

THREE REASONS WHY THE THE GOVERNOR'S COMPACT ON HIGHER EDUCATION UNDERFUNDS THE CALIFORNIA STATE UNIVERSITY AND RESTRICTS STUDENT ACCESS TO HIGHER EDUCATION

1 – The Compact permanently abandons the promise made in the Master Plan on Higher Education to admit all qualified students.

- The Compact denies student access to the CSU.
- The CSU will deny access to 10,000 eligible students during 2004/05.
- Over 1,500 more eligible students will be denied access during 2005/06 under the Compact.
- The Compact provides for only 2.5% enrollment growth starting in 2005/06, which is well below the 3% enrollment growth CPEC projects CSU will need to accommodate new enrollment.
- Keep in mind, the Compact uses 2004/05 as the base year for the 2.5% for enrollment, after already denying access to 10,000 eligible students. So the Compact starts from a poor funding base and institutionalizes the denial of student access.
- Most community colleges, which are treated as an alternative to the CSU, also are struggling. The CC system lost 175,000 students last year (2003/04).

2 – The CSU will NEVER fully recover from these gigantic budget cuts under the terms of the Compact.

- When you combine the 2003/04 cut of \$311 million with the 2004/05 cut of \$200 million, the cuts in just two years are more than half-a-billion dollars!
- These cuts are equivalent to shutting down the operation of three large or 10 small/medium CSU campuses.
- From that abysmal base, the Compact says it will provide new enrollment dollars and increases to the CSU budget.
- At the earliest, it will take until 2008/09 under the Compact, just to get back to the same state funding level of the 2002/2003 CSU budget (i.e. just to recover the money already cut).
- During the same years, the numbers of eligible students will continue to grow.
- Consider that the class of 2005, the largest high school senior class in California history, is about to graduate.
- The Compact locks us into bad budgets from now on.
- The CSU may never recover if funding levels are not increased beyond what the Compact promises.

3 – There is no guarantee the Compact will be implemented.

- Students are asked to rely on a promise instead of relying on adequate funding for classes and student services.
- There is nothing binding about the Compact. It's a handshake and a promise.
- Past "compacts" and "partnerships" with governors were ignored whenever the state budget had problems.
- There is no reason to believe that even the minimal terms of this Compact will be honored if the state budget has problems in future years.