UC Regents Approve System-Wide Tuition Hikes

By Elijah Wolfson 11/20/14 at 5:18 PM



A woman leads student demonstrators as they lie across the Bruin Plaza walkway on the UCLA campus. UCLA students are protesting against the possible increase of tuition fees across the whole UC system. Danny Moloshok/Reuters

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Updated | On the same day that the University of California (UC) approved significant <u>system-wide tuition hikes</u> and its students storm police barricades and shatter glass doorways <u>in protest</u>, UC Berkeley, the crown jewel of one of the nation's most prestigious public university systems remains committed to its "<u>Big Give</u>"— in the school's own words, the "first-ever 24-hour online fund-raising drive to support students, faculty and research."

That these two events coincide highlights the fundamental tensions between administrators, students and the public when it comes to the role of higher education.

On Thursday, the UC regents — the school system's governing board — met at the UC San Francisco Mission Bay campus and voted 14-7 in favor of a plan that would ultimately raise undergraduate tuition by up to 28 percent over the next five years. The current \$12,192 tuition would go up to \$12,800 next year under the plan, and by 2019, it could go as high as \$15,560. Those numbers do not include room and board or campus fees.

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The decision to raise tuition as made despite the student protests that have begun to amass across the UC's 10 campuses. Following the announcement on Wednesday, students and community activities began to occupy Wheeler Hall on the Berkeley campus. Many stayed the night — including 21-year-old Berkeley student Jeff Noven, who was <u>arrested Wednesday</u> on suspicion of vandalism and inciting a riot at UCSF Mission Bay.

As of Thursday morning, the students remained, saying they would not leave until the regents rescind their tuition plan. Noven told the SF Gate that he is "sitting in solidarity with my fellow students to bring attention to just how underrepresented the university's most important constituents are, students. There is not enough accountability."

Meanwhile, UC Berkeley, ranked the No. 3 global university by <u>U.S. News & World Report</u>, is in the middle of a 24-hour fund-raising sprint, in which the school is asking alumni to give money back to their alma mater. The school is asking donors to keep the institution afloat at a time when it is also dramatically increasing administrative salaries. (Disclosure: the author of this story is a UC Berkeley Alumnus Class of 2008—Go Bears!)

"Tuition policy is not determined by the Berkeley campus but by the UC Regents," notes Dan Mogulof, the Assistant Vice Chancellor of Berkeley's Office of Communication and Public Affairs. "This 24-hour effort is based specifically at the Berkeley campus and is about raising vital support for causes that benefit students and faculty across our campus specifically, from student learning opportunities to scholarships to outreach efforts."

Dick Blum, a regent (and husband of Senator Dianne Feinstein), argued during a Regent committee meeting Wednesday that paying faculty and executives higher salaries is essential to competing with elite private universities for talent. In response, California Governor Jerry Brown, one of the two members of committee to vote against, went on the attack. "I want to point out that you run an investment banking industry and this is a public university," he said,

according to the SF Gate. "This is not Wall Street. This is the University of California. The public university has as its mission public service."

"The University of California is a public institution," concurs Jefferson Kuoch-Seng, president of the UC Student Association (UCSA). "The structure overall shouldn't be compared to a private institution."

At the Wednesday meeting, the only other dissenting vote came from Student Regent Sadia Saifuddin, who told the committee that her family does not qualify for financial aid; in past school years, she has had to work four jobs and was still unable to survive without loans. She said that she took the job of regent in part because it would pay for her tuition.

"Six hundred dollars may not seem like a lot," said Saifuddin, referring to the increase that would be put into effect for the 2014–2015 school year, "but that is almost an entire month's rent for some students who are barely making it by as it is, and I was one of those students."

Mogulof notes, for the most part, low-income students at UC Berkeley will not be impacted by the new tuition policy and that at the school "39 percent of undergraduates have all their tuition fully covered with gift aid." In addition, an official statement by UC Berkeley Chancellor Nicholas Dirk posted Thursday states that nearly every single California student from families making \$150,000 a year or less will not see an increase in their tuition. In fact, according to Dirk, net tuition will actually go down for many students whose family income are in the \$80,000 range.

At Thursday's vote, Saifuddin and Brown were joined in their opposition by Lt. Gov. Gavin Newsom, Assembly Speaker Toni Atkins, State Superindentt. of Public Instruction Tom Torlakson, former Assembly Speaker John Perez and Long Beach City College President Eloy Ortiz Oakley.

Earlier this year, the regents gave UC Irvine Chancellor Howard Gillman <u>a 20 percent raise</u>, increasing his annual compensation from \$392,200 to \$485,000; Terry Belmont, CEO of UC Irvine's Medical center, <u>received a 4.3 percent bump</u>, bringing him from \$710,700 to \$741,260. A <u>list of salary adjustments published in July</u> showed raises given to 21 members of the UC's senior management group—all of whom make upward of \$300,000 annually.

Though these numbers may sound high, the truth is that they are in line with salaries across the industry. *The Chronicle of Higher Education* released a report in 2012 showing that public college presidents across the country averaged \$425,395 in total compensation in 2011. In many ways, what is happening at the University of California is indicative of a tension that exists in many public institutions, where people do not want to pay taxes because they feel as though they are not getting value from their government.

When college degrees no longer bring financial security, what alumnus is going to be grateful enough to contribute to a degree-granting institution that is with one hand reaching out for donations, while turning up the knob of tuitions with the other? Imagine if the U.S. government were to simultaneously tax gasoline to pay for the maintenance of the country's highways, while

also running a national fund-raising campaign to raise money for bridge upkeep. In this hypothetical situation—and in the real-life UC system—the line between public and private fades.

This is at the core of the animosity over rising tuition costs. In the past, attending UC Berkeley was, for all intents and purposes, free. Now it is not, and the costs associated with a UC degree continue to rise. Can the UC system continue to talk about itself as a public institution?

"Private support complements public investment by the state of California," says Mogulof. "At Berkeley, private support has been critical, from providing scholarships and financial aid to students of all socioeconomic backgrounds to funding path-breaking, world-class research by our faculty. In its last comprehensive campaign, between 2005 and 2013, the campus attracted the support of more than 281,000 unique donors — nearly half had never before given to Berkeley. Their support has allowed the campus to remain accessible to students across the socioeconomic spectrum. Alumni, parents, and friends know and understand that we now rely on private support to sustain our public mission and access."

As of the time of publishing, Berkeley has raised about \$2.6 million from it's Big Give drive—relative pennies compared to the budget shortfalls facing the school. Mogulof notes that only about 12 percent of its operating budget came from the satet of California in 2012-2013. That's down from 47 percent in 1991, according to *The Washington Post*. In meeting earlier this year, Nathan Brostrom, UC executive vice president for business operations, told the regents that since 1990, state funding to the UC's had increased 31 percent, while inflation increased 80 percent and enrollment grew by more than 50 percent. In the same time period, the state's K-12 system was given a more than 200 percent increase in funding.

Kuoch-Seng tells *Newsweek* that the UCSA, which is one of the largest student advocacy groups in the state and represents students across the UC system, was not consulted prior to the regents meetings. "There were claims made by the members present that they spoke with students 24 times, but none of us were included during those times," he says, adding that there are many ways the budget shortfall could have been made up without raising tuitions. He cites <u>differential tuition</u>, <u>pay-it-forward models</u> and more.

Kuoch-Seng and others are now on their way to Sacramento, to talk with the state legislature about alternative solutions to the tuition problem. The result may end up a referendum on to what extent the UC system remains public, and how significant its need for private donations will become in the coming years.

November 20, 2014: This article was updated to include a response from UC Berkeley.