



**President Robert C. Dynes
Video Letter Transcript, August 2, 2004**

Good afternoon. Here it is the beginning of August and there's some good news. Well, there's a little bit of good news and some bad news. The good news is, the state has now delivered a budget and that will profoundly affect us. It means that we could go to the regents and have the regents pass a budget.

There's good news and bad news about the budget. It's a little lower this year than it was last year. It's about six percent lower than our budget was last year. But we came out a lot better than we originally anticipated. And at the end of the tunnel we have the compact, which I've talked to you before about. This compact will stabilize our funding for the next five to six years, I anticipate and it's kind of fun. We're already thinking about the budget for next year. The kind of fun part is that we're thinking about how we will deal with the increased budget in terms of salaries – salary increases, which is kind of a nice thought after several years of looking at shrinking budgets.

In fact, this year, we did even better than the compact called for and that's consistent with what I told you earlier and that is our view that the compact is a floor, not a ceiling and we anticipate as the economy gets better that we will be funded at a level, which is higher than the compact, so that we can begin to do some new and interesting things in the university.

This year, the things we got in addition to the original compact was enrollment funding. As you probably all know, we can admit all those eligible students that we had previously asked to go to community colleges. As we speak, we are contacting them and asking them whether they would rather come as freshman to the University of California.

The other good news about the budget is that we have pretty much restored our academic preparation money, formerly known as outreach. Most of that budget was threatened to be zeroed and now it's just slightly below what it was last year. So that all our outreach programs, our academic preparation programs, can move forward and we can do the job we have to do in our communities.

I'd like to just use this video to thank you, all of you, who went out there and acted as advocates for the university. It has made an enormous difference. The advocacy of all of you as you spoke to your neighbors, your friends, you wrote to your legislators. Whatever you did, it has made a difference and you were heard and we were heard in Sacramento and the budget as a result is better than what we had anticipated.

Thanks – the future of the university is better for your efforts. All the details of the budget are on our website. You probably know where it is, but I'll give you a hint. It's www.universityofcalifornia.edu. Thanks, I hope you're having a good summer and I'll be back early this fall with some new video.