ACADEMIC SENATE
OF
THE CALIFORNIA STATE UNIVERSITY

AS-3316-18/FGA (Rev)
January 25-26, 2018

TUITION INCREASES IN THE CALIFORNIA STATE UNIVERSITY (CSU)

RESOLVED: That the Academic Senate of the California State University (ASCSU) recognize that investment by the state is critical to the mission of the California State University (CSU) to provide access to quality higher education for qualified California residents; and be it further

RESOLVED: That, while the ASCSU remains opposed in principle to increases in tuition in real terms, the ASCSU recognize that in the long term, in the face of the continuing decline in the State's total investment, tuition remains one of the revenue streams that helps the CSU to sustain its operations and continue its mission to facilitate graduation and student success; and be it further

RESOLVED: That the ASCSU recognize that predictable, gradual, incremental, and reasonable tuition increases are preferable to intermittent, sudden, and large increases in times of financial emergency; and be it further

RESOLVED: That the ASCSU encourage the Board of Trustees to develop a long-term tuition policy in consultation among relevant stakeholders, including students, faculty, and staff; and be it further

RESOLVED: That the ASCSU suggest that implementation of the policy be subject to continuing review by the Board of Trustees in conjunction with development of the annual CSU budget; and be it further

RESOLVED: That the ASCSU distribute this resolution to the CSU Board of Trustees, CSU Chancellor, Senate Pro Tem of the California State Legislature, Speaker of the California State Assembly, Chair of the California Senate Higher Education Committee, Chair of the California Senate Budget Committee, Chair of the California Assembly Higher Education Committee, Chair of the California Assembly Budget Committee, CSU campus Presidents, CSU campus Senate Chairs, California State Student Association (CSSA), California Faculty Association (CFA), and the CSU Emeritus and Retired Faculty Association (CSU ERFA).

***RATIONALE**: California's future depends on having a well-educated workforce,*[1] *and the CSU is one of the major institutions to provide this workforce. Following many years of declining state support,*[2] *student tuition*

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[1] The Public Policy Institute of California (PPIC) projects a shortfall of 1.1 million educated workers with bachelor's degrees by 2030—a shortfall that may have disastrous consequences for the economic stability of the State and thus also for future state revenues (http://www.ppic.org/publication/californias-future-higher-education/).

[2] According to the report "Overview of Higher Education in California" issued by the Legislative

revenue comprises an increasingly significant portion of the CSU's total operating budget—as recognized by the report of the Chancellor's Task Force for a Sustainable Financial Model for the CSU.[3] As a result, the report suggests, this revenue has become increasingly important to the financial viability of the CSU (p. 20).

In the absence of predictable, continuing, and adequate state support, a sustainable approach to tuition increases thus remains one of the ways in which the CSU may continue to meet its obligations to its students and the state in the long term. Because the CSU faces inflationary cost increases each year (health care, retirement, facility and construction, library materials, energy, salary, and others), extended periods without tuition increases are not sustainable without increases in state appropriation. In addition, tuition remains one of the major sources of financial aid (State University Grants) to students in need.

The ASCSU recognizes that sudden, unpredictable, and substantive tuition increases[4] are not the preferred way of fixing gaps in state funding for the CSU in the long term. Such increases present hardships both for students and their families. Such increases also penalize students who happened to enter CSU at the time of implementation of a large tuition increase and create affordability inequities when similarly situated students pay different tuition amounts based on state fiscal conditions in place at the time they attend college (Sustainable Financial Model Task Force report, p. 22)

Instead of unpredictable, one-time tuition increases, the present resolution expresses support—in principle[5]—for the conclusion of the Sustainable Financial Model Task Force report that predictable, incremental, measured, reasonable adjustments to tuition remain one of the options to help maintain the University's financial health, quality, and purchasing power and enable long-term planning for the CSU, its students, and their families and urges the CSU Board of Trustees to work out a long-term tuition policy in consultation with students, faculty, and other relevant stakeholders. Increases under such a policy should be subject to

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Analyst's Office on August 31, 2017, General Fund funding per student in the CSU fell from $10,200 in 1960 to $8,000 in 2015 (in 2015 dollars). The January 2018 Governor's budget proposal provides a 3% ($92.1 million) General Fund increase for the CSU. However, as a proportion of the total CSU budget, this in effect represents a 1.14 percent effective increase in funding, thus in effect a decline from the prior year (in addition to being barely over the current inflation rate of 2.1 percent).

[3] "A Financial Model to Support the Future of the California State University"— Report of the Chancellor's Task Force for a Sustainable Financial Model for the CSU, The California State University, May 9, 2016.

[4] Over the last 10 years, there have been long periods with no tuition increases (2011-2019) as well as periods of increases of between 30 and 40 percent a year (2008-11). For a history of recent tuition increases in the CSU, see http://www.calstate.edu/budget/student-fees/fee-rates/systemwide-history.shtml.

[5] This resolution is intended as a statement of principle and not as an expression of ASCSU's support for any specific, one-time tuition increase.

continuing review by the CSU Board of Trustees in conjunction with development of the annual budget.

Approved – March 15-16, 2018