

“DEJA VUE” ALL OVER AGAIN: CS-YOU AND THE BUDGET



“Well, there you go again,” said Ronald Reagan to Jimmy Carter in a famous quip in a debate years ago. We all can say, “There you go again,” as California finds itself in a deficit. As usual, the CSU is especially vulnerable because it depends so much on the general fund. Although we do not have enough detail yet to make an explicit plan, we can acknowledge some principles and begin some anticipatory steps.

The basic facts seem to be as follows. State revenues have not materialized as expected. Lower collections from local property taxes have triggered statutory mechanisms that direct more general fund dollars to K-14. Tribal arrangements with the state about revenue streams from gambling have been delayed. Several large legal settlements have tapped state resources. And over eleven billion dollars in bonded borrowing from the last crisis are coming due. Together these tidings lead the Legislative Analyst to call for a ten billion dollar “solution” in ’08-09. The LAO recommends, for example, that the state not stand by the above-the-compact settlement since it has no statutory basis. In other words, a negotiated settlement it might be; a funding obligation on the state it is not. Zeno, even Zeppo, had paradoxes. So, do we.

1. Already some parties are saying that they will absolutely refuse to condone fee increases and, instead, fight for every general fund cent since the CSU already lost 500 million dollars in cuts in the last decade. Of course, last spring many of these same voices argued that a 26% salary increase for faculty did not require a fee increase; they implied that the CSU was hiding over a billion dollars. So, you can expect more inconsistency, more blame. People refuse to see that, while we deal with this crisis, we need to look ahead. We have to junk our current approach to funding. I apologize for beating this drum for four years. But by last spring, only the deprived, the deluded, the ding-batty, or the demagogic could not see or could not admit that this day of reckoning would come, again, this year.
2. Anyone who claims that we do not have to raise both state university and local fees has his or her head in a sack, I believe. We have lower fees than our CPEC peers, yet we deserve their salaries. We even have lower fees than other MA universities, but we have similar salaries. Both in dollars and percent of budget, we get more from the general fund than any other large MA system in the nation. Even before this latest “crisis,” the CA general fund has been constrained by propositions that dedicate funds to K-14 and corrections and by the curtailment of most major revenue sources other than personal income tax. So, CSU stakes too much need on too little availability. People who tell you that we only need to demand more money from the state are passionate. Sure, I scream, we all scream for ice cream! But facts are stubborn things.
3. So, we are trying pay attention to facts at CSUN. That also is why we plan. Yes, plan. We must look ahead to discover new sources of revenue. Otherwise, as Yogi Berra said, it will be “déjà vue all over again.” And again. And again. Thus, we are investing in graduate programs because of the enriched FTE formula and in non-resident students. Paying nearly nine times more than we receive for a resident student above target, they defray the cost of serving residents. Thus, we invest in grants and contracts. Thus, we invest in technology that allows us to use hybrid formats to reach more students effectively.



4. However, because we as a system—cajoled, even bullied, by enablers of various persuasions-- have had our heads in a sack for decades, we will need to make cuts. We likely will pull back searches for next year; we will monitor enrollment closely so that we are extremely close to target. And within that strategy, we will grow graduate students and like groups that now carry an enriched formula.
5. Beyond this, we need to be patient; we need to find out more about the cuts, and we will need to clarify our flexibility. As always, we will share information, we will consult with the senate committees and UPBG. And we will be strong advocates for CSUN now and CSUN hereafter.

In 2008, every presidential candidate has called for change. God bless them. Special interests and fear have so sapped the public will that change will be hard. Our CSU world is smaller; the special interests are less concentrated. People of good will often prevail, even if they tend to go about their good works quietly. So, there is reason to hope. Yes, we can change. But—and do not read a campaign endorsement in this paraphrase—change will not come from relying on the same old people trying the same old solutions one more time. We need to change the plan. We have done “dèjà vue all over again” already.