President Mark Yudof: “the Chairman has talked about structural reform. We can not just sit here idly whittling away, you know, furlough by furlough, 5%, 10%, 15%, not filling this vacancy and that. We are going to need a new game plan if, in fact, this continues for an extended period of time; and my own prediction is it’s at least good for two years, maybe longer.”

Professor Sandra Faber (presenting a letter signed by over 300 UC faculty who are in NAS, NAE, IM): “So here is the bottom line from me and my group. We have one year to turn this around. I was concerned when I heard President Yudof say, earlier at this meeting, well maybe it’s two years, and the rumors are maybe two to three years. We do not have that long, because our professors, particularly the Assistant Professors, are going to bolt. And we will enter an irrecoverable slide. Within one year the message has to go out that we have turned this around.

Regent Richard Blum (last year’s Chair of the Board): “I think trying to change the legislature, the approval of the budget, even to 55 percent from two-thirds, requires an initiative. This was part of the diabolical part of Prop 13; some of us saw this when it passed some years ago and knew it was a long-term disaster and it was going to be very hard to get rid of. The problem with trying to change that, and by the way we absolutely should, is the opposition will say: the reason they want to change it is because they want to increase your taxes. So, I know that former regent and chair Jerry Parsky and Chris Edley are on a commission to review the whole tax system. But we need to be here for the University and we need to be in Sacramento for the University and for change.”

Yudof: “We are not redistributing the fee revenue. So, to a large extent the allocation, you may disagree with this, but the allocation is based upon revenues that the campuses are generating, either by deferring debt or by charging fees or by selling hot dogs at football games; and then we can go on to the medical enterprises, you know. Our judgment on the medical enterprise was that it should go to - - it’s an entrepreneurial activity, and we are trying to reward entrepreneurial behavior on campus, and that these are delicate enterprises that need very significant reserves because you can have a change in Medicare or Medicaid reimbursement and dire things happen.”
Blum: “What we need to do with this university, and you heard the story from Chancellor after Chancellor is doing whatever we can to preserve the best people. And in fact the best people are taking the highest cuts. The Chancellors alone, and God bless them, three years ago we knew their compensation was 35 or 40 % below market. For three years in a row I talked to them. I said, Do you want me to walk the plank? I’ll get you an increase. And every time they said, No, we’ll stay where we are; we are team players. So I think that’s all right for a year and maybe you’ll get a lot of your good people to sit still for a year. But you are already hearing about people leaving, starting to look the other way. But I think we have one year to really figure out who, in each part of this institution we need to embrace and keep; and what we need to build on. Because the idea of just cutting from the top is absolutely the way to kill this institution.”