The California Faculty Association is the exclusive collective bargaining representative for the California State University faculty, including tenure-track faculty, lecturers, librarians, counselors and coaches. According to the CFA Bylaws, last revised April 2009...

The CFA is established to strengthen the cause of higher education for the public good; to promote and maintain the standards and ideals of the profession; to provide a democratic voice for academic employees; to provide legislative advocacy; and to maintain collective bargaining agreements covering salaries, working conditions, and other items and conditions of employment. These agreements shall seek:

a. To obtain explicit guarantees of academic freedom, tenure, and academic due process;

b. To create orderly and clear procedures for prompt consideration of problems and grievances;

c. To promote and protect the professional and economic interests of CFA and all bargaining unit members and,

d. To promote unity among academic employees and thereby enhance the effectiveness of the CFA in representing these employees.

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California Faculty
The vote will take place in person on campuses either the week of April 16 or April 23. Electronic voting will begin April 16 and end April 27. Please contact your CFA chapter for specific details about voting on your campus. (See www.calfac.org/chapters to find your CFA chapter.)

Our last faculty contract ended June 30, 2010 and we have been at the table bargaining over a successor agreement for more than 18 months. When we first sat down with management, CFA’s Bargaining Team proposed that the current contract be extended and that we spend our time working together to fight for more money from Sacramento.

Management refused. Collaboration was not what they had in mind. Instead we got only proposals that harm the faculty in the form of takeaways from what is already in our contract.

The California Faculty Association’s Board of Directors has called for a CFA strike vote to be held in April on the faculty’s successor contract that is now in mediation.
The Stakes In These Contract Talks

Some of the takeaways from our contract the Chancellor wants include:

More power for campus presidents.
Increase the authority of campus presidents over evaluations, approval of sabbaticals, retention of lecturers, and order of layoff.

Move more classes to the CSU’s For-Profit arms & pay faculty less for them.
Move more classes (lots more classes!) into Extended Education/Continuing Education and pay faculty who teach them less than they earn to teach the same class in regular sessions.

Fewer rights for faculty in the For-Profit arms.
Reduce the rights of faculty who develop courses in regular session to teach them when they are moved to Extended Education. Take away Lecturer preference-for-work rights when courses are moved from state support to self support. Limit summer employment article protections to state-supported summer sessions only.

No limits on class sizes.
Refuse to limit the huge increases in workload that faculty have experienced, particularly through increased class sizes.

No raises and threats of higher benefit costs.
No General Salary Increases or Service Salary Increases for faculty for 2010/11 and 2011/12, and reopeners for wages and benefits the next three academic years. The reopeners could be to reduce current wages. Equity raises would go back to the old system of individuals begging their campus presidents.

And lots of other takeaways.

For the most part, their proposals have not changed during the full 18 months CFA’s Bargaining Team has been at the table.

CFA has made proposals for improvements for faculty in the areas of workload, sabbatical, parental leave and academic freedom. We also have proposed full payment of Service Step Increases, equity pay, maintenance of health benefits and a 1% GSI—a fair proposal.

Management Won’t Budge In 18 Months Of Contract Talks

“The purpose of a collective bargaining agreement,” says CFA Bargaining Team chair Andy Merrifield, “is to have stable labor relations based on pursuing mutual interests by bargaining in good faith.

But now, Merrifield says, “The attitude of CSU management in this bargaining cycle has been explicitly different. The Chancellor’s people have made it clear they seek to increase their power by demanding flexibility in a great many aspects of the agreement. And they are not budging one bit while basically ignoring everything we have proposed or sought to modify in the least.

“In 2007, the faculty voted to authorize a strike, and eventually we were able to win an excellent contract without having to actually strike. In 2011 we took one-day strikes at two campuses, and sent a strong message—this union can deliver when it sets out to do something.

“We are now in mediation.

“Hopefully we can hammer out an agreement there. But based on our past experiences with this chancellor’s bargaining practices, we have to prepare for the worst and escalate the pressure.”

The Move To A Strike Vote

On February 20, CFA’s Board of Directors called for a membership strike vote in April regarding the successor contract. CFA members will be asked to authorize a series of two-day strikes that would “roll” among the 23 CSU campuses.

In consultation with chapter leaders, the CFA Board of Directors would determine which campuses would strike and when. Depending on the status of bargaining, these strikes could occur at the end of this spring term or next academic year, unless we reach an agreement in the meantime.

Under the law we can strike at the end of the statutory process (impasse, mediation and factfinding). The Chancellor can impose his last offer and the faculty can withhold their labor by striking.

In order to be prepared, April is the best time to vote—after spring break and before exams.

Leslie Bryan, a CFA Bargaining Team member and CFA Associate VP says, “The best way to avoid a strike is to prepare for one. Our faculty deserve a fair contract. The take-backs currently on the table in the contract talks are just unacceptable.”

She adds, “It will take strong faculty action to change the Chancellor’s attitude.”

You can see the schedule of voting on your campus and learn many more details about the Strike Vote. www.calfac.org/spring2012

Also, please subscribe to the weekly CFA Headlines email newsletter for the latest updates at the Strike Vote.

WWW.CALFAC.ORG/CFA-HEADLINES
Dear Colleagues,

It has only been a few months since faculty members held an historic and successful one-day strike on two of our campuses, CSU Dominguez Hills and CSU East Bay.

The strike had important effects.

First, it increased the pressure on the Chancellor at the bargaining table by showing him and the people of California how very angry the CSU faculty are about his policies and priorities.

The strike also demonstrated that the public is receptive to our message, even in difficult economic times. The news coverage of the strike was on point. The strike was not just about money, the media pointed out. It was about all of the bad decisions made by those who blocked adequate funding for quality education and by system leaders who fixated on executive salaries while focusing their cuts on academics and access.

We demonstrated to Chancellor Reed that we can do more than merely threaten to strike—we actually have the capacity to pull off a strike.

And, we demonstrated to our elected officials in the state legislature that there is serious unrest among faculty members on the campuses. Some representatives attended the picket lines and, since November, others have indicated that they are ready to turn up the pressure on university management and the Trustees.

While we have built up a substantial amount of pressure, we are not there yet.

This spring, we must ramp up action on our campuses to make sure that our message about saving the “public” in the people’s university—including a fair contract for the faculty—stays on the public’s radar screen.

Strike Vote

In February, CFA’s Board of Directors concluded that the time has come for our members to decide if they are ready to strike should mediation and fact-finding not yield a fair settlement.

The strike vote in the fall addressed unresolved issues in the now expired contract. This Spring 2012, however, our vote will address our next collective bargaining agreement (CBA).

Many of the Chancellor’s demands on the bargaining table now are “take backs” that would change our contract dramatically. These proposals would facilitate his efforts to make the CSU more like a privately-owned, for-profit university.

We have coined a term for what he is doing—the stealth “for-profit-ization” of the CSU. The Chancellor sees faculty governance and the Collective Bargaining Agreement as obstacles in his planned move to a just-in-time faculty workforce teaching in a vastly expanded for-profit operation.

Links to November 17 Pictures, Videos and More

- View a timeline of the strike on Twitter by following the hashtag: #csustrike
- Photos and video from CSU Dominguez Hills and CSU East Bay are available on CFA’s Facebook page. www.facebook.com/californiafacultyassociation
- Watch a video of Dr. Cornel West addressing the picket line at CSU East Bay. http://www.youtube.com/cfalocal1983
- Watch faculty at CSU East Bay performing a flashmob to Gloria Gaynor’s classic “I Will Survive” http://www.youtube.com/cfalocal1983
- See messages of support from across the nation at www.calfac.org/strike411
What’s at Stake?

KEY VALUES UNDERLYING CFA’S BARGAINING PROPOSALS:

QUALITY EDUCATION
- Faculty need working conditions and students deserve learning conditions that make quality education possible.

PROPER CLASS SIZES
- Faculty (through campus Senates or other campus curriculum approval processes) should decide the pedagogically appropriate sizes for classes.
- The contract should enforce these class size limits.
- If class size limits are exceeded, faculty should be compensated with extra pay or future course-load reductions.

A PUBLIC UNIVERSITY THAT IS FOR THE PUBLIC
- California needs a university that is public and affordable: No privatization of the CSU.
- Maintain summer pay rates that are based on regular academic year pay rates—and stop the Chancellor’s proposed pay cuts for teaching summer sessions. Extend regular academic year pay rates and benefits to for-credit courses taught through Extension.
- Officially recognize academic freedom in the contract for all faculty work, including Extension and online education.

A STABLE TEACHING FORCE
- Increase tenure track-hiring for a less temporary faculty workforce.
- Maintain three-year and unconditional full-time Lecturer appointments.
- Prevent contracting-out of CSU faculty work.

ALL FACULTY HAVE RIGHTS
- Fully integrate all faculty into the contract—equal rights for counselors, librarians, and coaches.
- Establish same appointment rights for coaches as for other temporary faculty.
- Extend FERP rights to tenured counselors.
- Explicitly recognize all the responsibilities of librarians in their work.

BENEFITS THAT KEEP OUR FAMILIES IN THE MIDDLE CLASS
- Provide fee waiver for all faculty. Include all children up to age 26. Stop the Chancellor’s proposal to forbid fee waivers from being used for CSU doctorates.

As you will see in several accompanying articles in this magazine, and will note when you read a paper on this topic that you can find on the CFA web site, our contract is an important factor in helping to keep the “Public” in the people’s university.

Taking Action
This spring we need to be engaged and visible to communicate the dangers of the stealth process transforming the CSU. We also need to reach out to supporters of the CSU who believe that preserving this important public institution is something that benefits us all—in other words it is a public “good” worth speaking up about.

Many of you participated in national days of action for higher education in early March. We expect that there will be other such days of action across the country in April. After all, the attack on the “public” in our state colleges and universities is happening all over the nation.

We must reach out to our elected officials. Our system of public higher education was devised by true educators committed to broad access to higher education, but it was enacted into the official life of our state by a visionary governor and state legislators. We need them to keep up the promise for more generations.

Reaching Out To You
Every faculty member can play a role. By the time you read this magazine, CFA leaders, members and staff already will be reaching out to you to engage and take action together.

I urge you to take a few minutes to talk when one of them knocks on your door. Attend CFA meetings and help out in any way you can. Every faculty member needs to know what is at stake in this fight and why we need to take a stand.

We will ask you to plan to vote yes in the strike vote that will take place both in-person on your campus and via electronic voting this April.
RESPECT FOR THE FACULTY PROFESSION

- Ensure administrative support of faculty as professionals and respect for the faculty's professional judgment.
- Support faculty leave programs that maintain and further develop expertise.
- Increase opportunities for sabbaticals and other leaves that benefit the university. Stop the Chancellor's proposal to expand a campus president's ability to deny sabbaticals.
- Stop the Chancellor's proposal to transfer power over evaluations from faculty to the campus president and to require that all classes be evaluated unless the president mandates fewer.
- Respect the value of faculty time. Stop the Chancellor's proposal to vastly increase reporting requirements, requiring all non-CSU employment be reported annually to management. (Currently administrators can ask for this information if they feel a faculty member is not performing his/her duties adequately.)

SHARED GOVERNANCE

- Respect shared governance and the faculty's role in educational decisions.
- Maintain faculty control over curriculum and academic and professional standards.

DUE PROCESS

- Respect due process rights of faculty.
- Stop the Chancellor's proposals to weaken the authority of an arbitrator in Retention-Tenure-Promotion cases, to raise the burden of proof for faculty in RTP grievances, and to deny the right of a faculty member to be "innocent until proven guilty" in cases involving suspension without pay for more than 30 days.

INVEST IN FACULTY EVEN IN HARD TIMES

- Address long-standing salary inequities for Associate and Full Professors.
- Implement Year 2 of the previously negotiated equity program.
- Pay faculty a modest 1% General Salary Increase (GSI) in 2011/12, 2012/13, and 2013/14.
- Improve the General Salary Increase to 5% in the first year in which the CSU’s gross operating budget grows to what the CSU asked for in its budget request for 2008/09.
- Pay eligible faculty a service salary increase each year. (It is paid in other sectors of state government with the understanding that a salary ladder over time is cost neutral.)
- Stop the Chancellor's demand to reopen contract talks to allow him to reduce faculty salaries and benefits in 2012/13 and 2013/14.

Our contract alone is not enough to instill all the values the faculty hold dear in our public university. But the contract is the foundation that ensures our ability to press for fair working conditions, an end to excessive spending on executives, and quality education for our students.

Now more than ever, we must stand firm in rejecting a contract that would smooth the way for a lower-quality CSU, a diminished role for faculty in it, and a degraded profession for us all.

In this round of bargaining, we simply must chart a different path for our colleagues, our students, and the CSU.

Stand up for the CSU in the Strike Vote this April.

A strike is not inevitable. But it is absolutely vital for us to prepare for one. The Chancellor needs to know that if he fails to take the opportunity to bargain seriously through mediation and fact finding the faculty will not sit by passively waiting for him to impose HIS terms and conditions on us.

His unwillingness to find a fair and equitable resolution to this dispute will have consequences. As we have often said, “we don’t want to strike—but we will.

In mid-April, the California Faculty Association will hold a strike vote on all 23 campuses asking our members to give the CFA Board of Directors the authority to call for a series of two-day rolling strikes if and when the statutory bargaining process ends without an agreement.

We will have in-person voting on campuses and an electronic option for people who cannot be on campus.

Whether or not we would strike and when that will happen depends on what happens at the bargaining table. I urge you to keep up with developments through CFA's website, the weekly email newsletter “CFA Headlines,” the CFA Facebook page, and talking with your colleagues in your departments and on your campuses.

CFA is fighting for the faculty, for our role in the university, and for the mission of the CSU; we provide access to quality higher education for millions of people who would otherwise go without.

We all support change that makes our university stronger, that widens access to higher education for our students, that offers every person regardless of ability to pay a high quality education that elevates their ability to think, engage and participate in a vibrant democracy.

But we will oppose change that undermines the public good, turns students into ATMs with a mountain of debt, narrows down who can go to college, and dumbs down what public university students have the opportunity to learn.

This is no less than a battle over access not just to a university education, but to knowledge itself for the future American middle class. This is our part of a much larger battle going on in our society to save the American middle class in this country.
The Impact Of Privatization On CSU Faculty And Bargaining Our Contract

Bargaining the next faculty contract has been so difficult that the process is now in mediation.

To understand why, we must look at the worrisome vision for higher education that the Chancellor and CSU Trustees are trying to impose on the California State University. They want a university that costs students more, gives more power and discretion to management, outsources work to non-CSU contractors, and limits faculty rights, faculty authority, and faculty compensation.

One of the “barriers” the Chancellor’s Office has named as an impediment to his vision is the faculty contract.

Up front, we should emphasize that our contract is what protects the faculty’s rights and livelihood. Chancellor Reed has accused the contract of impeding what he deems to be progress, but in fact his changes would take both the contract and the system away from quality education.

Our Contract Protects Us

We need the protection of our contract because the faculty, like so many others in the American middle class, could be crushed in the push for negative change by managers who do not care about our livelihoods or our families. This is what is happening to vast numbers of middle-class Americans—the large sector of the 99%.

We also need the protection of our contract to make sure that change is good for teaching. There are a great many aspects of our contract that address life on our campuses, affect how teaching is done, and have a positive impact on the quality of the education we can provide.

Our contract helps us have the power to take a stand not only for our own families, but also for our students who along with us strive to join the middle class. Our contract inserts into our working lives some of the best values for the people of our country.

Abandoning The Public University

It’s sad that the Chancellor and his core of top managers have come to describe our contract as a “barrier” to their goals for the CSU.

We find that they are abandoning rapidly the notion of a public university that creates opportunity for all Californians to affordable, quality higher education regardless of each student’s ability to pay.

In the hype to impose their for-profit model in place of our public university system, they are using CSU
resources to vastly increase the number of out-of-state students, even at the price of displacing our students here in California who need support from educators and the public to achieve a college degree.

The Chancellor’s goal is a university based on the private, for-profit model. It’s a model arising in an era in which public institutions of all kinds are deemed to be bad or, at least, unsustainable.

The for-profit model of higher education, in addition to removing the need to pursue public support for public education even in tough times, provides executives more flexibility, increased power, and greater discretion—in other words what makes their jobs easier. Plus, management gets excessive compensation. This is the industrial model of a previous time, when inequality was the celebrated reality.

Reed’s Actions Speak Loudly

We see this for-profit model embedded in many of the actions Chancellor Reed and his management have taken just in the last two years:

◆ Reducing severely the number of faculty with permanent jobs. We have an increasing temporary and at-will faculty workforce—there are 500 fewer tenure-track positions in the CSU just in the last year.

◆ Refusing to honor very modest pay raises he agreed to in the last Collective Bargaining Agreement while giving his top executives excessive pay raises of up to $100,000 per year.

◆ Refusing to pay the step increases that other state employees receive. (It is well documented that step raises are cost neutral as over time employees enter on low-paying rungs and others leave from higher rungs. The state of California routinely pays other state employees step raises even while the funding battle over state government rages.)

◆ Refusing to honor the equity plan that two neutral investigators who looked into the CSU’s capacity to honor this plan said in their “fact-finding” reports should be completed.

◆ Pursuing an online, virtual campus called Cal State Online designed by managers and consultants without sufficient CSU faculty consultation that will increase costs for students.

◆ Spending over $6 million on outside union-busting lawyers to be his chief negotiators on employee contracts (money that could have covered the faculty’s unpaid equity raises in our last contract).

◆ Hiking drastically student tuition and fees instead of campaigning for the state funding the CSU really needs to educate students. In fact, Reed has given CSU money back to the state while slashing the ability of teachers to give students the attention they need. This is a central challenge to saving the quality of education in the CSU.

Nor have CSU managers been willing to take up ways to solve inequities for counselors, librarians, and coaches. They have ignored CFA proposals to protect academic freedom necessary to teach and do research in our disciplines.

They would take back a long list of improvements in working conditions the faculty have won in contracts negotiated since the 1980s.

The CSU administrators refuse to compromise in bargaining because they believe they can defeat us simply by waiting out the bargaining process.

If CSU management achieves the contract they want, they can achieve the changes they want in the public university. They seek to divide the faculty from supporting each other to undermine the pillar of our power—our contract.

We need to be clear with Reed’s management and with the people of California. The faculty will embrace change that meets the needs of students and that strengthens our Public university, with all the values that support a strong middle class.

We cannot and will not accept change that turns the CSU into a private corporate entity and our students into customers and profit-centers. This change takes the university backwards and harms the students, the faculty, the staff and the people of California who benefit from the public good that the public university is.

We will fight for a contract that protects a stable workforce and, more importantly, protects the quality of public higher education.
Western Governors University is in your state, deconstructing the Academy

Declaring the failure of public education as we have known it, large forces including top elected leaders are cultivating an experiment

The Lumina Foundation for Education has called on the United States to increase the proportion of the population that holds a postsecondary degree or credential to 60 percent by the year 2025.

This call—known as “Lumina’s Big Goal”—has been embraced by state governments, national higher education associations, foundations and even President Obama. They all have issued calls to increase the proportion of Americans with high-quality degrees and credentials.

So far so good. And then we are told that our decline in global competitiveness is due to the failure of “traditional public education.” Lumina and the like would increase higher education attainment rates by altering the “unchanging public education system” through technology that upends the classroom and through privatization. According to this mythic death/rebirth story, we must rid ourselves of ossified, brick-and-mortar educational institutions to embrace the re-demptive and disruptive online learning platforms of virtual education. Stephen Ehrmann, technology specialist at George Washington U., refers to this phenomenon as “the rapture of technology” (1).

The big money behind rapture technology ensures the effectiveness of its propaganda. Public discourse on education has been remolded to focus on the cause of its “failure,” which, no surprise, is defined as teachers and their unions. Remedies are offered in the form of privatization through vouchers and charters, online delivery and school funding tied to measurable outcomes of retention and graduation rates.

The result is contested cultural space over the meaning and value of education.

WGU: Utilitarian Education

The Lumina value of reductive utilitarianism is the basis for the WGU model of learning. The goal of this learning is to demonstrate competency over a specific vocational skill set defined by measurable outcomes.

Western Governors University began in 1995 when several governors of western states decided to create a non-unionized, virtual university to confer “competency-based” degrees. They had the following concerns:

- To deliver cost-effective education at any place, any time to accommodate access of rural students;
- To maintain capacity to deliver education in an era of rising costs combined with population growth that would overwhelm student access to the brick-and-mortar institutions;
- To ensure the continuation of public higher education in an economic climate in which there would be no more money to build new campuses;
- To correct the failures of state colleges, which were producing too few skilled graduates and those they did produce revealed an uneven skill set.

Based on consultation with their major corporate sponsors such as AT&T, Cisco Systems, Novell, and Sun Microsystems,
The governors came up with a competency-based degree, with programs designed by a team of faculty and corporate experts not involved in teaching, and with student outcomes certified by an “independent” third party. This seemed to make sense to these governors in the context of their world view in which employers were questioning “what it means to have a degree” from a comprehensive university.

The governors felt their state colleges had been unresponsive to these problems so they decided to shake things up “to foster innovation in higher education institutions.”

Having consulted with big business partners, the governors embraced a competency-based, online delivery model that required re-conceptualizing the function of “traditional” faculty in higher education. This re-conceptualization is called “unbundling”—the splitting off into distinct functions of a faculty role and assigning each function to a distinct human agent or technology.

Unbundling enables virtual universities to control costs by increasing “instructor productivity” (6). Research and university service are removed from the role of “faculty.” Academic advising is not recognized in this world-view as part of a faculty’s role in the university. The remaining component—instruction—is further unbundled to the following five distinct activities:

- Design the course;
- Develop the course through the selection of instructional methods and course materials;
- Delivery;
- Mediate a student’s learning process (such as identifying learning styles);
- Assess levels of competence.

These five activities are assigned to technology or separate agents. In this way, the traditional understanding of “faculty” is deconstructed.

WGU does not offer instruction directly but brokers “learning opportunities” through various technologies. Advisers (mentors/monitors) assist students in choosing the “learning opportunity” to achieve a certain goal. Those who design the courses and programs belong to WGU Program Councils consisting of faculty members and industry specialists.

WGU agents are all contract laborers; there is no tenure. So we are left to contemplate the concerns of Jerry Farber, emeritus professor of English and comparative literature at San Diego State, expressed in 1998:

If you take the new developments in educational and communications technology, lift them up on a millennial wave of technological enthusiasm, integrate them into the competency-based outcomes movement in education which has persisted in one form or another since the 1970s or earlier, and put them in the service of corporate interests, which are moving toward a de facto takeover of higher education, you come up with a rough approximation of what appears to be happening in a great many colleges and universities at the turn of the century (7).

**March 5: Day of Protest for Public Higher Ed**

CFA members joined thousands of students, faculty and labor supporters at the state Capitol on March 5 to protest cuts to the state’s public higher education system.

Left to right: Catriona Rueda Esquilbal, San Francisco State; Luz Calvo, CSU East Bay; Pat Jennings, CSU East Bay; Julie Beck, CSU East Bay; Andrew Pierson, Chabot College and Jennifer Eagan, CFA President at CSU East Bay.

**Action Plan**

It is a good idea for the faculty in any state university to look into how WGU may be involved in changes to your campus or system.

The low cost of WGU tuition—it’s main selling point to “customers”—is politically attractive to state legislators since it undercuts those for-profit providers who voraciously consume federal and state grant money and are often difficult to regulate. One can argue that our legislators should invest in state community colleges, which offer even lower-cost vocational training programs, many with online components and a richer learning experience.

**NOTES**

(1) AFT, “Teaming Up With Technology,” 19.
(2) Both Farber and Johnstone discuss these.
(3) Quote from Bill Ivey, former chairman of the National Endowment for the Arts, and Steven J. Tepper in Jenkins “Confronting the Challenges…” a MacArthur Foundation report, 61.
(4) These concerns are found in both Farber and Johnstone.
(5) Paulson, 124.
(6) See Paulson for this explanation. There are other models of disruptive unbundling, for example University of Phoenix.
(7) Farber, 809-10.

**REFERENCES**


On November 17, thousands of CSU faculty members made history by participating in the first-ever strike in the history the California State University system.

The message to the Chancellor on that day was delivered from six in the morning until dark: “If you don’t start making decisions based on what is right for the 99% this system serves—instead of the 1% of executives and upper managers running the system—these actions will continue.”

At CSU Dominguez Hills in Southern California, 2,000 people over the course of the day picketed the 10 gates surrounding the campus.

Nicole Ballard, an academic counselor who was required to work on Thursday said, “The campus was totally empty. It was like a Sunday.”

At CSU East Bay in Northern California, according to published reports, 93% of classes were canceled for the day. Traffic was backed up for over a mile and a half into...
“The November 17 strike demonstrated our capacity to organize effectively. We shut down campus through our display of strength, unity, and—above all—creative resistance.” *LUZ CALVO, CSU EAST BAY*

sending a strong message that faculty are United to Win

Made History!

the city of Hayward. At noon, police were forced to cordon off the main entrance on Carlos Bee Blvd, effectively closing campus for the rest of the day.

CFA President Lillian Taiz, a professor of History at CSU Los Angeles said:

“We have sent the Chancellor a powerful message.

“People are fed up with his ‘management first’ priorities. The CSU community is tired of seeing the Chancellor give huge raises to executives while student fees are hiked, faculty pay is stagnant, class sizes keep growing, and class offerings and faculty jobs are eliminated.

“Huge numbers of people came out to support the faculty this week—students, community members, staff, supporters from other unions, political leaders, and parents.

“Chancellor Reed is out of touch with the needs of the people in the trenches. Instead, he focuses obsessively on the compensation and perks of his presidents and his managers. The time has come for the Chancellor
to prioritize the future of the people of California.”

**Newspapers Editorialize Around the Strike, Quality Education**

While faculty members were on the picket lines, favorable reviews for the action and CFA’s positions supporting quality education began to roll in from newspaper editorial boards.

The *San Jose Mercury News* editorialized that in light of his recent decisions “You have to wonder whether Chancellor Charles Reed understands his organization’s mission.”

The *Oakland Tribune* suggested that the “CSU needs to be more equitable on faculty pay policy.”

Meanwhile the *San Francisco Chronicle* criticized the CSU Trustees for passing a fee increase this week in back room vote stating that under the current management regime, “a cornerstone of the California Dream is crumbling.”

“Our students’ learning conditions are our working conditions. So our class sizes go up, our workloads go up, and the quality of their education goes down. That’s really why we’re out here. It’s not about a small wage increase. We are out here to save the CSU.”  
**JENNIFER EAGAN, CSU EAST BAY**
“We are taking a stand for our rights as employees, and for our ability to reach our students while we support our families. We have to save middle-class jobs in the country, and that includes right here on our state university campuses.” DAVID BRADFIELD, CSU DOMINGUEZ HILLS

“The one-day strike at CSU East Bay sent a very clear and powerful message to the Chancellor’s office: students and faculty of the CSU are ready and willing to stand-up and fight for quality, affordable, and accessible higher public education.” CURTIS PELDO, CSU CHI
Governor’s 2012 state budget plan

Tied to a tax initiative, massive cuts & continued hardship for the CSU

By Brian Ferguson
CFA Communications Specialist

On January 6, Gov. Jerry Brown released his proposed $92.6 billion California state spending plan for 2012/13. The budget is tied to a proposed initiative to increase temporarily the sales tax and the personal income tax on upper-income earners, raising an estimated $6.9 billion for the state.

Gov. Brown’s proposal also includes major funding reductions in critical areas, especially support for low- and middle-income Californians who need health coverage or childcare, help in moving from welfare to work or help financing a college education. The CSU will face a potential reduction of $200 million in the form of a so-called “trigger cut” should Gov. Brown’s tax initiative fail to gain voter approval. Additionally, the proposed budget includes other funding shifts that affect how money is allocated to the CSU.

The Governor’s allocation to the CSU’s base budget comes on the heels of a $750 million mid-year reduction enacted in 2011. “While the governor’s budget proposal appears to contain no immediate cuts to the CSU, it does include new shifts in costs that
will ultimately create a bigger hole in the public university’s already stressed budget,” says CFA President Lillian Taiz.

She continues, “After years of persistent funding cuts and actions taken by the university’s management that focus the cuts on classes and students, we are running out of options. If this budget comes to fruition, an entire generation of CSU students will bear the burden of our state’s persistent disinvestment in public higher education.”

**CSU Impact**

While the governor’s budget plan includes no immediate cuts to the CSU, he did include proposals to change the fund source from which the CSU’s so-called “mandatory costs” would be paid.

For instance, under his budget plan the state would shift its historic responsibility to pay the CSU’s bond debt service from a state fund to the university’s general fund, thereby leaving the CSU on the hook to cover payments from its ever-shrinking operating budget.

Further, the Governor proposes to stop providing CSU managers the funds to cover employer contributions to CalPERS. The CSU would need to pay its portion of contributions for CSU employees out of its regular operating budget. Currently, the CSU gets a separate appropriation of state funds specifically for this purpose.

If voters reject the governor’s proposed taxes, cuts of $5.4 billion—including $200 million to the CSU—would be triggered.

This change could open the door for the faculty and other CSU employees to bear a larger share of the cost for retirement benefits and is an incentive to hire more part-time and temporary employees who would not be eligible for CalPERS.

**Governor reaches 11th-hour compromise on tax initiative**

After months of discussion, Gov. Jerry Brown reached a compromise with labor and progressive groups March 14 to combine two competing tax initiatives for the November ballot. The compromise was reached just as this magazine went to press.

The revised proposal Brown forged with the California Federation of Teachers (CFT) would rely more on taxing the rich to raise an estimated $9 billion for California’s budget.

“Our values and principles are clearly reflected in this new initiative,” said Josh Pechthalt, CFT president.

Brown’s revised plan—which is a critical cog in the state budget plan—would put a larger burden on individuals who earn $500,000 or more a year, raising their income tax rate by 3% instead of his earlier plan for a 2% increase, while reducing his sales-tax hike proposal from a half-cent to a quarter-cent.

Those earning $300,000 to $500,000 also would see more of a tax hike: a 2% increase, rather than 1.5%.

The new proposal also is expected to extend the period of the income tax hike from five years to seven.

If approved by voters, the revised tax would bring in $2 billion more than the governor’s original proposal for the upcoming budget year for a total of nearly $9 billion. The money would go into a fund dedicated to schools from K-12 through public universities, freeing up billions of dollars to tackle the state’s $9.2 billion deficit.

The late compromise will force Brown and his allies to undertake an intensive effort to qualify a new proposal for the November ballot.

This budgeting change also could have serious implications for bargaining the faculty’s contract. In the current talks, the Chancellor has proposed to reopen Article 32: Benefits in the faculty contract in 2012/13 and 2013/14.

**The Governor’s Tax Initiative**

The Governor’s tax initiative—to go to a vote in November—would bring new revenues into the state’s coffers. According to the Governor’s office, passage of the measure would wipe out a $9.2 billion deficit through mid-2013 and give K-12 schools a $4.9 billion increase moving forward.

However, Brown is not alone in his attempt to get voter approval on more state revenue. Brown and his political advisors have warned repeatedly that a general election ballot containing multiple tax initiatives could jeopardize the budget plan.

Steve Glazer, Brown’s political strategist (and a CSU Trustee) explained, “When voters are offered choices among competing measures, it depresses the support for each of them. The likely result will be all of them failing.”

If voters reject the governor’s proposed taxes, cuts of $5.4 billion—including $200 million to the CSU—would be triggered. This would be in addition to $4.2 billion in cuts to K-12 schools that could reduce the school year in primary schools by three weeks.

**Impact on Other State Programs**

The Governor’s budget cuts key anti-poverty programs including CalWORKs, Medi-Cal
and supportive services for homebound elderly and the disabled.

CalWORKs would be cut $1.1 billion, largely by creating the first 24-month limit on cash benefits for parents who do not meet work requirements. Parents whose aid would end after two years would still receive benefits for their children but those kids would see monthly checks cut from $463 to $392.

Hundreds of thousands of developmentally disabled, homebound elderly and sick California residents would see another round of reduced cuts to services.

The plan suggests purging the state of 39 departments, offices, boards and commissions and wiping out nine state programs. Brown proposes reducing the state’s workforce by some 3,000 positions, mostly from the Department of Corrections and Rehabilitation.

CSU hit with $100 million “trigger” cut; CSU loss in 2011 totals $750 million

Gov. Jerry Brown and the California Department of Finance announced in December another cut to the CSU of $100 million for the 2011/12 fiscal year after state revenues failed to reach the projections in the June 2011 budget deal.

Brown and fellow legislative Democrats had hoped for a $4 billion increase in tax revenue through the current fiscal year that ends June 30, 2012.

The budget they passed last summer, without Republican support, was based on a combination of spending cuts, fee hikes and optimistic revenue projections. This added cut to the CSU comes on top of $650 million in cuts enacted earlier in 2011.

The revenue shortfall also triggered mid-year reductions to the University of California, Medi-Cal, and in-home support for seniors and the disabled, among others. All told, trigger cuts totaled more than $1 billion for the 2010/11 fiscal year.

Learn about Retirement Security for All & California public employee pensions

CFA along with other public employee unions is working to change the discourse on public employee pensions.

Jonathan Karpf, CFA VP-Lecturers North who travels to campuses teaching faculty about retirement benefits says, “Public employees like the CSU faculty are not responsible for the nation’s economic troubles. We are part of the middle class that needs retirement security, as do all other Americans.”

Check out these web sites for information to help you talk about Retirement Security for All.

Californians for Retirement Security:
www.letstalkpensions.com
and
www.dontscapegoatus.com

CalPERS: Myths vs, Facts About Pension Reform
www.calpersresponds.com/all-myths-vs-facts.php

Service Employees International Union
www.seiu.org/retirement-security

BENEFITS OF CFA MEMBERSHIP

As a California Faculty Association member you’re entitled to a variety of discounts, programs and special offers that add up to substantial savings. To take advantage of these offers, you must identify yourself as a CFA or affiliate member when you contact the provider.

www.calfac.org/benefits
‘Corporate Deception Act’ would destroy union political activism

2012 ballot measure designed to attack workers’ strengths, silence union voices

The Corporate Deception Act (aka Paycheck Deception) is designed to silence the voices of workers and strengthen the political influence of giant multi-national corporations. This ballot initiative has qualified to appear on the November 2012 general election ballot.

Proponents of the initiative, written by the California Republican Party’s lawyers, are primarily a group of right-wing, corporate Republicans from Orange County. They claim it would rein in campaign contributions by both unions and corporations but, in fact, the deceptive wording of the initiative specifically targets union members, while a big loophole leaves corporate campaign contributions essentially unscathed and unchecked.

The ballot initiative is specifically designed to make it nearly impossible for members of an employee organization, including CFA, to raise money and pool resources for political campaigns. If passed by voters, the measure would further skew the political landscape in favor of big corporations and business interests.

Not only would the new initiative prevent expenditures of any union dues in political campaigns, it would prohibit any in-kind contributions such as union members volunteering to phone bank or walk precincts. This deceptive initiative was written by attorneys for the California Republican Party and the signature gathering was funded by wealthy corporate interests who aren’t just satisfied to spend unlimited money on campaigns—they also would weaken the collective strength of working people,” said Lillian Taiz, President of CFA. “This initiative would effectively silence labor from supporting candidates or positions that benefit working families.”

Big money gets bigger

In 2010, the U.S. Supreme Court ruled in Citizens United that it is illegal to limit political donations by corporations. This helped wealthy special interests gain more power in an environment where they already outspend labor by a 3 to 1 margin in direct contributions and a 15 to 1 margin in indirect contributions.

The initiative’s backers include oil and real estate interests, wealthy investors, CEOs and a retired bank chairman. The measure’s title, “Stop Special Interest Money Now Act,” is misleading because it implies that it affects all sides. In reality, the measure does very little to limit donations from business interests and corporate political action committees while it cripples public employee groups.

Here’s the fundamental question one must ask: why would California Republican Party
lawyers and ultra-rich Orange County conservatives ever move to limit voluntarily their own voice in the political process? The answer is, of course they wouldn’t. This initiative proves that, by simply being a deceptive vehicle to silence working class people. Designed by the 1% to benefit the 1%.

No union dues in campaigns
Californians rejected similar measures in 1998 and 2005 that would have silenced the voices of teachers, nurses, firefighters and other working people. A third effort, called “Paycheck Protection 2010,” failed to qualify for the ballot. CFA has joined the 2012 coalition formed to defeat this pernicious initiative.

Get the facts about this initiative
- It takes away workers’ rights to pool our money together so we can have a strong voice in the political decisions that affect our jobs, families and communities. Working families have the right to be heard in the American political process. Without our voice, there would be no employer-provided health care, no vacation and sick leave, no minimum wage, no overtime pay and no job safety protections. Without our voice in the future, collective bargaining, our pensions, and educator tenure will be under attack with little ability for us to fight back.
- In deceptively simple language, this initiative seems like it treats both corporations and workers equally and fairly. It appears to ban all special interest money in the future. It won’t. In reality, this initiative would put a chokehold on working families’ participation in the political process and further tilt the balance of power in favor of wealthy interests.
- Californians have twice rejected similar measures at the ballot box, so that’s why backers are pretending to limit corporate contributions this time around. But read the details: the only corporate contributions this measure bans are employee payroll deductions and direct contributions from corporations to candidates. However, that’s not how corporations make their political contributions.
- The devil is in the details. While unions and other worker organizations collect most of their political contributions through payroll deduction, corporations funnel most of their contributions directly from their mega-profits to political action committees (PACs)—and this initiative places no restrictions at all on their ability to write 6, 7 and even 8 figure checks to influence elections. In the 2008 election cycle, corporations outspent unions by 19 to 1! Meanwhile, these deceptive measures impose an “extremely costly” and “significant” burden on a union’s political activities, according to the Washington Supreme Court, which declared a similar measure to be unconstitutional.
- It paves the way for more cutbacks in our standard of living. Especially in this economy, unions are among the only strong advocates for workers and the middle class against Wall Street, multinational corporations and unfair trade “partners” that have cost millions of Americans their jobs.
- Workers already have a choice. No worker can be forced to fund a union’s political and legislative activities. Workers who disagree with union political activities can choose not to pay the amount of dues that goes for these activities (this right is protected by law). Corporations, by contrast, don’t give shareholders, employees or customers any say in their political activities.
- The backers of this initiative are not “good government” groups. Those in the 1% who want to control our state without any opposition are funding it. The key backers are the same corporate groups that have been forcing a race to the bottom that lowers standards for everyone—slashing wages, outsourcing our jobs and eliminating benefits and retirement security.

If you have any questions about the Corporate Deception Act or any other questions about politics or government relations, please call CFA Political Director Charu Khopkar at 916-441-4848.

Stay Up to Date with CFA
Stay updated on upcoming CFA events, campaigns and other important information, and so much more with social media.
- Like our Facebook group: www.facebook.com/californiafacultyassociation
- Or, follow us on Twitter: @CFA_News

Sign up for CFA Headlines weekly newsletter
Keep up to date on the latest issues affecting CFA and the CSU with our weekly email blast. www.calfac.org/headlines
The “For-profititization” of the CSU

CSU management is moving classes for academic degrees into high-cost “Extended Education” where Students pay more & Faculty earn less

By Aimee Shreck, CFA Research Director & Alice Sunshine, CFA Communications Director
California law requires Chancellor Reed and the Trustees to let the public know about the skyrocketing tuition rate to attend the CSU. Yet, that showroom sticker price increasingly obscures the actual cost of a CSU degree.

For example, just in the last few years, a strong move has emerged to move classes students need to complete degrees out of regular university programs and into “Extended Education” divisions that operate under a “self-support” framework without public funds.

And compounding the pain, this kind of move not only squeezes more out of students, it also squeezes the faculty to teach more for less compensation.

After almost two years of trying to negotiate with Chancellor Reed over the terms of a successor bargaining agreement for the CSU faculty, the often-overlooked Article 40: “Extension For-Credit Employment” has emerged as a core area of contention. Though many CSU faculty may think this fight has nothing to do with them, the Bargaining Team says, “Think again!”

According to CFA Bargaining Team Co-Chair Andy Merrifield (Political Science, Sonoma State), “Signals from the Chancellor’s negotiators seem clear. Extended Education is where the Chancellor wants to take the CSU in the future and he believes the protections we have in our current contract are standing in his way.”

If Reed is successful, the expansion of Extended Education on his terms will have a negative impact on all CSU faculty members, not to mention the students. He sees profits earned by the For-Profit higher education corporations and wants a piece of that pie for the CSU. But, to compete with the likes of the Kaplan, University of Phoenix, and the Education Management Corporation, he will need to lead the CSU in a race to the bottom.

Even though most faculty do not teach in Extension today, and many do not teach in summer or other special sessions, Merrifield is firm in his belief that developments in this arena will affect every member except for those who are retiring right now.

Even though most faculty do not teach in Extension today, and many do not teach in summer or other special sessions, Merrifield is firm in his belief that developments in this arena will affect every member except for those who are retiring right now.

Read on to get up to speed about Extended Ed, the dollars it generates each year, and the plans the Chancellor has to expand these operations even more.
The Growth Of The For-Profit “Arm” Of The CSU

Extended Education (also known on some CSU campuses as Continuing Education or University Extension) has always co-existed alongside the regular public California State University. Initially classes were for adults who were considered “non-traditional” students. They didn’t want to become regular students but they did want to take college courses, usually off-campus. It is Extended Education that pioneered distance learning for decades, first through television and video-taped courses and today with courses online.

These classes were expected to be “self-support,” meaning the students paid the full cost without that taxpayer “state support” provided to students working toward degrees in the regular public university. In other words, a university’s Extended Education division needs to generate enough income to pay the associated bills. That is the rationale for higher tuition—the income source—while the university tries to keep expenses (labor costs, for example) low.

Extension courses specialized in career enhancement and non-credit courses rather than for-credit classes or university degrees. Fees were charged according to a premise that “adults could afford to pay a modest amount for their education.”

Over time, the Extended Education arms of the 23 CSU campuses grew to serve increasing numbers of adult professionals, providing similar courses to those offered in regular sessions and even offering entire degrees.

By the 1980s, regular state-supported sessions and Extended Education sessions were being offered simultaneously all year round. Growth in offerings was accompanied by substantial revenue growth.

In the fiscal year 1984/85, revenues generated by Extended Ed were $37 million. For the fiscal year 2011/12, CSU management projects revenue from Extended Education will reach $263 million systemwide, up from $128 million a decade earlier.

CSU Extended Education is authorized in the Education Code Sec. 89704 and today is overseen by State University Dean for Extended Education and the CSU Commission on the Extended University.

Even though it appears to be part of the public California State University system, it is managed by auxiliary non-profit organizations, not the public university itself, and funds generated by the programs are held in special accounts. Little of the profits have made their way back into the regular university.

Extended Education Expanding

Today Extended Education operates as the CSU’s de-facto “for-profit” arm, generating hundreds of millions of dollars a year. It is no wonder the Chancellor has big plans to grow this arm of the university.

A speedy way to grow Extended Education is being served up quick and cold. In the name of state funding cuts, class offerings in the regular “state-supported” university are disappearing. Students struggle to find spaces in classes that they need to finish their degree, while more and more sections of those same classes are being opened in Extended Education. These “self-support” classes are dangled temptingly before students desperate to finish their degrees. Students who can afford (or go into debt to) the full cost themselves can attend; those who can’t are out of luck.

In 2009, for instance, 22 of the 23 CSU campuses offered summer sessions through Extended Education only, rather than through the public-side of the university. This meant higher costs for any student planning to continue their studies during the summer.

Then in 2010, Chancellor Reed issued an Executive Order (E01047) making it easier to move courses to Extended Ed. Students from four CSU campuses (East Bay, Los Angeles, San Marcos, and Stanislaus) filed a lawsuit to prevent their summer classes from being moved to extension where their costs would be much higher. Though the suit was ultimately unsuccessful, in 2011, the Chancellor’s Office reconsidered and instructed all campus presidents to choose themselves whether they would offer summer sessions through the public side (state-support) or through Extended Education. In a memo to the presidents, the choice was explained as follows:

“If state support is offered, all applicable Academic Year (AY) term fees will apply and the State University Grant (SUG) will be available to students who qualify… If the self support option is offered, matriculated and non-matriculated students can be charged for the full cost of self-supported instruction and any applicable campus-based fees…” (emphasis added).

In June 2010, CSU Trustee Margaret Fortune requested a study to explore opportunities to expand CSU Extended Education operations. State University Dean Sheila Thomas and Executive Vice Chancellor Ephraim Smith reported to the Board their findings in that September.

Strong in its enthusiasm about opportunities for further expansion of Extended Education, the report’s concluded:
“There is considerable potential for Extended Education to be expanded to play a more significant role in increasing enrollment and ensuring student success. There are also incentives for matriculated students and working professionals to utilize Extended Education programs more frequently if they are on an accelerated path to degree or certificate completion. [ ... ] On the other hand, there are barriers to this expansion, including changes to collective bargaining agreements, Executive Orders and the Education Code. These are not insurmountable, however, and should be studied without delay if the CSU is to be competitive in this environment of for-profit and private institutions offering what the CSU can often better provide.”8

In the coming years, if Reed and the Trustees succeed in overcoming these barriers, the CSU will be offering more and more courses and degrees through these auxiliary operations that have higher costs for the student, lower compensation for the faculty and staff, and less public scrutiny.

Advancing The Profit In The For-Profit CSU

CSU leaders say they aim to keep the pricing of Extended Education courses and programs affordable. What they mean is, they try to keep Extended Ed affordable relative to For-Profit higher education institutions, which they view as their competition for students’ dollars. In fact, CSU Chancellor Reed does not appear to be worried about the fees being much higher than it is for the public CSU programs.

For example, the September 2010 report to the Trustees identifies the relative cost of CSU Extended Ed as a competitive advantage. It notes the average annual tuition at the For-Profit “competitors” they studied topped $13,000 per year. Compared to that, they report concluded the $7,200 annual cost in CSU Extended Ed was reasonable.9

Tuition charged for Extended Ed classes vary widely, from major to major and campus to campus. Chancellor’s Office data shows fees per unit can range from $230 to more than $600 per unit. The data suggests healthy profits are generated by many of these programs.10

The average undergraduate annual tuition for Extended Education was 51% higher ($2,463) than the average annual fees for the CSU in 2010.11

For example, a CSU Sacramento criminal justice online degree through Extended Ed costs a student about double per unit what the student would pay in the regular public university—even with the big tuition increases over the past several years!12

| TABLE I: FY 2011-12 Extended Education Revenue Budget Projection |
|--------------------|-----------------|
| CAMPUS             | PROJECTED REVENUE |
| Bakersfield        | $3,200,000       |
| Channel Islands    | $4,009,675       |
| Chico              | $4,917,000       |
| Dominguez Hills    | $14,139,850      |
| East Bay           | $10,300,000      |
| Fresno             | $4,603,547       |
| Fullerton          | $20,000,000      |
| Humboldt           | $2,977,000       |
| Long Beach         | $28,000,000      |
| Los Angeles        | $5,256,344       |
| Maritime Academy   | $950,000         |
| Monterey Bay       | $3,073,000       |
| Northridge         | $30,300,000      |
| Pomona             | $6,344,000       |
| Sacramento         | $25,337,073      |
| San Bernardino     | $10,316,855      |
| San Diego          | $12,148,973      |
| San Francisco      | $20,452,947      |
| San Jose           | $29,350,147      |
| San Luis Obispo    | $6,300,000       |
| San Marcos         | $10,556,142      |
| Sonoma             | $5,657,356       |
| Stanislaus         | $4,776,332       |
| TOTAL              | $262,966,241     |

Making matters worse for students, there are restrictions to what kinds of financial aid can be used to help pay for Extended Education courses. Aid is almost entirely limited to loans and federal grants. California Cal Grants cannot be used to pay for Extended Ed and the CSU even prohibits its own State University Grants from being used for Extended Ed courses.13

Less Scrutiny Means More Profit

With no limits on the amount of tuition charged and no public oversight or discussion about rates and increases, as is required by law in the case for the fees charged by the public university, the profit-making potential of Extended Education is undeniable.

It should be no surprise, then, that revenue generated from students enrolled in Extended Ed courses is on the rise. Ten years ago, CSU Extended Education programs generated $190 per student credit unit. By 2009/10, the programs raised $356 per student credit unit, an 87% increase. And the profits also are growing in the form of reserves, that is, money saved in the bank accounts of the CSU auxiliaries that manage Extended Education on each campus. The CSU Budget Office reported a year-end reserve balance of $120.8 million for Extended Ed in 2011. This is almost three times greater than the reserves in 2007, table 2, charts 1 + 2.14

It may surprise some to learn how large the enrollment in Extended Education is. In 2009/10, student enrollment in for-credit courses taken through Extended Ed was 189,000, up 8% from the previous year. In addition, 69,000 students enrolled in over 6200 non-credit extension courses that year. For reference, this corresponds to about 40% of the total headcount enrollment in the public CSU system during the same year.15

The Chancellor’s Office justifies high student fees as not problematic if they can provide access to courses otherwise unavailable to students:

“Fees are higher in Extended Education for a variety of reasons…but for many students, it is the access to these programs—both at the CSU and at private or for-profit institutions—that can outweigh the higher cost.”16

Interestingly, the stated mission is to use Extended Ed to expand people’s access to college courses says:

“The mission of each of the institutions that comprise the California State University (CSU) is to provide affordable access to education that is high quality, learning-centered, and outcomes-based. The mission of Extended Education is to support and extend the mission of the CSU with quality programs that are affordably priced.”17

Nevertheless, CSU executives exhibit a keen interest in expanding Extension in order to raise money.
At a recent meeting (Jan. 2011) of the Commission on the Extended University, Chancellor Reed, eyed the revenue from Extended Ed to help the university deal with state funding cuts. The minutes of that meeting attribute the following comment to Reed:

“Extended Education is part of the CSU. All of its revenue belongs to the CSU. As such, can we do more via self-support programs to help offset the budget cuts against increasing costs? Perhaps more can be done with online programs, or earlier starts to the spring semester.”

At the same meeting, Reed also argued for increasing enrollment of international students to generate additional income. He imagines the number of international students, who pay substantially higher (out-of-state) tuition and fees and frequently enroll in courses offered through Extended Education could be increased to comprise 10-12% of the student body. No estimate of how much additional revenue this might generate was reported in the minutes.

Also seeking new ways to extract more money from students, Executive Vice Chancellor Ephraim Smith added that new revenue could be earned if “Super Seniors,” those who have not gotten to a degree in five or more years, were forced to enroll in Extended Education or charged Extended Ed-equivalent fees.

Vulnerable Students, Captive Customers

In addition to these groups, CSU executives are eyeing several other groups of potential “customers” for its expanded Extended Education offerings, these coming from the ranks of California’s own:

- Students needing to take remedial courses Students who need to take high-demand courses (what they term “bottleneck” courses), and
- Students who “stop out” for a term or more before they complete their degrees.

Focusing on these groups of students to expand enrollment in Extended Ed raises serious questions about the Chancellor’s commitment to the CSU mission of affordable access; is expansion plans target some of the university’s most vulnerable students for the higher-priced classes.

More than half of all regularly-admitted freshman students require remediation in Math and/or English. Starting this Summer 2012, these underprepared students will be forced to enroll in a new “Early Start” program, which Chancellor Reed wants to offer through Extended Ed.

Students who “stop out” for a semester or quarter and then return to continue their studies typically do so because they cannot afford to enroll continuously. It is simply irrational to believe that charging these students more to finish their degrees in Extended Education programs is a way to expand access to higher education.

It is also unfair to charge more to students who choose popular majors—the effect of shifting bottleneck courses to Extended Ed. Instead, considering the CSU mission to help Californians get degrees, additional “state-support” sections should be offered in courses that are needed for

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**TABLE 2: Extended and Continuing Education - Revenue and Enrollment: CSU System Total**

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<tbody>
<tr>
<td>Revenue</td>
<td>$129,945,627</td>
<td>$111,251,422</td>
<td>$110,405,392</td>
<td>$115,035,018</td>
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<td>$146,338,788</td>
<td>$144,670,137</td>
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<td>Student Credit Units</td>
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<td>540,367</td>
<td>532,324</td>
<td>549,417</td>
<td>656,091</td>
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<td>487,047</td>
<td>472,285</td>
<td>501,171</td>
<td>532,098</td>
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<tr>
<td>Revenue per SCU</td>
<td>$190</td>
<td>$206</td>
<td>$207</td>
<td>$209</td>
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<td>$289</td>
<td>$287</td>
<td>$339</td>
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<td>$356</td>
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source: CSU Statistical Abstracts, Table 125, 126
... the more money they make

graduation. Students should not have to pay extra to graduate on time.

Finally, students who earn the label “super senior” frequently are forced to stay in school longer than they planned because they cannot enroll in the courses they need to finish. And, because qualifying for financial aid often requires a student to be enrolled in a minimum number of units, students take classes they need, not for their major, but to preserve their financial aid so they can graduate eventually.

The solution for problems like these should simply be more course offerings—not course offerings at a higher price in a for-profit arm.

The Faculty, The Law & Their Own Policies Are In The Way

In the process of discussing this for some years, the Trustees and CSU executives have concluded (and seem to be acting on the conclusion) that the state university’s Extended Education operations can and should compete with the For-Profit higher education sector for students and their money. However, they say a number of barriers to their expansion must be removed.

The September 2010 report to the Trustees identifies four core barriers: the faculty contract, state law, current CSU policies, and availability of financial resources.

The faculty contract. The faculty contract (negotiated with Reed’s management by CFA’s Bargaining Team) provides better compensation and working conditions for CSU faculty than typical For-Profit competitors offer their faculty. For example, the faculty contract specifies minimum pay for faculty who teach for-credit courses offered through Extended Ed. The Trustees’ report notes that For-Profits pay less and offer fewer if any benefits to instructors.\(^\text{20}\)

The CFA/CSU collective bargaining agreement also ensures that the faculty members who develop courses that are given in Extended Ed have the right to teach the course if it is offered. Similarly, the contract makes sure there is fairness in the hiring of faculty to teach courses previously offered in the regular university, state-supported classrooms.\(^\text{21}\)

Having been identified as barriers to the Chancellor’s plans, it is no surprise to see him attempt to negotiate away these rights in bargaining over a successor contract.

California state law. California’s Education Code prohibits self-support programs from supplanting regular courses offered as state-support and restricts how revenues raised through Extended Education can be spent. The report to the Trustees perceives this law as a barrier to expansion of the CSU’s Extended Education arm and indicates that CSU management should pursue changes to Ed Code Sections 89704 and 89708.\(^\text{22}\)
CSU Policies. The report identifies several CSU policies laid out by Executive Order that the Chancellor would need to amend to facilitate the expansion of Extended Ed. Specifically, Reed believes he would need to revise at least these four Orders:

EO 1047—Special Sessions
EO 805—Policy Governing the Enrollment of Non-Matriculated Students in CSU State-Supported Courses and in CSU Self-Support Special Session Courses
EO 794—Financial Management of Extended Education
EO 341—Use of Surpluses in the Continuing Education Revenue Fund

Documents associated with the Chancellor’s Cal State Online Initiative, which also will operate separate from the public university, are specific regarding legal and policy changes to move the same obstacles.

The “Frequently Asked Questions” about the Cal State Online Learning Initiative on the Chancellor’s website includes this:

“6. Can CSU Executive Orders (such as the one concerning supplanting state programs with self-support programs) be modified?

“Yes. The roadmap for the online learning models will contain policy and administrative obstacles. CSU is prepared to address those obstacles and change or modify policy accordingly. This may also include changes to Title V of the Education Code and legislative and regulatory constraints that may exist.”

Financing online programs in Extended Ed. CSU executives are aware that to offer the kind of online programs that many for-profit competitors offer, the CSU would need to invest significant financial resources to support the programs.

Already, more than a million dollars of state funding has been devoted to starting up the Cal State Online initiative—$50,000 from the regular operating funds of each of the 23 CSU campuses. Implementation plans for that project indicate the Chancellor would seek an additional $20 million from the state to fund this non-public initiative.

The Chancellor’s enthusiasm and commitment to expanding CSU’s Extended Education offerings promise to transform the very essence of the California State University, a public university. This will happen as more and more programs and degrees are offered through Extension, where prices for students are higher, pay and benefits for faculty will be lower, and oversight of the operations are minimal.

Having emerged as a central battleground in the ongoing faculty contract fight, it is clear the Chancellor believes there is a lot at stake in Extended Education. We too believe there is much at stake—for our current and future students who deserve a public and transparent university and for the profession, which is under greater threat each day as misguided “reform” agendas are introduced by higher education executives and influential foundations.

The idea that a public institution like the CSU, which struggles daily to serve even the students who are already enrolled, must change its ways to compete for “customers” with a scandal-ridden, for-profit higher education sector is untenable.

Though Reed is counting on most faculty members to assume this fight is not about them, we believe he will be proven wrong, again. ■
CSU Employees Union Settles Contract with Chancellor

While CFA and CSU Management remain at odds in contract talks, members of the California State University Employees Union, which represents staff in CSU Bargaining Units 2, 5, 7 and 9, have reached a tentative agreement for a new contract with Chancellor’s Office representatives. The tentative agreement must still be ratified by CSUEU members and the Trustees. Some details of the tentative agreement can be found at www.csueu.org.

CFA Equity Conference To Promote Diversity, Civil Rights In The CSU

CFA Equity Conference in March, which is sponsored by CFA’s Council for Affirmative Action, looked at the many attacks on public education in California and the nation and at the resulting decline in quality education. These attacks create a CSU system in which access and equity is problematic, the for-profit model prevails, and the key role of instructional faculty in educating students is de-emphasized. The conference theme, “Quality Education and Critical Practices: A State and National Perspective,” focused on best practices used by CSU faculty to provide a quality education that challenges the state and national attempts to move public education to a business model that treats students like commodities and massively restructures higher education to prioritize the bottom-line.

Instead, Conference presentations and workshops emphasized the ways in which CSU faculty engage and interact with the total student by creating learning environments in which diversity, access and equity are primary values that complement the academic mission of the university.

New Pay raises Policy for top CSU executives

Bowing to years of pressure to curb CSU executive compensation hikes, the CSU Trustees at their meeting in January adopted a last-minute change to a new pay policy for campus presidents.

The policy adopted will limit the increase in taxpayer dollars devoted to the starting salaries of newly hired campus presidents to a maximum of 10% more than the pay that had been given to their respective predecessors. There is no restriction on the amount of donated dollars, referred to as “private” funds, which can be used to augment executive pay above state dollars.

The policy was adopted just hours before it became public that Mildred García, former president of CSU Dominguez Hills, has moved into the top spot at CSU Fullerton. The Trustees also named Leroy M. Morishita permanent president of CSU East Bay. He has been interim president since April when his predecessor, Mohammad Qayoumi, moved over to San José State.
STRIKE VOTE IS COMING

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