

CSU Budget 101

CFA's Guide To Understanding The 2008 CSU Budget Process

www.calfac.org

For more information contact CFA Communications Director Alice Sunshine, (510.384.1967) or CFA Communications Specialist Brian Ferguson (916.441.4848)

About the Budget:

On January 10, Governor Arnold Schwarzenegger unveiled his proposed budget for the 2008/09 fiscal year. With California facing a deficit (funding shortage) that could top \$14 billion the Governor announced 10-percent reductions for all general fund departments and programs, including education.

The CSU portion of this budget proposal included cuts of \$312 million dollars from the systems operating budget and also includes a student fee increases of 10%, which adds up to \$72 million dollars.

This means that in order for the CSU to continue to operate at the same level as last year and avoid yet another student fee increase, the governor and the state legislature will have to appropriate \$386 million dollars more for the CSU than was offered in the governor's budget plan.

What does \$386 million really mean?

To absorb a \$386 million cut, the CSU could shut down five of the system's smallest campuses. The combined budgets of Maritime Academy, CSU Channel Islands, CSU Monterey Bay, CSU Bakersfield, and CSU Stanislaus this year total about the same amount as the proposed cut. Closing down CSU Fullerton, the largest CSU campus with the largest student enrollment, would be another way for the CSU to save about \$300 million.

If spread across the 23 CSU campuses, the cuts would translate into course reductions, increased class sizes, and longer times to graduation, California's students and their families will once again be paying more and getting even less.

What does this possible budget cut mean to students?

Higher student fees

A 10% increase in undergraduate student fees would bring fees to \$3,048 per year –113% higher than they were in 2002 when the state faced its last major budget crisis.

Larger classes

It is clear that the proposed cuts will hurt students and faculty alike as courses would be cut and remaining class sizes would increase unmanageably. Faculty and staff workloads will increase, student services will be slashed.

Cuts to Financial Aid

Cuts to student financial aid are also included in the proposed budget. Specifically, the governor has proposed a policy change that begins to dismantle the Competitive Cal Grant program.

Problems Graduating On Time

With increases in class sizes and the reductions in course offerings and student advising, this budget will make it much more difficult for students to graduate on time. By lengthening their stay at the university – at the same time that fees continue to rise – students are likely to have to take have sunk into on greater debt by the time they graduate.

Decreased Access to Higher Education

After March 1, applications will no longer be accepted for first-time freshmen on any campus. Most campuses have been told to move application deadlines to Feb. 1 if applications are not already closed. However, seven schools will have until March 1. That includes the an Bernardino, Dominguez Hills, East Bay, Los Angeles, Monterey Bay, Bakersfield and Sacramento campuses.

This means many students will be turned away, undermining efforts to increase student enrollment and diversity on campus. It is believed that this will fall disproportionately on minority and first-generation college students.

Required Reading on the Budget

Find updates on the 2008-09 budget at www.calfac.org/budget08-09.html

Find CSU budget documents at www.calstate.edu/budget

To view the Governor's entire proposed 2008/09 budget for the CSU, go to:

<http://www.ebudget.ca.gov/pdf/GovernorsBudget/6000/6610.pdf>

For a helpful chart explaining the process the budget goes through before being passed, go to: <http://www.calstate.edu/BudgetCentral/8-step.shtml>

Contact CFA with questions:

The California Faculty Association is a always willing to answer questions from student reporters. For more information on the CSU budget contact CFA Communications Director Alice Sunshine, (510.384.1967) or CFA Communications Specialist Brian Ferguson (916.441.4848)

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