

# Section 1. Size and Shape of the University

## GOALS AND CHALLENGES

In 1960, California's Master Plan for Higher Education transformed a collection of uncoordinated and competing colleges and universities into a coherent system and unique model of higher education. It did this by assigning each public segment—the University of California (UC), the California State University system (CSU) and the California Community Colleges (CCC)—its own distinctive mission and pool of students, while maintaining the principle of low-cost public higher education and universal access and choice. The University of California became the state's public research university, with responsibility to admit the top 12.5 percent of students from the graduating high school class, to conduct research and to award doctoral and professional degrees.

While California has maintained its commitment to the Master Plan, its support of higher education has declined. The University's share of the state's general fund has dropped from 8.1 percent in 1966-67 to 3.1 percent in 2009-10. California itself has changed dramatically over the past 40 years. It has grown greatly in size and diversity and its public K-12 education system, once a leader nationally, is ranked 43<sup>rd</sup> by the National Education Association (NEA) among all states in 2008-09 with regard to current expenditures per student. California also ranks 46<sup>th</sup> in eighth-grade math achievement and 47<sup>th</sup> in eighth-grade reading achievement, according to the most recent assessments by the National Assessment of Educational Progress (NAEP).

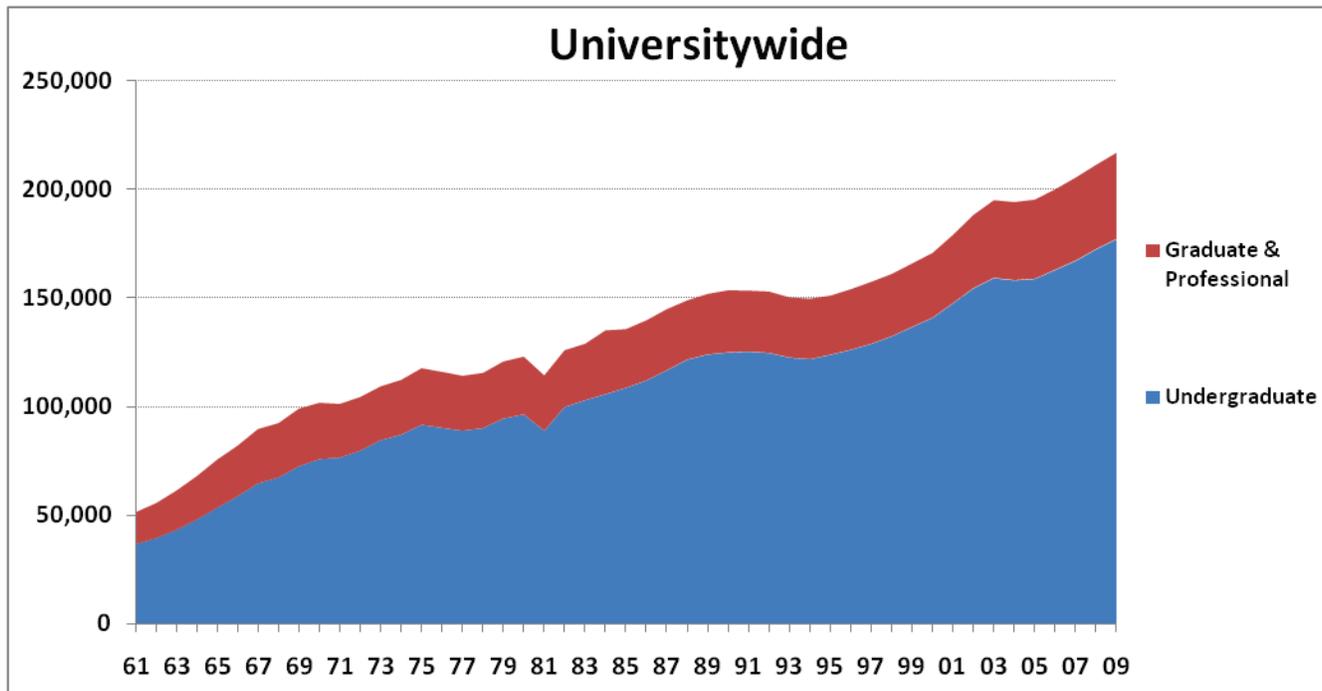
This combination presents the University of California with formidable challenges as it seeks to continue to provide a high-quality education to all eligible undergraduates, to provide the state with an educated work force and to generate the research, ideas and innovations that improve people's lives and create the new jobs and industries that keep California economically vibrant.

## NARRATIVE

The indicators in this opening section describe the University's development over the past 50 years. They demonstrate enormous growth in enrollment, steady declines in state support, reductions in the average cost of education, and increases in tuition and fee levels—that is, the challenges that confront the University today. They also show the continuing vibrancy of the University—a wide and diverse community of students, faculty, staff and alumni. And they show the diverse and complex array of revenues that the University relies upon to maintain its highly diversified enterprise. Together, the indicators paint a picture of a strong institution but one now at significant risk; they also set the backdrop against which subsequent sections are framed.

## Indicator 1

### Undergraduate and Graduate Student Enrollment, Universitywide, Fall 1961 to 2009

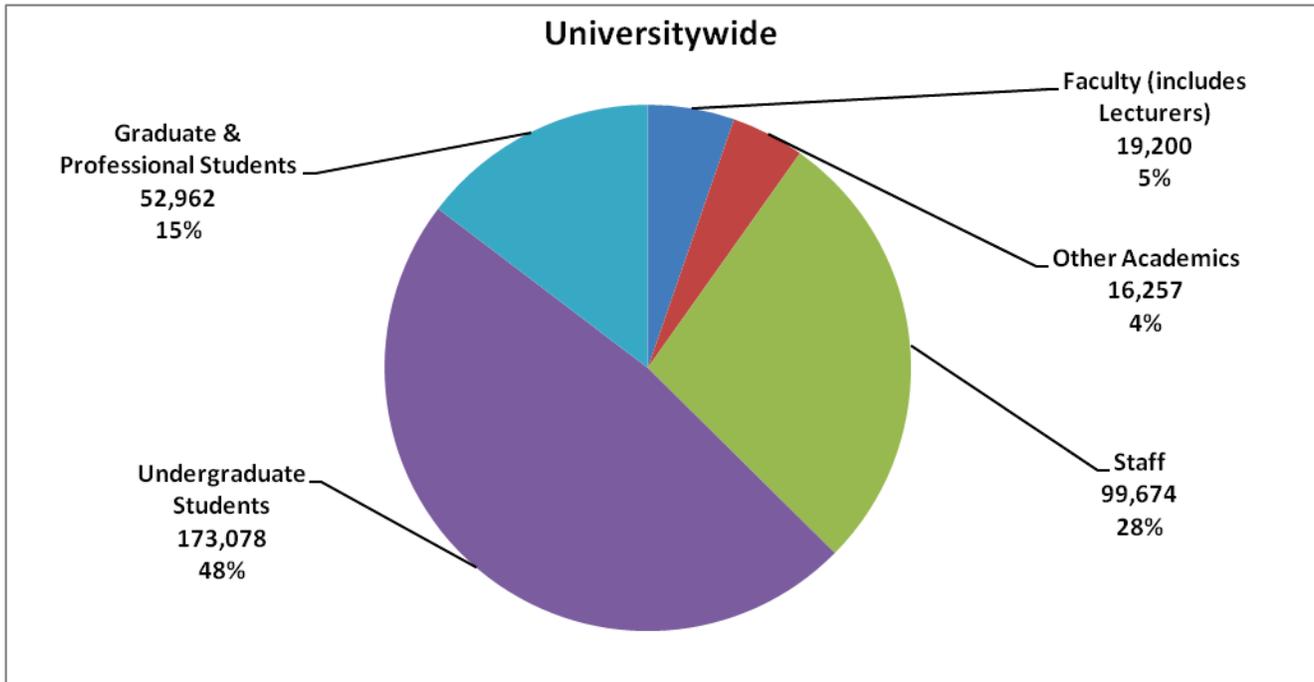


Note: General campus enrollment only

- The number of students that the University has enrolled, both undergraduate and graduate, has quadrupled over the past five decades.
- This enrollment growth, especially in the number of undergraduates, has been driven both by growth in the number of high school graduates and by the state's and the University's commitment to the Master Plan—that the University admit all eligible undergraduates in the top 12.5 percent of the graduating high school class in California.
- As a consequence of that commitment, growth in undergraduate students has vastly outstripped growth in graduate and professional students. In 1961, UC enrolled 71 percent undergraduates compared to 29 percent graduate students; in 2009, the University enrolled about 82 percent undergraduates compared to 18 percent graduate students. As a consequence, the ratio of undergraduate to graduate students has shifted from 2.5:1 in 1961 to 4.5:1 in 2009.
- The change in the ratio of undergraduate to graduate students is one of the largest changes in the structure of the University over the past 50 years.

Source: University of California Statistical Summary of Students and Staff

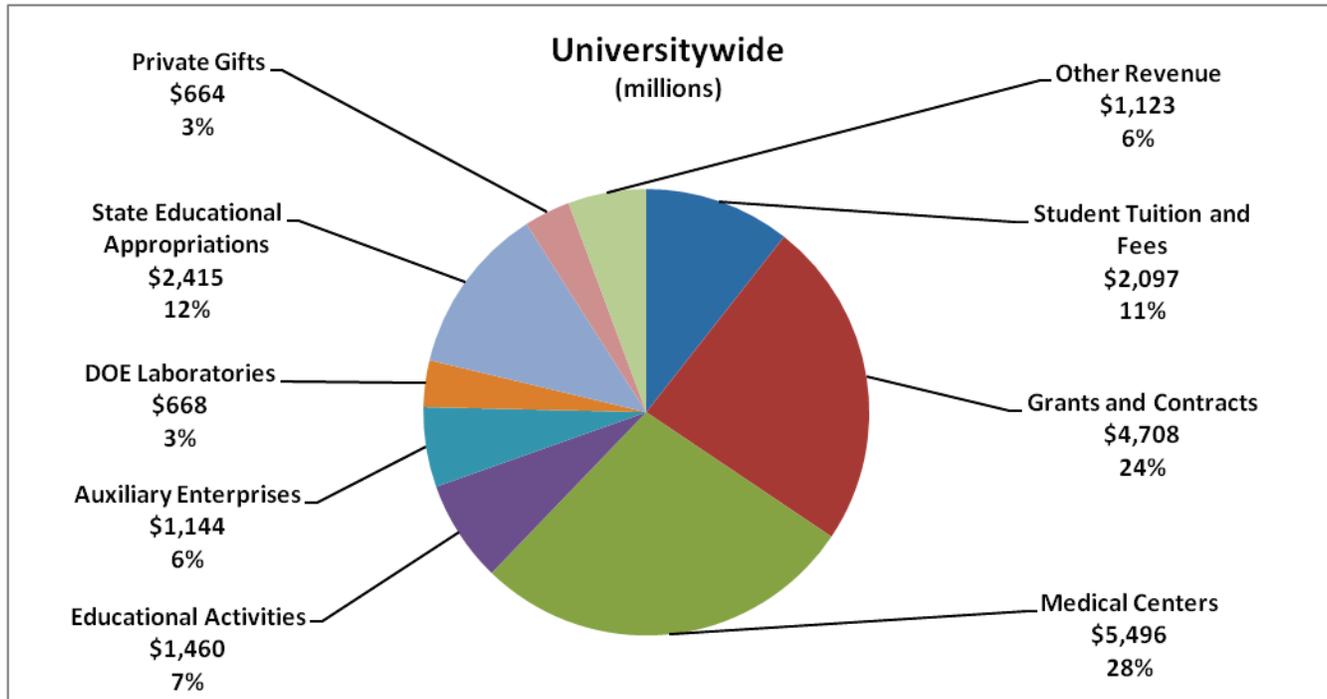
**Indicator 2**  
**University Community, October 2008**



- The University of California has 10 campuses, five medical centers, 16 health professional schools, four law schools, the state’s only public veterinary school, plus professional and enrichment courses and agricultural and natural resources programs that extend learning throughout California.
- The UC community consists of more than 226,000 students, 134,000 faculty and staff, 50,000 retirees and nearly 1.6 million living alumni.
- The numbers cited above do not include the millions of others whose lives are touched by the University. This much broader group includes those who are treated at UC’s hospitals, where they account for 3.8 million outpatient clinic visits annually and more than 850,000 in-patient days. It includes UC extension students who make up 300,000 annual course enrollments. And it includes the countless farmers and agriculturalists who work with UC Cooperative Extension agents, the entrepreneurs and employees in industries that use findings from UC’s research and the many others who attend concerts, movies and lectures at UC and visit its many museums, libraries, botanical gardens and natural reserves.

Source: UCOP Corporate Student System and Corporate Personnel System

**Indicator 3**  
**Revenue by Source, 2008-09**



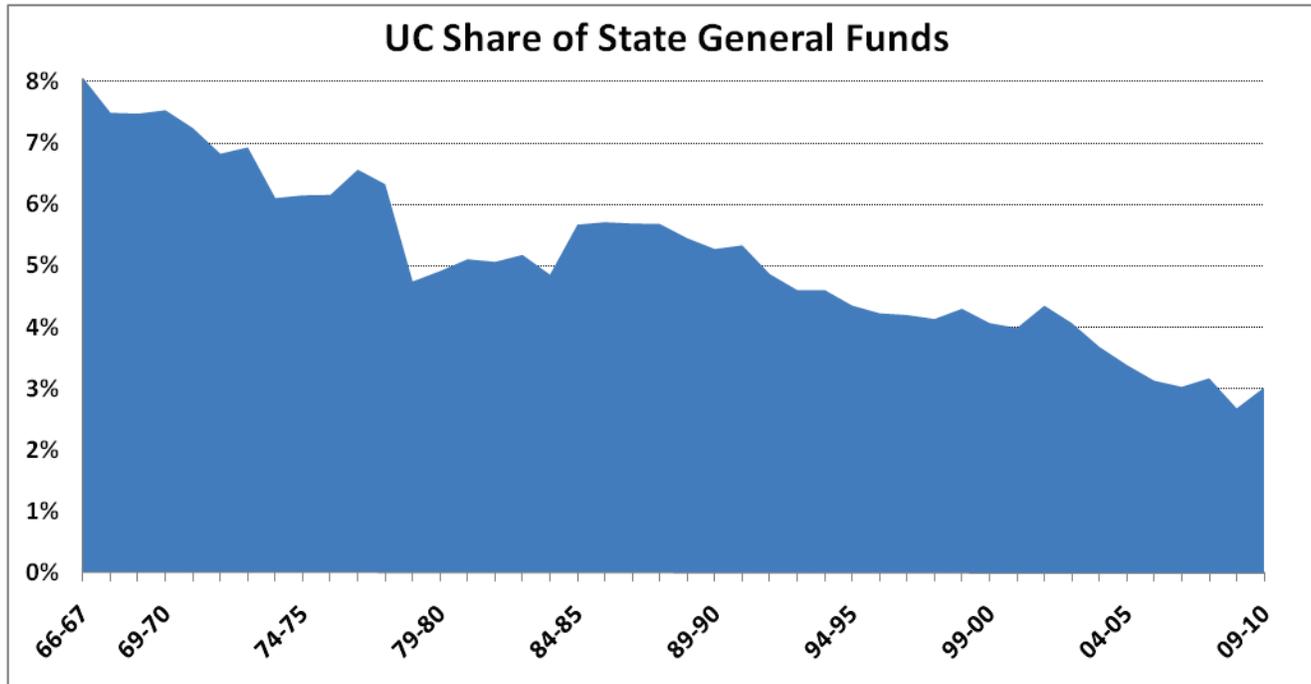
Note: Data are in millions of dollars.

- In addition to providing instruction for more than 226,000 students annually and maintaining a multibillion-dollar research enterprise, the University engages in a broad spectrum of ancillary activities, including the operation of teaching hospitals, maintenance of world-class libraries, development of academic preparation programs, and provision of auxiliary enterprises such as student residence halls and dining services. The University also is involved in the management of three Department of Energy (DOE) labs: Lawrence Berkeley National Laboratory, Lawrence Livermore National Laboratory and Los Alamos National Laboratory.
- In 2008-09, the University through all its activities generated about \$20 billion in revenues from a wide range of sources.
- Most of the University’s revenues are restricted in how they may be used.

Source: UCOP Financial Management

## Indicator 4

### Percent of State General Fund Going to UC, 1966-67 to 2009-10

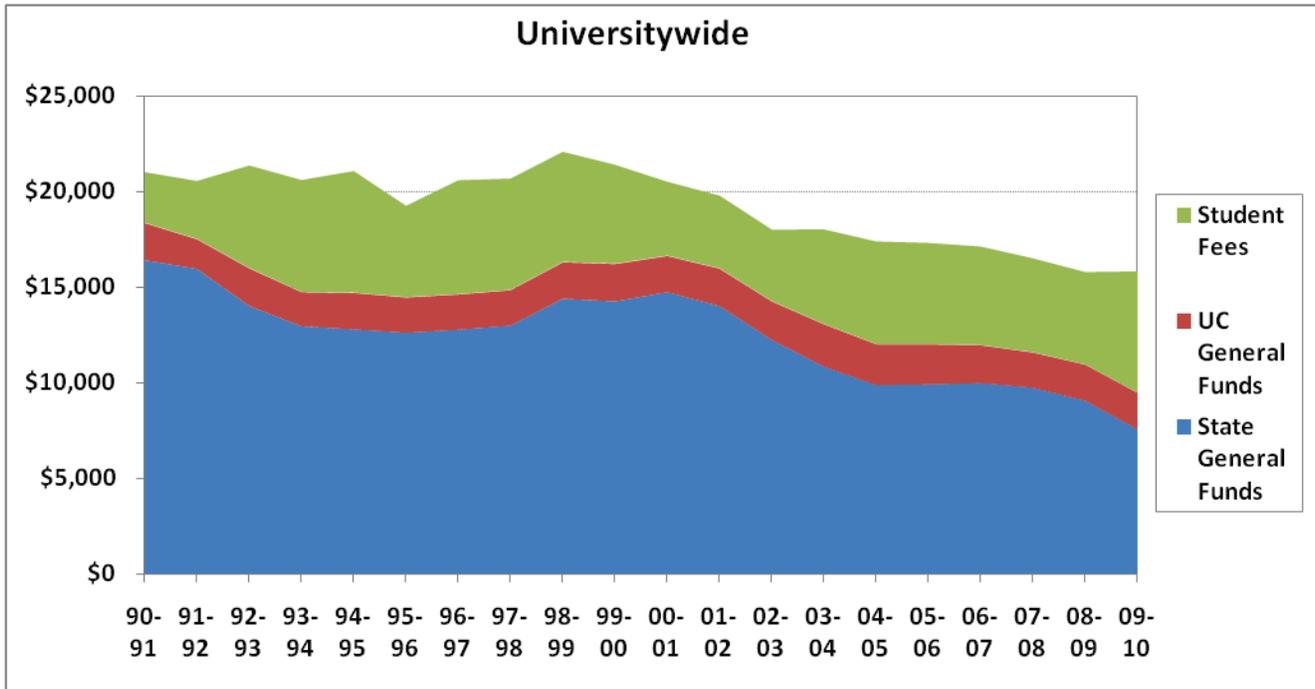


Note: Figure excludes federal stimulus funds (ARRA Act) passed through the state budget.

- The University's share of the state's general fund dropped from 8.1 percent in 1966-67 to 3.1 percent in 2009-10. Over this same time period, the share for the state Department of Corrections and Rehabilitation grew from about 4 percent to almost 11 percent. The shift away from higher education to prisons reflects a fundamental realignment of public priorities, with major consequences for higher education.
- Historically, state funding has been the largest single source of support for the University. Together with UC general funds and student fee revenue, it has provided permanent funding for the core costs of instruction, including faculty salaries and benefits, academic and administrative support, student services, operation and maintenance of plant and student financial aid.

Source: UCOP Budget and Capital Resources

**Indicator 5**  
**Per-Student Average Expenditures for Education, 1998-99 to 2009-10**



Note: Figures have been adjusted for inflation.

- Since 1990-91, average inflation-adjusted expenditures for educating UC students have declined 25 percent.
- The state’s share of expenditures has fallen even more steeply—by more than 50 percent over this time period.
- The share of expenditures borne by students in the form of fees has tripled, from 13 percent to 40 percent.
- In other words, students and their families are bearing a growing proportion of the cost of their education; increases in student fees have made up some (but not all) of the reductions in state support.

Source: UCOP Budget and Capital Resources