The Honorable Anthony Cannella  
California State Senate  
State Capitol, Room 3048  
Sacramento, CA 95814

The Honorable Richard Pan, MD, MPH  
California State Assembly  
State Capitol  
PO Box 942849  
Sacramento, CA 94249

Dear Senator Cannella and Assemblymember Pan:

As chancellor of UC Davis, I wholeheartedly share your goal of sustaining the University of California's standing as the finest institution of higher learning in the world, but regretfully I was surprised and disappointed to read your recent public statements criticizing UC. I am deeply concerned that your criticisms mischaracterize the challenges we face and your solutions would do little to solve them. We undoubtedly face challenges, but to place a "cycle of mismanagement" as the primary culprit simply belies the facts. Rather, in the face of massive cuts in state funding, UC is making the tough choices and doing the hard work to ensure that we live up to the precious trust of the people of California.

Make no mistake, I am well aware that tuition has dramatically increased at UC over recent years. However, no reasonable observer can place the primary blame anywhere other than at the steps of the state capitol. In responding to the challenges caused by the economic downturn, the state has cut funding to UC by nearly $1 billion over the last five years. In 1991, the state covered 78 percent of the cost of educating a student at a UC campus. Today, that figure is 37 percent. At UC Davis alone, state funding has declined 40 percent since 2008 while our enrollment has increased by 11 percent. What is more, tuition increases have only covered about one third of what was lost in state funding. Savings and efficiencies, both systemwide and here at UC Davis, have made up the remainder, which has allowed us to maintain affordability while preserving quality. These efforts, along with the passage of Proposition 30 in 2012, have prevented tuition increases the last two years and just this week President Napolitano publicly announced her intention to prevent an increase next year.

As a public university, one of our highest duties is keeping our world-class education accessible and affordable for California's families. At UC Davis, we just welcomed the largest and most diverse class in our university's history. We saw increases in the number of California students as well as larger numbers of out-of-state and international students.
Likewise, we continue to serve as a gateway for opportunity. Last fall a full third of our incoming class will be the first in their families to earn a college degree and currently 44 percent of our students receive federal Pell Grants, which help low-income students attend college. Thanks to a variety of scholarship, fellowship and award programs, 53 percent of UC Davis undergraduate students have their tuition fully covered. Let me repeat: over half of our undergraduate students pay no tuition at all. Additionally, 44 percent of UC Davis students who graduated in 2011-12 incurred zero debt during their time here. In fact, for our California resident undergraduate students who graduate within four years, two-thirds of them pay less than $25,000 in total tuition and fees to obtain their baccalaureate degree.

You also raise a concern about the number of "senior administrators" at UC and faulted a "high-priced bureaucracy" with the rising costs at UC. The reality is that of the system's 190,000 employees, only about 5 percent are classified as managers or senior professionals. The truth of the matter is that many of these administrators are faculty members who take on increased responsibilities as our deans, associate dean and vice provosts, and department chairs. These dedicated educators represent some of our most accomplished faculty and provide crucial leadership and administration for our campuses. They lead a faculty that is among the most hardworking and productive in the world. Last year, UC Davis faculty taught 18,630 courses and brought in $757 million in research funding. This monumental effort by our faculty is training the next generation of leaders, pursuing solutions to the world's most difficult problems and providing thousands of jobs for our state.

There is no question that UC is one of the state's most profitable investments. Every dollar the state invests in UC is magnified many times over. In 2010, UC Davis leveraged $347 million in state funds into $7 billion in economic activity for the state. Additionally, UC Davis alone accounts for 70,000 jobs in Northern California.

I look forward to working with you and your colleagues in strengthening our beloved system of higher education in California. I hope that as one of our UC Davis alumni and a former faculty colleague, you would be open to furthering this dialogue. Additionally, I invite you to be my guest on campus to see the amazing accomplishments of our students, faculty and staff.

Sincerely,

Linda P.B. Katehi
Chancellor