



CSU's new top administrator Timothy White: More money needed for education

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Despite the governor's new budget plan and the passage of Proposition 30, California State University's top administrator says more money is still needed.

Gov. Jerry Brown's proposed budget released Thursday includes \$250 million more for the Cal State system, while Proposition 30's passage in November saved them from a \$250 million mid-year trigger cut. But it's not enough revenue for a higher education system that's seen more than \$1 billion in cuts in recent years, Cal State Chancellor Timothy P. White said. "I view it as stopping the hemorrhaging," White said. "We still have a little ooze," in the form of rising healthcare and pension costs.

Brown's 2013-14 state budget proposal includes an addition of \$125.1 million in funding for the Cal State system and reinstates \$125 million that was cut from last year's budget. Proposition 30's higher sales taxes took effect Jan. 1, the day after White – who previously was chancellor of the UC Riverside – officially became chancellor of the Cal State system. The measure raised state sales tax by a quarter-cent for four years and increased income tax rates for people who earn more than \$250,000 a year for seven years. The revenues would be earmarked for education. "We still face many fiscal challenges and will continue efforts to operate efficiently and effectively, and seek out additional innovative ways to control costs," White said.

Sen. Bob Huff, R-Walnut, GOP minority leader in the state Senate, is skeptical voters would approve more revenue for higher education any time soon. "Every line item on the budget is always screaming for more attention than the others," Huff said. "I'm not sure how many cutbacks there actually were (in the CSU). We still see high, almost Wall Street salaries there. ... Regardless of which part of the budget you are, I think we still have to acknowledge we're in the era of limits."

Sen. Darrel Steinberg, D-Sacramento, the top Democrat in the state Senate, was a little more sympathetic to White's point of view. "Certainly, we all want to reinvest in higher education to make up for the severity of the losses of the last couple of years and yet we have to realize the surpluses before we even consider this," Steinberg said.

Besides asking for more money, White said he'll also look to raise revenue in other ways and to "look at business practices and use our own resources more wisely." He would like to see how the 23 Cal State schools – and possibly the 10 University of California schools – could better pool their resources and buy products and services across their campuses to benefit from larger economies of scale. White said he believes some of the system's rising costs must inevitably be borne by students, but he wants to slow the rate of those tuition increases. "I think it's inevitable for (tuition) to grow, but I want families to be able to plan," he said.

Before asking taxpayers for more revenue, White said the state's public colleges need to do a better job of explaining to the public what they're getting for their money. "Cal State adds value to everyone's life," he said. "(It is) a huge driver of the state's economy and social progress." The system graduates 100,000 graduates each year, White said, and produces the majority of the state's K-12 teachers. Today, there are more than 2.6 million CSU alumni.

Even as state support for California's public colleges has been cut, demand for classes and related services went up. For the fourth year in a row, the CSU has received a record number of applications for the 2013-14 school year. A total of 294,926 would-be students applied as of Nov. 30, up 10 percent from the year before. Every campus received more applications from first-time freshmen and transfer students than in the previous year.

Two-thirds of Cal State Northridge students had trouble getting the courses they needed to graduate, according to a study released by UCLA's Civil Rights Project/Proyecto Derechos Civiles in 2011. "If I'm admitted to campus, but I can't get the classes in a timely way, that's fake access," White said. According to CSU officials, 16 of the system's 23 campuses had more applicants than room on campus in the 2012-13 school year. "California can't afford to lose a generation of students," he said.

The increased demand on campus has led to tuition hikes and course offerings being cut. CSU tuition has gone up every year since the 2007-08 school year when undergraduates and graduate students were hit with a 10 percent tuition hike, to \$2,772 and \$3,414 annually, respectively. Tuition fees have roughly doubled since then, going up to \$5,472 and \$6,738, respectively, in the 2012-2013 school year.

Things could have been even worse: In September, Cal State Board of Trustees approved a 5 percent tuition hike that would have gone into effect had Proposition 30 been voted down. The proposition's approval also meant a rollback of a 9 percent tuition hike that took effect this fall. White said he doesn't yet know what form the effort to increase revenue will take. He plans to visit all of the system's campuses to better learn the challenges each is facing and what local solutions could be applied more globally. "My instinct tells me there's more capacity" on campus, White said. This includes more morning, evening and weekend classes, along with more students participating in the Cal State Online program – which he'd like to expand.

"The CSU has certainly been challenged over the past several years with the drop in state support due to the state's lingering recession," White said. "However, with finances more stable in the near term now that Proposition 30 has passed, we are cautiously optimistic that the CSU's budget will begin to turn around."