student enrollment growth, faculty and staff salary increases, and the fall opening of UC's newest campus at Merced, among other things.

The University remains optimistic that an agreement on continued funding for student academic preparation programs can be reached before the governor and Legislature settle on a final budget this summer. These programs, proposed for a reduction in the governor's January budget proposal, aim to improve the academic performance and college preparation of K-12 students in California, particularly those in educationally disadvantaged settings.

"We are very pleased that the May Revision continues to support the compact, which is critical to preserving the University's level of service to the people of California after four years of serious budget cuts," said Larry Hershman, UC vice president for budget. "Funding for academic preparation programs remains a high priority for the University in this budget, and we will continue to push for it as the process continues. We are optimistic that there will be further attention to this issue as the Legislature and governor begin developing a final state budget over the next few weeks."

The May Revision does propose an increase of \$18.9 million for lease-revenue bond payments for UC facilities. In addition, the May Revision proposes \$750,000 to support UC's development of a teacher education program focusing on science and mathematics teachers, along with expansion of a related loan forgiveness program in the California Student Aid Commission. The compact with the governor called on UC to develop, in collaboration with the California State University, an initiative to improve the supply and quality of science and mathematics teachers for California's K-12 schools. UC is currently developing such a program, and the proposed funding would go to support it. Details of the program will be announced soon.

Otherwise, the governor's proposed budget for UC remains the same as that of his January state budget proposal. For details on that proposal, see <http://www.universityofcalifornia.edu/news/2005/jan10.html>. For details on the compact, see <http://www.universityofcalifornia.edu/news/compact/>.