



MEDIA ADVISORY

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SF Mayor Newsom Honors Picket Line at UCSF Mission Bay Campus to Show Support for UC employees

UNIVERSITY
PROFESSIONAL
AND TECHNICAL
EMPLOYEES

CWA Local 9119
AFL-CIO

■
Representing
employees at the
University of
California

■
2510 Channing Way
Suite 11
Berkeley, CA
94704

PH. (510) 704-8783
FX. (510) 704-8065
info@upte-cwa.org

■
www.upte.org

UC unions set up picket lines at UCSF Mission Bay campus to protest proposed furloughs and student fee hikes. Mayor Gavin Newsom respected the picket lines and refused to attend UC's press conference announcing a joint biotech initiative between QB3 (the California Institute of Quantitative Biosciences of UCSF) and Fibrogen at 10:30 this morning.

Unions decided to set up pickets when they learned that UC President Mark Yudof would be giving the UC Board of Regents his proposal to give himself "emergency powers" over UC's finances and to implement furloughs for employees and fee hikes for students.

Unions representing tens of thousands of UC employees point out that these measures are not necessary. The shortfall in funds from the state represents less than 3% of UC's operating budget. According to UPTe CWA 9119 president, Jelger Kalmijn, "UC has vast resources—a "rainy day" fund of over \$5 billion, extensive real estate holdings and income, multiple revenue streams from donors, endowments, contracts, grants, patents, and the medical centers. The UC is not facing a budget crisis, it's facing a leadership crisis. Covering this shortfall in funds from the state temporarily with its reserves will keep critical UC services like the Poison Control Center open."

The planned press conference had included the opportunity to interview Mayor Newsom and executive leadership from QB3, FibroGen and small biotechnology companies, but Newsom honored the picket line and stayed away.

On Tuesday over 300 employees protested at the UCSF Parnassus campus and large crowds were expected at 7:30am on Wednesday for the UC Regents meeting at UCSF Mission Bay.

UC BUDGET FACTS: California needs fiscal transparency from UC: the lavish spending by the regents shows there are many reasonable options to cover the small drop in state funds.

Let's put UC's decrease in state funds in perspective:

\$3.13 billion – UC received from the state in '07-08

\$3.07 billion – current governor proposal for '08-09 (with federal aid)

\$2.63 billion – current governor proposal for '09-10

This \$500 million decrease in state funds is only 2.5% of UC's \$20 billion budget. Mark Yudof claims tuition increases and pay cuts from employee paychecks are needed at a time when:

- **\$1.6 billion** was raised by UC in gifts and donations in the last fiscal year. Use of these funds should be an option.

Source: <http://www.universityofcalifornia.edu/accountability/index/12.9>

- **\$7.2 billion** exists in UC's Short Term Investment Pool, a reserve fund separate from endowments and retirement funds. A portion of these funds can be used while the regents develop long-term, sustainable options.

Finances: http://www.ucop.edu/treasurer/invinfo/COI_IAG_Perf_Summary_3-09.pdf

- **\$80 million** was spent in 2009 by UC on properties purchased at values 13% and 64% above market (one was brokered by C.B. Ellis a company affiliated with Regent Richard Blum). If there is a "funding crisis" why was this done?

Source: http://www.contracostatimes.com/business/ci_12141812

- **Hundreds of millions** of additional grant dollars will flow into UC this fiscal year due to increased federal research funding to NSF and NIH via the economic stimulus bill. These funds will help cover the gap.

- **10 executives** were hired or awarded compensation increases during the Regents May 7th 2009 meeting. If there is a "funding crisis" why was this done?

The decrease in state funding is real. But it is outrageous for Mark Yudof to propose the shortfall can only be remedied by cutting staff pay and raising student fees. Before further damage is done to the university, we demand a full list of available options to cover the decrease in state funds.