

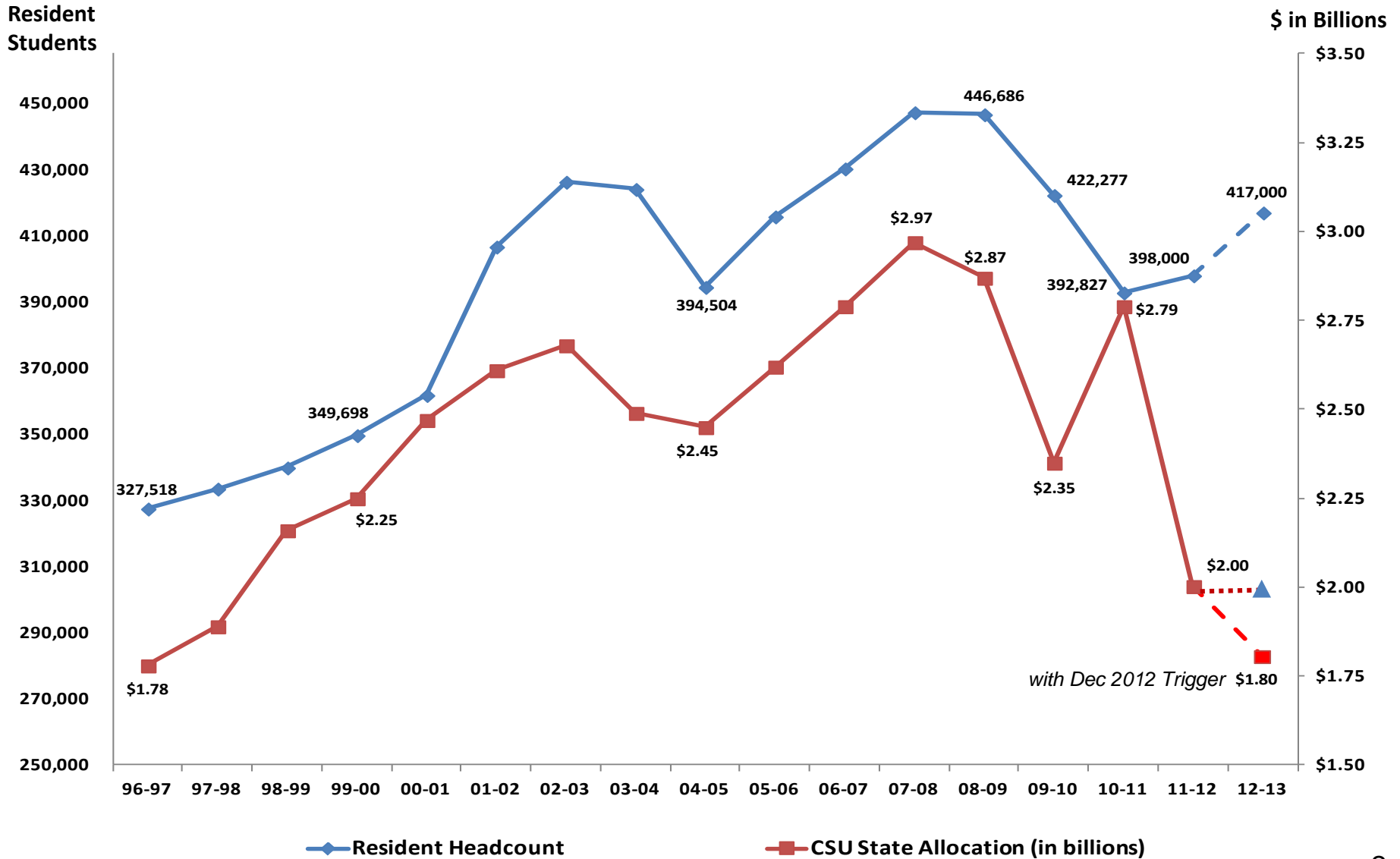
2012-13 Governor's Support Budget

Presentation to Board of Trustees

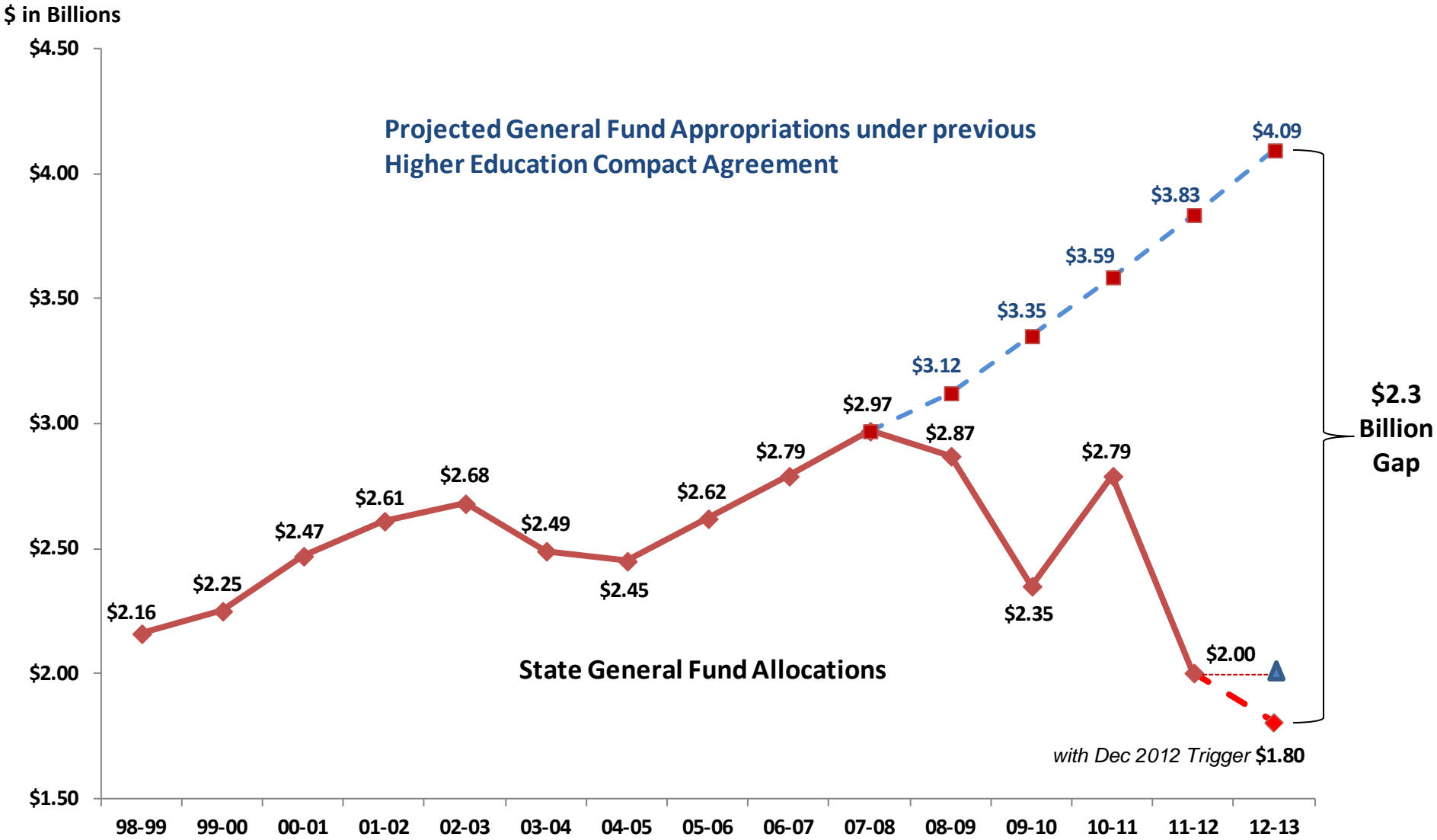
January 24, 2012



2012-13 State Appropriations equal 1996-97 levels,
but Resident Enrollment has increased by 90,000 Students



CSU State Support versus Higher Education Compact Funding Agreement



Tuition Fee Increases Have NOT Offset Total General Fund Losses

CSU Student Headcount and Funding Since 2007-08



	2007-08	2008-09	2009-10	2010-11	2011-12	2011-12 versus 2007-08
Resident Student Headcount	447,301	446,686	422,277	392,827	398,059	(49,242)

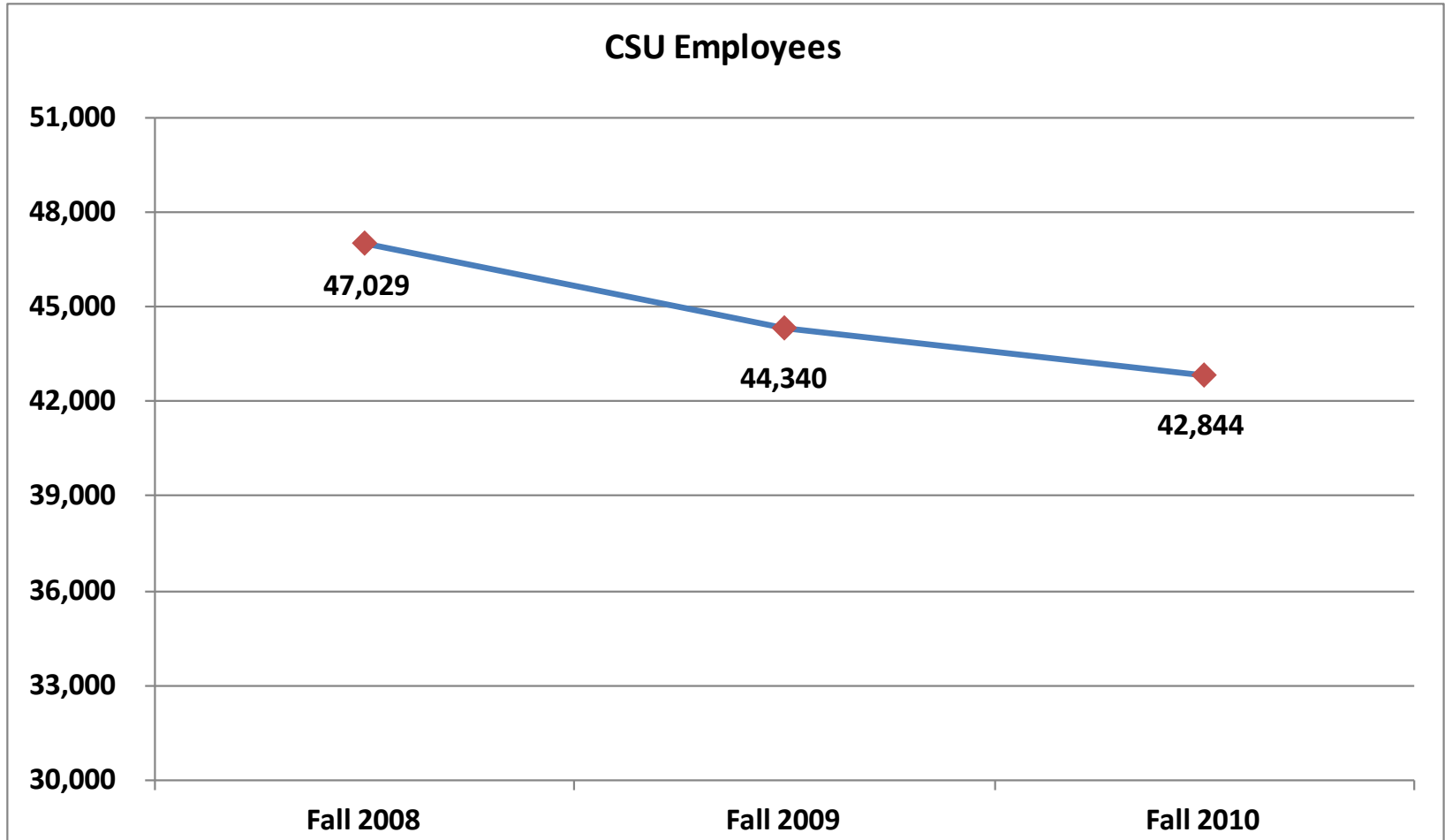


State General Fund	\$2,970,643	\$2,871,755	\$2,345,743	\$2,577,638	\$2,002,751	(\$967,892)
Tuition Fee Revenue <i>(net of financial aid)</i>	\$904,187	\$1,090,444	\$1,198,911	\$1,217,072	\$1,497,161	\$592,974

Changes Since 2007-08

- Annual state funding down \$968 million.
- Annual tuition revenue up \$593 million.
- Mandatory Costs up estimated \$135 million.
- NET FISCAL IMPACT TO CSU = A **negative** \$510 million in annual resources to teach and serve students.

Total CSU Workforce



Greater Efficiency? CSU Already Among the Most Efficient

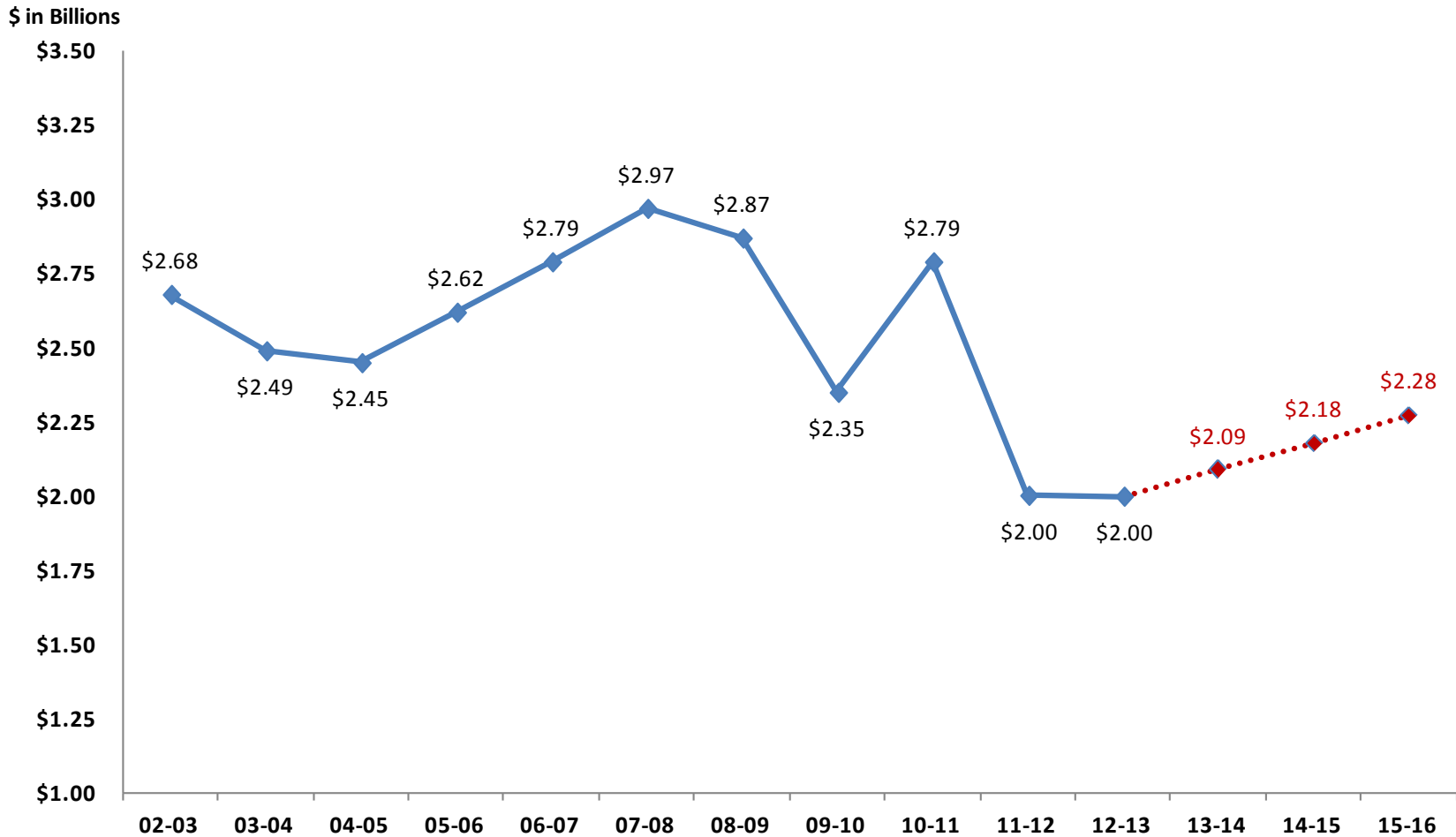
Chart A (2009): Lowest 22 Universities in Educational & General Expenditures Per FTE (*Public universities with at least 15,000 students, #103*)



Source: Education Trust, 2009

Budget Proposes Cal-grant GPA Changes

- Increase Cal-grant A gpa from 3.0 to 3.25.
- Increase high school entitlement Cal-grant B from 2.0 to 2.75.
- Increase transfer entitlement Cal-grant B from 2.4 to 2.75.
- Rough estimate: 5,900 CSU-bound students affected in first year; numbers grow in subsequent years.



2002-03 thru 2011-12
2012-13 thru 2015-16

General Fund Appropriations
Governor's Budget Proposal

The Cost to Provide Needed Compensation Increases

Estimated 2012/13 Cost of 1 Percent Compensation Increase

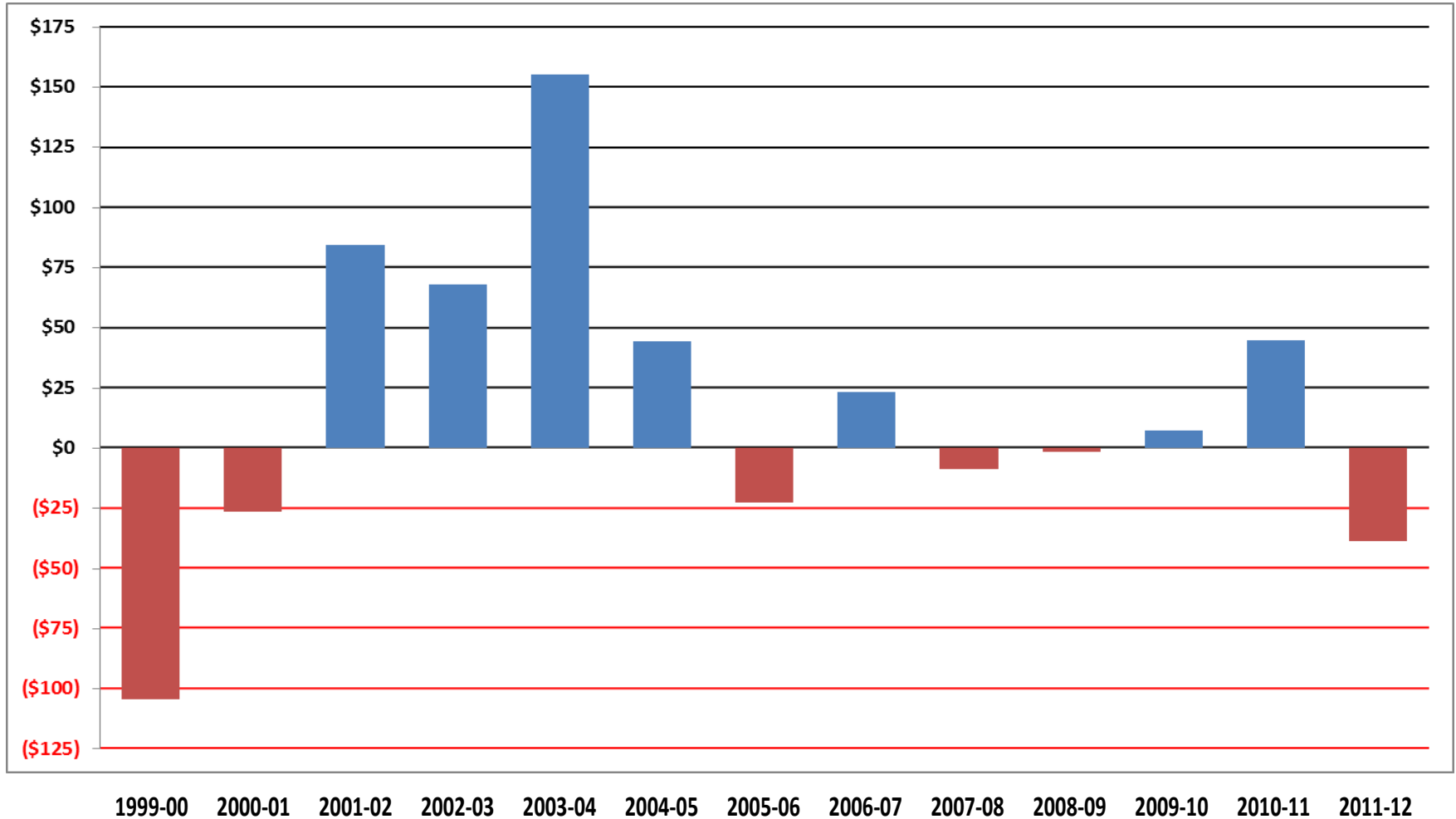
	2011/12 Final Budget Compensation (Adjusted)	2012/13 Cost of 1% Increase
Faculty	\$1,426,473,000	\$14,265,000
Staff	\$1,406,094,000	\$14,061,000
Total	\$2,832,567,000	\$28,326,000
Cost of 3% Increase		\$84,978,000

The compensation base is adjusted for changes in employer-paid retirement rates. The CalPERS member categories for State Miscellaneous-Tier 1 and State Peace Officer/Firefighter respectively decreased from the 2010/11 composite rates of 18.725% and 28.7215% to 2011/12 rates of 18.175% and 27.415%.

CSU CalPERS Retirement Funding

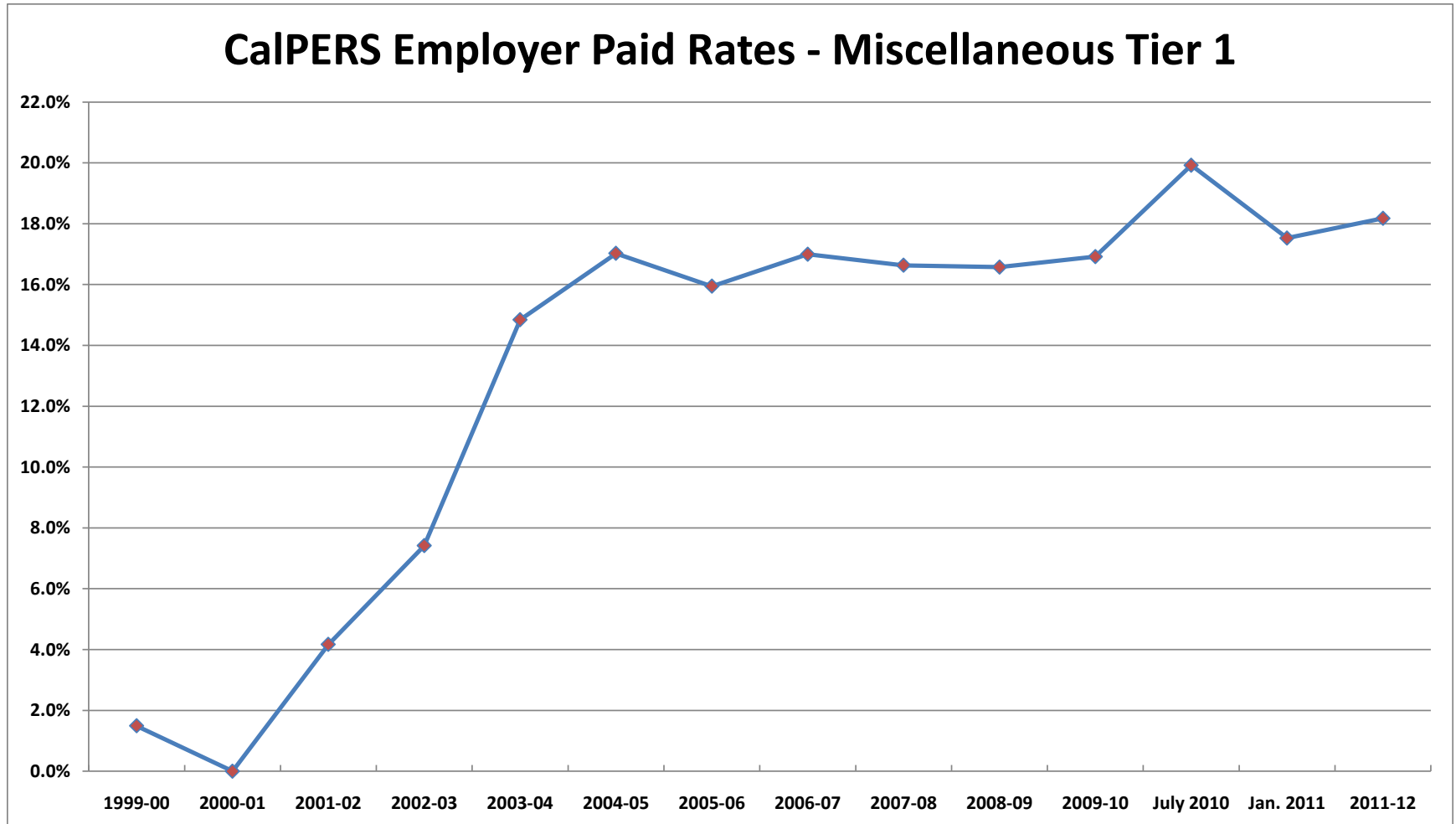
Year-to-Year funding adjustments for CSU retirement costs fluctuate, depending on rate decisions by CalPERS.

\$ in Millions



CalPERS Rates Paid by CSU

Employer rates are set each year by CalPERS.
CSU cannot control changes in employer rates.





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