

California in Crisis



Students crowd around Joanna Moss trying to add her economics class during the first day of classes at San Francisco State.

After the carnage: Cuts endanger higher ed

By Irv Muchnick
Contributing Editor

Some day, and hopefully soon, things will be better in California. The state government will function more like it's supposed to function, and the economy will improve, and basic public needs, such as an affordable, accessible and quality public higher education system, will be met with a public investment more commensurate with their value.

But history, judging harshly, will note that this did not happen in 2009. For the CSU, the fiscal 2009/10 budget disaster was the culmination of at least a decade of bad decisions by the university's executive management and of failures in the political process at the state Capitol.

As fall classes started on radically under-funded CSU campuses, student fees were up by a third. The Trustees imposed a \$306 fee hike in May and another \$672 increase in July.

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Faculty members vote to accept furloughs

By Brian Ferguson
Managing editor

The summer of 2009 will go down as one of the most trying periods in the history of the California State University.

California's economy was in shambles throughout the spring and into the summer. Facing a staggering budget deficit, state lawmakers made tens of billions of dollars in budget cuts, which would affect every public organization and service in the state.

The CSU system was no exception. Despite the year-in, year-out efforts of CFA and individual faculty members to advocate for proper CSU funding, the Department of Finance informed the Chancellor's Office in early June that its working number for fiscal year 2009/10 budget cuts to the CSU was \$583.816 million.

That massive figure represented about 20 percent of the CSU's total funding it gets from the state, known as

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State support of the CSU this year is down by \$584 million – about 20 percent of total state “general fund” support for the university.

This half-a-billion dollar cut comes on the heels of a series of previous cuts in the last year bringing the CSU’s losses to more than one billion dollars since September 2008. That total is equivalent to the entire 2007/08 academic year operating budgets of 13 CSU campuses combined! (See chart on this page)

That number might have been even worse, had federal economic stimulus funds not arrived to supplement state support for the CSU and other vital programs.

“Reflecting on the disastrous outcome of this year’s state budget process reminds us that there is next year to think about, and the year after that and the year after that,” CFA President Lillian Taiz said. “We also must remember that all Californians are in this together.”

Yet, students, faculty and constituents of the CSU are not the only ones suffering because of state budget cuts.

The California Budget Project notes the state’s disability benefits program, has reduced its maximum individual monthly grant from \$907 to \$865. CalWORKS – aid and job services for low-income families – is down to 1989 direct benefit levels, as well as being severely hampered in its support of county-based job services and child care.

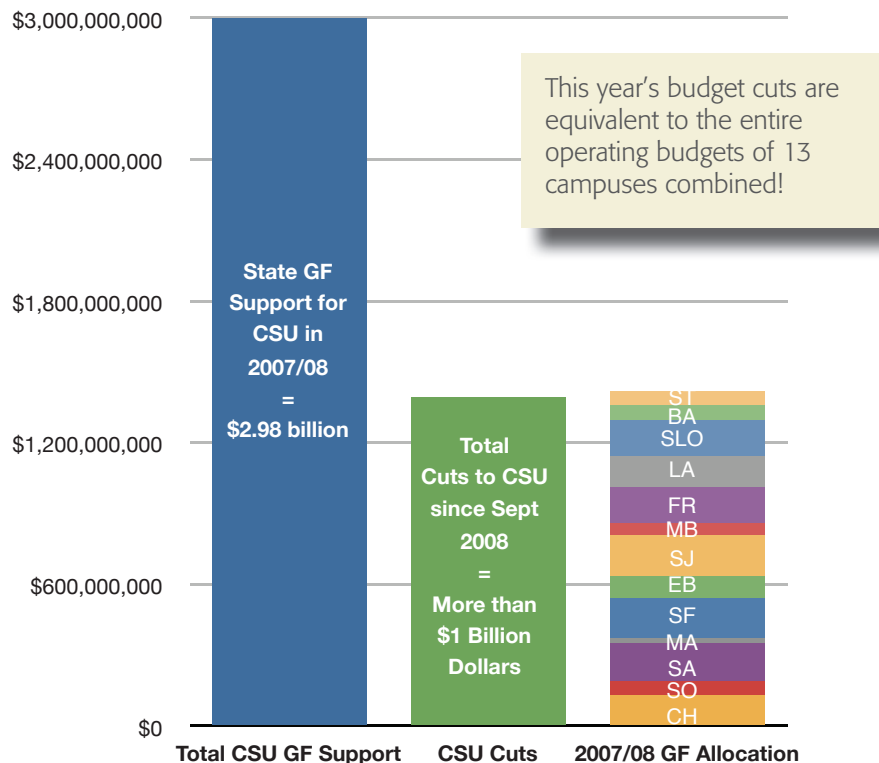
Healthy Families – low-cost insurance for children of families who do not qualify for free MediCal – froze enrollment and may deny access to more than a million kids.

MediCal itself eliminated many “optional” benefits, which include such bedrocks as dental care. Services for the blind, disabled and elderly, child welfare and foster care, community clinics...the list goes on and on.

Impact on California

CFA leaders add that the gutting

**Budget Cuts to CSU in 2008-09 and 2009-10
Equivalent to State Support for 13 CSU Campuses**



of social services is not merely doing harm to the individuals directly experiencing furloughs, jobs losses, class cancellations or higher student fees. We’re also all in it, collectively.

In time of economic crisis, we do well to focus on how we will suffer even further economically. As a society, we depend on the CSU both to drive the state’s 21st century economy and to prepare its work force.

But we can tie many ideas about the value of the CSU together in that larger ideal of public higher education as a social good.

There is simply no other institution, in a democracy, that can so thoroughly imbue its citizens with literacy in all its glorious dimensions.

During the passionate advocacy last year of the Alliance for the CSU – which encompassed not just CSU students and faculty members, but also business and labor leaders, and politicians at all levels of state government – the theme of the CSU as an economic engine resonated with the public.

It was easy to make the case, for

example, that the university, its students and its graduates contributed more than \$3 billion in tax revenues in 2003 and directly generated \$4.41 in spending for every dollar invested by the legislature in state support.

CFA Vice President Kim Geron observed that the catastrophe of this year’s budget takes CFA’s challenge to a new level. “We need to continue to make that case to the people, but we also need to start turning it inside-out,” he said.

“I think most people appreciate that CSU funding is now severely and unambiguously below basic maintenance level. And that presents us with a different scenario.

“If the CSU, historically, did so many wonderful things for California, what is now going to happen to California, moving forward, if the right financial foundation is not again put under the university – and soon?”

Specifically, the union points to findings from the Public Policy Institute of California, which show the state is headed for yet another

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economic collision if the state does not increase the number of college-educated workers it is turning out. And those were findings *before* the state made this year's half-billion-dollar cuts to the CSU.

"It's a scary thought," Geron said, "but one we can't let the media and our natural allies flinch from or deny."

The chronology

The final stages of the protracted state budget fight, from February, when the budget was thought to have been adopted, through July, when the deepest cuts were signed into law, showed a destructive pattern of downward mobility.

Money previously committed quickly disappeared. Valuable programs, heretofore sliced and diced, were reduced to near-irrelevance when they weren't eliminated altogether.

And even the "final" agreement adopted by the legislature in July was slashed another 3 percent, thanks to the line-item veto pen

wielded by the governor.

The spring and summer negotiations over the budget in the state legislature came about because its February budget deal was rapidly undermined by collapsing tax-collections during the worst economic recession in decades.

The idea was that our elected leaders would solve the problem through a combination of spending reductions, new and "accelerated" revenue sources, borrowing and, finally, such gimmicks as "deferring" paychecks to state employees beyond the end of the fiscal year.

In February, Schwarzenegger issued proposed cuts in dozens of budget categories, large and small. In May, a conference committee of both houses of the legislature rejected at least 25 of the governor's proposals and significantly modified many others. For the CSU specifically, there were three key areas.

The governor asked for an additional reduction of more than

\$700 million in base funding for the university that had not yet been allocated for 2008/09, and a further slash of more than a quarter of a billion dollars in 2009/10. The conference committee's resistance here was

'CFA is working right now to mitigate the damage as best we can and to position the CSU campus communities for a fresh start on rebuilding the university.'

negligible—Schwarzenegger got just about what he wanted.

The conference did turn aside the governor's plan to eliminate \$18.6 million for academic remedial programs, and the legislators prevailed in the final agreement.

Through it all, the performance of CSU Chancellor Charles Reed ranged from passive to hurtful. When \$50 million worth of cuts were announced in March—summarily and unambiguously dropping state support below anything close

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CFA in Action this Fall

THIS FALL:

CFA is pushing for passage of SB 218, which will require the CSU's auxiliary organizations and foundations to adopt full transparency in their practices. Scrutiny in this area has led to exposure of insider contracts, favors to executives and other abuses of funds intended for educational enhancement.

IN OCTOBER:

CFA campus chapters will hold public actions, teach-ins and picket-lines.

IN NOVEMBER:

CFA will call on all candidates for governor in all parties to commit in public to funding for broad access for Californians to a four-year degree through the CSU.

The CSU Board of Trustees meeting Nov. 17-18 will be another rallying point to turn the pain and anger of the budget collapse and furloughs into action to reform the university's budget process. The leaders of public higher education must model meaningful advocacy.



OVER THE COMING YEAR:

CFA will campaign for AB 656, a bill to adopt the successful model in Texas to dedicate revenues from an oil and gas severance tax to public higher education. Get more info and join the AB656 Facebook cause at apps.facebook.com/causes/250878.

See page 23 to learn how you can reach your CFA campus chapter to get active in these and other activities. ▲

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to the level supposedly promised in his earlier "Compact" with the governor — Reed said nothing.

In May, while blandly announcing yet another 10 percent student fee increase, the chancellor endorsed the deceptive Proposition 1A ballot measure, which would have empowered the governor to make unilateral and wholesale budget cuts during vaguely defined fiscal crises.

Agreeing with CFA's No on 1A position, voters rejected the measure on May 19. Had 1A passed, today's budget disaster could have been institutionalized for generations to come. "Auto-pilot" triggers for the governor to impose massive structural changes in the state budget, without the participation of the legislature, would have made the current disaster into the CSU's permanent reality — even when better economic times return.

To top it all off, Reed pushed aggressively for faculty furloughs, without once putting forward a proposal for how planned to deal with the remaining budget shortfall not covered by furloughs or student fee hikes.

It was therefore not surprising that when the faculty voted painfully to accept the furloughs, a landslide 79 percent of the voters in a related informal poll said they had "no confidence" in Reed's leadership.

Write it down

At the campus level, CFA leaders determined that the most important immediate step was to listen to and record the anger of working Californians. It is in their service that the support-starved CSU now falls so short.

The people who were being shut out of the "people's university" needed to vent, and even if nobody else would, CFA gave them that op-

portunities and new industries. Finally, the dominos drop on California's standard of living.



A student at San Diego State is videotaped testifying about the lack of available classes.

portunity.

At Northridge, Fresno and other campuses, the key verb was explicitly invoked at the union's "Vent at the Tent" programs. Shut-out students, furloughed professors and laid-off lecturers filled out complaint forms, wrote out their stories, and inveighed on videotape.

"It's criminal," student Monica China told the *Los Angeles Daily News*. "It's the first day of school — and I don't have any classes."

The attention-getter at Chico was a display of domino chips to dramatize the domino effect of budget cuts.

"When you don't have enough teachers, counselors and librarians, you can't enroll the students who deserve to enroll, and you can't get the ones who do enroll into the class sections they want and need," said CFA Chico chapter President Susan Green. "Then things go from bad to worse."

And the dominos fall beyond the borders of the campus. Disinvestment in our students leads to losses in the state's sophisticated work force. Without enough highly educated workers, California can't participate in global innovation,

At San Francisco, San Jose and Sonoma, activists collected complaint forms and led reporters, photographers and live camera personnel on tours of the chaos and educational gridlock.

At Dominguez Hills, chapter President and CFA Associate VP-South David Bradfield called for unity in a campus convocation speech improvised in the format of a 12-bar blues song.

(See more on page 10.)

Bradfield's counterpart, Associate VP-North Andy Merrifield, emphasized that venting was both a useful catharsis and a step toward future-oriented CFA action.

"CFA is working right now to mitigate the damage as best we can and to position the CSU campus communities for a fresh start on rebuilding the university," Merrifield

FOLLOW THE MEDIA COVERAGE of the crisis in the CSU and campus action on it at CFA's **In the News** web page www.calfac.org/inthenews.html and **YouTube channel** youtube.com/CFALocal1983

said. And, too, as political scientist, Merrifield pondered the game-changing work needed to achieve long-term improvements.

"We have a lot of work before us to prep our elected leaders in Sacramento to do the right thing as we move ahead," Merrifield said. "We need to reform the budget process. It is broken. Then we can put dependable funding for the CSU in place." ▲