

Proposed Budget Cuts in Higher Education in the Governor's May Revision for the 2004-05 State Budget

The Higher Education Compact

Restrictions on Enrollments

- 10% enrollment reduction of new freshmen at UC, by reducing \$24.8 million in General Fund support and thereby cutting access for more than 3,200 students.
- 10% enrollment reduction of new freshmen at CSU, by reducing \$21 million in General Fund support and thereby cutting access for more than 3,800 students.
- Reduction by 25% of General Fund support for professional schools, with a \$42.6 million cut in state funds.

Increases in Student Fees

- Increases of resident undergraduate student fees at UC and CSU by 14%, and resident graduate student fees by 20%. Increases in non-resident student fees by 20%.
- Increases of community college student fees by 45%, from \$18 per unit to \$26 per unit, with a differential fee of \$50 per unit for bachelor's degree holders.

Reductions in Student Financial Aid

- Decreases by 10% in the maximum income ceiling determining eligibility for Cal Grant awards, thereby reducing state support of the Cal Grant program by \$11.168 million.
- Reduces the amount of the Cal Grant awards for students attending independent colleges and universities, from \$9,708 per year to \$5,482 per year, thereby reducing support for the Cal Grant program an additional \$11.2 million.
- Reduces the number of Cal Grant Competitive awards from 22,500 to 16,875 (a decrease of 5,625 awards), with a \$5.4 million decrease in state funds. (The state currently funds one out six eligible applicants for the Competitive Cal Grant.)

Elimination of Academic Preparation for Success (Outreach) Programs

- Elimination of state funded academic preparation/outreach programs by zeroing out the \$85.3 million in state support for existing UC and CSU academic preparation for success programs.