

## CSU Crisis in Priorities: No Enrollment Cuts

Robert Turnage wrote: "California's near-term and long-run prospects for economic recovery and prosperity, and for social cohesion and harmony, depend on the ability of its higher education institutions to sharply boost the numbers of Californians attaining higher education degrees. Despite the state's fiscal condition, the CSU has legitimate funding needs in order to carry out its critically important missions for California. The 2012/13 support budget is tempered by recognition of the state's ongoing fiscal challenge, yet represents a credible statement of the university's key funding needs.

The 2011/12 Budget Act cut the CSU General Fund appropriation by \$650 million to a level of \$2.10 billion. This funding level could fall further to \$2.0 billion if a mid-year \$100 million "trigger" reduction occurs. The 2011/12 level of funding is similar to 1998/99 (13 years earlier) when the CSU General Fund appropriation was \$2.16 billion. However, this comparison makes no adjustment for inflation. Moreover, in 2011/12, the CSU is teaching 58,000 more California resident, full-time equivalent students (FTES)."

<http://www.calstate.edu/budget/fybudget/2012-2013/executive-summary/funding.shtml>

## WHO IS STOPPING US? THE CSU MANAGEMENT IS! Fight Any Decline in Enrollment Targets

Subject: RE: Setting the Record Straight

Here are some estimates from Robert Turnage's presentation at the March 2012 CSU Board of Trustees meeting:

Presentation: Changes Since 2007-08: Where Things Stand in Current Fiscal Year

Annual state funding down \$968 million.

Annual tuition revenue up \$593 million.

Mandatory Costs up estimated \$135 million.

NET FISCAL IMPACT TO CSU = A negative \$510 million in annual resources to teach and serve students.

Now let's add in ARRA money that backfilled 2008-09 and 2009-2010; that was \$717 million.

<http://www.calstate.edu/budget/fybudget/coded-memos/B09-04.pdf>

Just as a rough estimate of what we get from CSU tuition. suppose all students are resident undergrad enrolled in 6.1+ units and estimate that we have 400,000 student headcount in the csu (constantly). then the tuition revenue is

Year tuition \$ \*400,000 students

2007-08 2,772 1,108,800,000

2008-09 3,048 1,219,200,000

2009-10 4,026 1,610,400,000

2010-11 4,440 1,776,000,000

2011-12 5,472 2,188,800,000

2012-13 5,970 2,388,000,000

I get \$1.2 billion tuition revenue increase from Fall 2007 until Sp 2013. Take out half for aid, and have \$600 million for operating revenue. Anyways, if revenue from tuition is \$600 and ARRA gave us \$717 million, aren't we over \$1.3 billion which puts us at least even with the budget cuts including the trigger cuts?

[Turnage did not seem to use all the same years for the revenue cuts and the tuition increases . ....he also did not include student quality fees and other sources of income from non-resident students etc. perplexing....]

Is there a budget crisis? I'm only certain of one crisis -- the crisis of priorities which prevents CO from funding instruction and instructors. We must not take student money unless we can provide the classes that they need to graduate in a timely manner.

We need to allow ourselves to succeed financially without as much state support. We need to reward efficiency and good management. We need to encourage talent and resourcefulness. We need to take shared governance seriously. We need to bargain with more good faith on both sides. We can trust campuses presidents, if they are supported by truly functioning shared governance structures. We can remain a stronger 23 campus CSU system, by allowing for more local decision-making on certain matters such as enrollment (within parameters). The highly centralized Chancellor's Office bureaucracy is stifling our ability to adapt to changing conditions.

The CSU's money belongs to the state and the students. Different campuses have different abilities to be self-supporting....let's not make the financially strong campuses weak, just to make us all "equal". But just like the wealthy citizens of the US should pay more taxes to support the system that benefited them so well, wealthy campuses should be encouraged to run efficiency, but there may need to be a slightly different split to the winnings. However, we must be aware that if some campuses really can't function in future harsher funding environment, there may be consequences. I also have some specific suggestions re changes in tuition (pay per unit with guarantees over a fixed time). I have some specific ideas for freeing up revenue and cost reductions in general fund categories.

There comes a point where CSU politics run undermines our Mission. The purpose of higher education is not to get funding. Abandoning the mission to for the purpose of increasing funding isn't the right path. It makes no sense to threaten the state, students, and our own institution with massive layoffs for political theater