CFA STATEMENT ON 2011/12 BUDGET PROPOSAL

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- CFA Statement on the January Proposal for 2011/12 State Budget

Message to Faculty from CFA President Lillian Taiz

Just one week into his term, Gov. Brown has proposed a sobering state budget plan for 2011/12. The plan combines steep cuts in programs like higher education, Calworks, and Childcare with a special election asking voters to support a five year extension of several taxes that are poised to expire in June.

CFA’s statement to the public about the plan is below. I hope you will read it and refer others in our CSU community to it.

Governor Brown’s budget plan is only the first step in a long process of debate over how we will get our state out of a historic fiscal morass. The governor indicated that he will not push for a final budget adoption until after a special election in June to address revenues. As a result, there will be months of discussion about the proposal in the legislature and in every conceivable public forum.

As we have seen in the past, funding for higher education is situated in a part of the state budget that is “discretionary” and makes the CSU quite vulnerable to cuts. While these cuts are clearly quite devastating to our system, in contrast to past budget language which left the cuts to the discretion of the CSU administration, Gov. Brown’s plan calls for targeted cuts to the CSU. It reads...

"Targeted Reductions — A decrease of $500 million in 2011-12 to reflect necessary funding reductions to help resolve the budget deficit. These reductions are intended to minimize fee and enrollment impacts on students by targeting actions that lower the costs of instruction and administration. The Administration will work with the Office of the Chancellor and the Trustees, as well as stakeholders (including representatives of students and employees), to determine the specific mix of measures that can best accomplish these objectives."

We are all aware of the pain suffered already by so many of our faculty members, students and staff in the years we have struggled with severe underfunding.
CFA will be organizing and advocating for the CSU everywhere we can throughout this difficult time. We will be calling on all of you to help us ensure that Californians understand that we cannot recover from this terrible recession without a strong California State University system.

Watch for CFA Headlines tomorrow for a more detailed discussion of the governor's budget and its impact on the CSU.

**CFA Statement On The January Proposal For A 2011/12 State Budget**

The California State University is still "The Solution"

A cut to the California State University of $500 million would have a devastating impact on our ability to deliver the quality higher education so crucial to our state's economic recovery and global competitiveness.

If the proposed cuts are adopted in California's 2011/12 budget, thousands more qualified high school and community college graduates could be turned away from our state university. This tragedy would be compounded by rejecting a rapidly rising number of applicants from among California's under- and unemployed who seek more education for jobs in new fields.

The effects of past cuts are stark enough: desperate students cramming into jammed classrooms hoping to add what they need to graduate; 3,000 fewer faculty members to teach them, a decrease over just two years.

Our students—and our potential students—already have had fewer educational opportunities while facing exorbitant increases in costs. Since 2002 alone, student fees in the CSU have risen 242%, far faster than inflation.

We in the California Faculty Association are not blind to the fact that the state of California is in dire straits. We will support a serious, honest, fair effort to put the state’s fiscal house in order. We welcome attention not only to cuts but also to revenues with the understanding that as a state we must pay for the institutions and programs that make California great.

We must warn, as we have in past years, that underfunding our public higher education system, along with a failure to direct enough of the dollars we do get to our university’s classrooms, puts not only the university at risk, but also California’s economic underpinnings.

To Governor Brown we say: the California State University is a fundamental part of the solution to advance California. We believe you know that; you have publicly supported the notion that quality education from pre-school to PhD is fundamental to California’s recovery.

We need you to propose legislation and measures at the ballot box based on principles of shared sacrifice, the paramount importance of jobs, and honest and just reform of the system:

**SHARED SACRIFICE:** Any plan to fix our state must be based on genuine shared sacrifice involving all Californians, including those at the top. We are all in this mess together.
It is time to address reform of California’s tax structure, including closing corporate tax loopholes that have resulted in everyday Californians and small businesses paying more on their property and purchases while the largest corporate entities and highest paid individuals pay less.

JOBS ARE PARAMOUNT: We have to get California back to work. The California State University is a key to accomplishing that. CFA says, “The CSU is the Solution!” California has long competed with the world for quality jobs and our strong public higher education system has enabled our success.

For that reason, in bad times the CSU is a good, necessary investment—it is actually counter-productive to cut it. The CSU builds strong citizens with good work skills who earn and contribute back to the state at higher rates.

This shows in the actual numbers. Unemployment among college graduates is about 5%. Among high school graduates it is about 10%. Among those who do not finish high school it is 15% and even worse in some areas.

Furthermore, investment in public higher education activates economic life. Every dollar invested by the state in the CSU generates about $5 for California's economy and much more in tax dollars over the life of the graduate.

HONEST REFORM OF THE SYSTEM: Until proper revenues can be achieved, every precious dollar must be used with laser focus on its intended mission. In the case of the CSU, this is spending on the classrooms and services needed to educate our students.

Any funding plan must adopt this focus and do it with openness, transparency, and a commitment to public service on the part of all of us, starting at the top.

No cuts should be applied to classes or services to students without thorough, transparent evaluation of the use of managerial and special-project dollars in the university and in university-related auxiliary organizations. We need managers to understand their ethical role in leading a vital public institution and to act accordingly to advance its mission.

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