



FOR IMMEDIATE RELEASE
June 26, 2020

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UC and CSU To Face Nearly \$1 Billion Budget Cut Without Federal Assistance
Governor Newsom and the State Legislature Make Difficult Cuts and Payment Deferrals While Trying to Protect the State's Most Vulnerable Students

Governor Newsom and the Legislature made difficult budget decisions amid the grim economic outlook of the nation brought on by COVID-19. Calls for the federal government to provide additional emergency funding have not yet been answered, and as a result, California's colleges and universities may be forced to balance their budgets on the backs of talented, qualified students.

"Without federal funds, tuition could be raised, course offerings and enrollment reduced, and student support services cut at a time when families and the California economy can least afford it," said Michele Siqueiros, president of the Campaign for College Opportunity.

A total of nearly \$1 billion in trigger cuts are on the table if the feds fail to come through: \$470 million at the University of California (UC) and \$500 million at the California State University (CSU). Although California's Community Colleges do not face trigger cuts, they will have to contend with over \$700 million in deferrals forcing campuses to rely on reserves, borrowing, and fundraising to stave off cuts. "Each of the 72 districts and 114 campuses are in a different economic situation with different levels of reserves and outside revenue sources. If campuses cannot support their operations during the deferral period, we might as well call it a budget cut," added Siqueiros.

The Governor and Legislature were clear however, that they expect the state's public universities to minimize the impact of budget cuts on low-income, underrepresented students. The final budget documents require the CSU and UC to report publicly on the cuts they intend to make and how those choices were made, and they require both segments to consult with stakeholders in budgetary decisions and to describe the process by which those stakeholders were consulted.

The final budget reflects protections for some of California's most vulnerable students. Support for undocumented students came in the form of \$15 million in emergency aid, \$10 million in funding for immigrant legal services and \$5.8 million for Dreamer Resource Liaison programs. The budget also provides \$120 million to support a basic needs/learning loss/COVID 19 response block grant for California Community Colleges to support expenses such as mental health

services, housing and food insecurity, reengagement for students who left college in Spring 2020, technology and development of online courses and student supports.

The budget preserves funding Cal Grant aid for students attending private, non-profit universities, which was previously at risk in the May Revision of the budget. An additional \$10 million was also allocated to the UC and CSU for summer financial aid.

“California’s college graduates are the health care workforce and innovators that will get our state and nation through this pandemic and current economic storm. We all have a responsibility to demand the federal government support California and to call on our public colleges and universities to use an equity framework in making budgetary decisions to ensure college opportunity remains available to students who have the most to gain from a higher education,” concluded Siqueiros.

To read the official budget documents produced by the Department of Finance, click [here](#).

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About Campaign for College Opportunity:

The Campaign for College Opportunity is a California non-profit bipartisan policy and research organization focused on a single mission: to ensure all Californians have an equal opportunity to attend and succeed in college in order to build a vibrant workforce, economy and democracy. For more information, visit www.CollegeCampaign.org / Facebook.com/CollegeCampaign or follow [@CollegeOpp](https://twitter.com/CollegeOpp).