

1. How much funding did the CSU Trustees request for 2017-18?

The CSU Trustees submitted a Support Budget request to the Dept. of Finance last fall. In this request, they asked for an augmentation of \$324.9 million in state general funds. The budget also calls for a 1% increase in enrollment (3,616 FTE students), which would generate another \$18.8 million from the tuition these students would pay. This brings the total support budget proposal for 2017-18 to \$343.7 million (of which \$324.9 million would come from the State).

2. What was the Governor's January budget proposal for the CSU?

Gov. Brown's January budget proposal included an augmentation of \$157.2 million for the CSU. This includes \$131.2 million increase in state general funds (equal to the amount he proposed for the UC) and an additional \$26 million from changes to the Middle Class Scholarship program.

3. So how much more funding is needed to fully fund the budget request?

\$167.7 million. With an additional augmentation of \$167.7 million, on top of the \$157.2 already proposed, the full CSU request would be funded for 2017-18.

4. What happened with the 5% tuition increase for 2017-18, which Chancellor White proposed last fall?

In an historic split vote, the BOT voted in March to increase tuition for 2017-18 by 5%. The Board was conflicted about the decision, and in the vote, included a provision to automatically rescind the 5% increase if the 2017-18 enacted budget includes a \$324.9 million augmentation to the CSU.

5. How much revenue will the tuition increase bring to the CSU?

\$77.5 million. This is the net amount of money that will be available, after financial aid from the gross amount is deducted.

6. What is CFA advocating for in this budget cycle?

CFA has been supporting the Trustee request of \$324.9 million in new funding from the State. We are calling for \$325 million, and asking that the Governor and Legislature fully fund the CSU request. In addition, we would like to see the funding targeted or earmarked for instructional activities that we know will contribute to student success and improved graduation rates: offering more classes and hiring more permanent faculty to teach them.

7. What about the Student Protection Act (AB 393) — is there going to be a moratorium on tuition increases?

CFA sponsored a bill to freeze tuition and mandatory system-wide fees in the CSU and California Community Colleges through the 2019-20 academic year. The bill is authored by Assemblywoman Sharon Quirk-Silva, an alumna of Cal State Fullerton. The Student Protection Act had bi-partisan support and co-authors, and was voted out of the Assembly Higher Ed Committee on a unanimous vote of 13-0 on April 18. The bill was placed in the suspense file by the Appropriations Committee in May.

8. What happens next in the budget process?

In April and May, budget subcommittee hearings take place in the Assembly and Senate and then both houses develop budget proposals. No later than May 14, the Governor will submit a “May Revise” budget proposal. Sometimes, there are changes to the proposed allocations for the CSU in the May Revise. Between the end of May and mid-June, a budget deal must be reached in order to meet a constitutional deadline of June 15 for an enacted budget.

9. What did the Governor’s May Revise propose for the CSU?

On May 11, the Governor released a revised budget proposal that again ignored the CSU budget request of \$325 million for 2017-18. Instead, he proposed to reduce the augmentation he proposed in January by \$4 million and reduce expectations for future augmentations from 4% to 3%. The governor argued these actions were necessary because the CSU Trustees increased CSU tuition, which has implications for the state general fund since tuition increases are covered by (state-funded) Cal Grants. The May Revise also included \$2 million from funds coming from the new gas tax, which would be specifically earmarked for transportation-related education, research and training.

10. What did the Legislature do?

Budget committees in both the Senate and Assembly considered several items regarding the CSU budget, and these issues were then considered jointly in the joint Conference Committee. Each house had slightly different proposals that would provide some additional funding to the CSU, above what was proposed by the Governor. Ultimately the legislature rejected the \$4 million reduction that the Governor’s called for and added another \$20 million in ongoing and \$20 million in one-time funding to the Governor’s plan. They added several stipulations regarding the additional funds. In addition, the legislature rejected the Governor’s call to discontinue the Middle Class Scholarship program, which provides financial aid to thousands of CSU students. The Budget Act (AB 97) passed by the Legislature (on June 15) and signed by the Governor (on June 27) includes these provisions. A summary of CSU budget actions is shown below.

11. What does the enacted 2017-18 Budget* mean for the CSU?

The Budget includes the following:

Ongoing Funding ("Base Increase")

	millions	Notes
Base Increase	131.2	Same as for UC, part of multi-year agreement
Funds from Middle Class Scholarship	26.0	
Enrollment Growth	20.0	For additional 2,487 FTES in 2017-18; Calls for automatic redirection of applications to nearby non-impacted CSU campuses and admissions priority to local students applying to impacted programs
Debt Service	5.0	For lease-revenue rental payments, previously approved
Total Ongoing	\$ 182.2	

One-Time Funding

Graduation Initiative	12.5	Directs CSU to reform practices regarding placement of students into remedial coursework, including implementing additional measures for assessment and course placement of admitted students.
Hunger Free Campuses	2.5	Campuses will receive funding if they develop free-food pantries, assign a campus employee to help students enroll in the CalFresh program, and develop methods to allow students to donate unused meal plan credits to needy students.
Palm Desert Campus	3.0	Support for CSUSB Palm Desert Campus.
Best practices in equal employment opportunity	2.0	Funding to be distributed to selected departments on campuses seeking to create or expand equal employment opportunity programs. Continuation from 2016-17 budget.
Total One-Time	\$ 20.0	

Special Funding

Transportation research and education	2.0	Targeted for transportation research and education, from funds raised by the new gas tax (SB 1). Expected to be available for 10 years.
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Total New Funding for 2017-18 \$ 204.2

*Find full budget details at www.ebudget.ca.gov