Brown presses for efficiencies at California's universities

By David Siders, Sacramento Bee

Gov. Jerry Brown, who paid relatively little attention to the University of California for the first two years of his term, started showing up for board meetings late last year, urging spending reductions as part of a "new paradigm" in higher education.

"We are going to have to restrain this system in many, many of its elements," Brown said in November, "and this will come with great resistance."

If his intentions were not entirely clear, they became so Thursday, when Brown released his annual budget plan. He chastised the UC and California State University systems for years of cost increases and rising tuition. Though he proposed additional funding of \$250 million next year for each system, the amount fell short of what they requested.

"The phrase is, 'Deploy your teaching resources more effectively,'" Brown said.

The Democratic governor said he will attend meetings of the UC and CSU governing boards this month to press for improved graduation rates and operational efficiencies, including online education.

"Oh to be a fly on the wall," Assemblywoman Kristin Olsen, R-Modesto, said on Twitter, anticipating "sparks."

Brown acknowledged meetings with UC officials last year "didn't turn out to be as productive as I would like," but he said discussions are still "embryonic."

"We haven't totally clarified ... what's at stake here or what has to be done, so I want to move diplomatically but carefully," he said.

Brown said he will be "listening a lot, meeting behind the scenes and figuring out, can we turn down this relentless increase in spending that is so much higher than the normal cost of living."

In his budget proposal, Brown said that while "other public agencies were retrenching, UC expenditures increased by 15 percent and CSU expenditures increased by 3 percent" since 2007. He lamented that only 16 percent of CSU students complete degrees within four years and 60 percent of students do so at UC.

"The rising cost of higher education not only threatens affordability, it also threatens the quality of California's system of higher education as it relies on a model that is not sustainable," Brown said in his budget plan.

It is unclear how receptive UC regents will be to Brown's involvement in their affairs. The university system is administered independently by the regents and subject to only limited legislative oversight.

"You can't, and we wouldn't want to, impose some sort of mandates on them," the state Department of Finance's Nick Schweizer told reporters in a conference call after the budget's release. "But at the same time we do want to move them in a better direction as to where things have been going."

Patrick Lenz, UC's vice president for budget and capital resources, said in a prepared statement that the university had absorbed nearly \$1 billion in state funding cuts during the past five years and that Brown's budget proposal is a "very positive step forward in a process that will unfold over the next several months."

Lenz said UC has already enacted significant spending cuts and blamed "the state's recent disinvestment in higher education" for forcing tuition increases. He said UC shares Brown's interest in avoiding tuition hikes.

"In the end, however," Lenz added, "the university must always work to assure that its fundamental attribute remains intact, and that is the quality of education, research, health care and public service that the state has come to expect from its university."

While UC officials had raised the possibility of tuition increases despite passage of Proposition 30, Brown's November tax initiative, a UC administrator said Friday that the governor's budget plan appears to provide sufficient revenue to avoid them.

"When you add everything up, I think our initial reaction is that we can manage without a tuition increase for '13-'14," said Daniel Dooley, senior vice president of external relations at UC. "We're pretty excited about what he's proposed."

In a prepared statement, CSU Chancellor Timothy White said Brown's proposal "heads us in the right direction." However, he said the college system still faces "many fiscal challenges."

At the Capitol, Brown was widely praised by lawmakers for the additional college funding he proposed.

"I think it's a good signal from the governor that he wants to be supportive, and I hope that, in turn, our CSU system and our UC system see it that way, and there's better interactions and better rapport," said Assemblywoman Nancy Skinner, D-Berkeley.

"If I were a UC administrator, I would take that proposed budget as ... an olive branch, a sign that the governor values the role of higher education in California and wants to work with the UC system to make it better."

Raquel Morales, president of the UC Student Association, said Brown's funding proposal is "the bare minimum that we expected" and that UC remains underfunded.

"We don't know what's going to happen, we don't know how the UC's going to react," she said, describing students as "stuck in the middle, I guess you could say, between Governor Brown's proposal and the Board of Regents."

Brown, who sits on the UC board but rarely participated in meetings until November, argued that month for expanded online course offerings, saying regents must "get more grounded" in their approach. He proposes to provide \$10 million each to the UC and CSU systems to expand the number of courses available online.

UC administrators said in a report ahead of the board meeting this week that UC offers online courses, including some for credit, and that online education is "currently the subject of much debate — and excitement — about its use in undergraduate and graduate degree programs."

Faculty members have raised concerns about the effect of online education on academic quality and on their institutions' reputations, while proponents have accused UC of moving too slowly to expand offerings.

"No one's really ever called them out on that, so I think the governor's going to make a huge, huge impact," said Dean Florez, a former Democratic state senator and president of the 20 Million Minds Foundation, a promoter of online education. "I think the governor is really kind of pushing in a way the institutions haven't been pushed before."

Brown also proposes in his budget to cap the number of credits students can accrue at subsidized, in-state prices – initially

limiting most students to 150 percent of what is necessary to complete most degrees.

The proposal, which would affect far more students in the CSU system than at UC, is similar to a plan mulled by CSU officials last year.

Trustees put off a discussion about the issue in November, at Brown's request. At the time, the governor said he understood it was an effort to "manage our resources very carefully" and that he wanted to "take a look at that."

"We all will," Brown said, "and I want to participate."