# AS-3273-16/FGA

#  November 3-4, 2016

#  First Reading/Waiver

Support for the California State University (CSU) Board of Trustees (BOT) 2017-18 Budget Request

1. RESOLVED: That the Academic Senate of the California State University (ASCSU) support the CSU BOT 2017-18 budget request for additional monies from the state for student success, completion and access, infrastructure/facilities, and employee compensation over and above the $157.2 million funding commitment to the CSU by the Governor; and be it further
2. RESOLVED: That the ASCSU urge that in its request, the CSU BOT allocate at least half the monies for the Graduation Initiative 2025 to assist in resolving the tenure density issue in the CSU by the hiring of tenure track faculty to improve student success and access; and be it further
3. RESOLVED: That the ASCSU distribute this resolution to;
* California Governor Jerry Brown,
* Speaker of the California State Assembly,
* California Senate President pro Tempore,
* CSU Board of Trustees,
* CSU Chancellor,
* CSU campus Presidents,
* CSU campus Senate Chairs,
* California Faculty Association (CFA),
* California State Student Association (CSSA),
* Emeritus and Retired Faculty Association (ERFA),
* Academic Senate for the California Community Colleges,
* Academic Senate of the University of California,
* California Community Colleges’ Board of Governors,
* University of California Board of Regents.

***RATIONALE****: Excerpt from the CSU BOT September 2016 agenda:*

*The preliminary 2017-2018 budget plan would allow the CSU to dedicate funds to Graduation Initiative 2025 priorities, meet its mandatory cost obligations, fund compensation and grow full- time equivalent student (FTES) enrollment by one percent. Additionally, progress can be made on infrastructure and deferred maintenance needs.*

*The governor’s funding plan would provide a $157.2 million increase in 2017-2018. Under the most likely of scenarios, the governor’s funding plan would only afford the CSU the opportunity to fund required current employee compensation commitments and other mandatory cost increases and would not be enough to permanently invest in Graduation Initiative 2025, infrastructure, and Full-time Equivalent Student (FTES) enrollment growth.*

*At this early stage, the state’s funding plan does not include sufficient resources to meet the CSU preliminary budget plan. As a result, additional resources above the governor’s funding commitment would be required.*

***2017-2018 CSU Support Budget—Preliminary Planning Approach***

*This preliminary plan is to begin the discussion of a support budget request for 2017-2018. The planning approach represents a credible statement of the university’s key funding needs. At this stage, it is important for the Board to provide input on fiscal policy priorities for 2017-2018.*

*The preliminary incremental budget request and expenditure plan is summarized as follows. These estimated recurring amounts are approximate and would add to our 2016-2017 base budget of $5.4 billion.*

***Proposed Incremental Expenditures:***

*• Graduation Initiative 2025 $75m
• Full-Time Equivalent Student Growth: 3,600 FTES $40m*

*• Compensation: Current Commitments $140m
• Compensation: New $55m
• Facilities and Infrastructure Needs $10m
• Mandatory Costs $26m*

***Total Incremental Expenditures $346m***

***Anticipated Revenue***

* *General Fund Revenue from Governor’s Funding Plan $157.2m*
* *Net Tuition from Enrollment Growth $20m*

***Total Anticipated Revenue $177.2m***

***Preliminary Support Budget Request $168.8m***

*The preliminary expenditure plan continues to addresses many of the CSU’s educational and operational needs. But if required to do so, it would be exceedingly difficult for the CSU to operate within the confines of the governor’s funding plan without receiving additional resources. Increased mandatory costs and current compensation commitment costs together would cost approximately $166* million*—more than the $157.2 million available from the governor’s funding plan. Without additional revenue, this could require strategies that include reductions to campus budgets and minimal investment in Graduation Initiative 2025 activities, FTES enrollment growth, and infrastructure. This scenario would not serve prospective and current student needs, would not address the deferred maintenance and critical infrastructure backlog, and would not sustain fiscal stability within the CSU. Accounting for enrollment growth revenue and the governor’s funding commitment of $157.2 million, these recommended items would require additional new ongoing revenues from state and tuition revenue sources of roughly $168.8 million.* ***End of Excerpt****.*

*The tenure density in the CSU has fallen in the last many years and is currently around 55%. The ASCSU has written many resolutions urging the CSU to allocate resources to increase tenure density to improve student success,* completion*, access and academic quality. As a result, a joint task force of administrators and senators has been formed to develop a plan to increase tenure density. Allocating at least half the $75m dollars requested for Graduation Initiative 2025 to the hiring of tenure track faculty will assist in increasing tenure density, quality and student success.*