

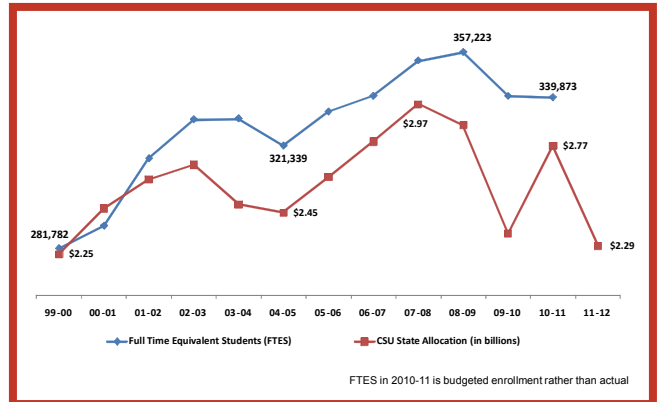
Budget Facts: Gov. Brown's 2011-12 Funding Proposal

The proposed 18 percent budget reduction **cuts state support to the level the CSU received in 1999**, while now serving 70,000 additional students.

The **18 percent reduction or \$500 million cut** to the CSU puts state funding support at \$2.2 billion, the same as the 1999-2000 fiscal year.

The \$500 million cut more than wipes out a recent funding restoration and brings state support **\$680 million – or 23 percent – below the pre-recession level of 2007-08**.

The magnitude of this budget reduction will have serious impacts on the state's economy, limit access for students seeking to enter our universities, and reduce classes and services for our current students.



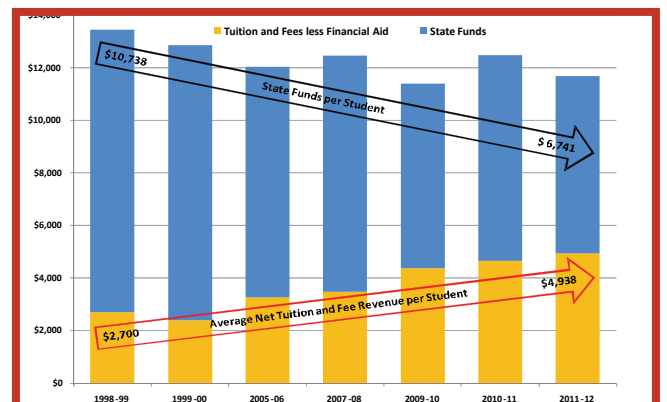
Over the last decade, CSU enrollment has grown significantly while state support (including federal dollars) has fluctuated ending in steep decline.

Declining state support for the CSU has forced the system to be **more reliant on student tuition and fees**.

Historically, the intent of the California Master Plan for Higher Education was that CSU would be fully funded by the state, and all students would attend tuition-free.

The state has not lived up to this promise to fully fund the CSU, and the university has to charge students tuition and fees to maintain a quality educational experience.

For each student, the **state now provides \$6,741**, with **students contributing an average of \$4,938 per year** for their education.



As state support declines, students shoulder an increasing share of the cost of their education. Figures shown are in constant 2011 dollars.

Even with this increase in tuition and fees, the CSU will operate with less funding per student than was the case in 1998-99. At the same time, mandatory costs – like energy, pension contributions and healthcare – have continued to rise.

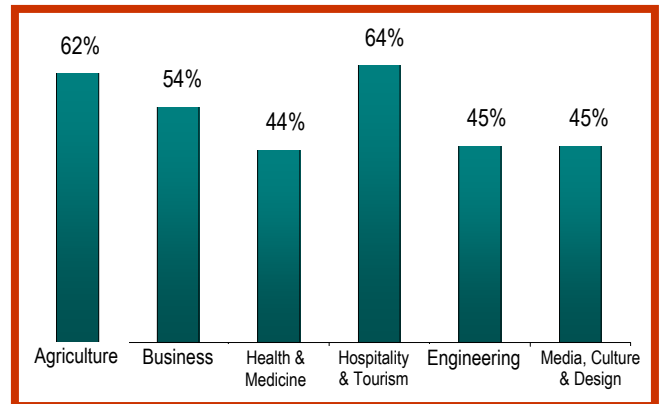
Budget Facts: Gov. Brown's 2011-12 Funding Proposal

California's economy cannot improve without an educated workforce, and cutting higher education will have **serious impacts on the state's economic recovery**.

CSU-related spending supports nearly **150,000 California jobs annually**, and generates almost **a billion dollars in tax revenues** for state and local government.

CSU graduates **92,000 students into the workforce** each year in key industries including agriculture, business, engineering, health and medicine, hospitality and media, which collectively account for nearly **5 million jobs in California**.

The CSU also educates **52 percent of the teacher credential recipients** and **60 percent of the nursing bachelor's recipients** in California.



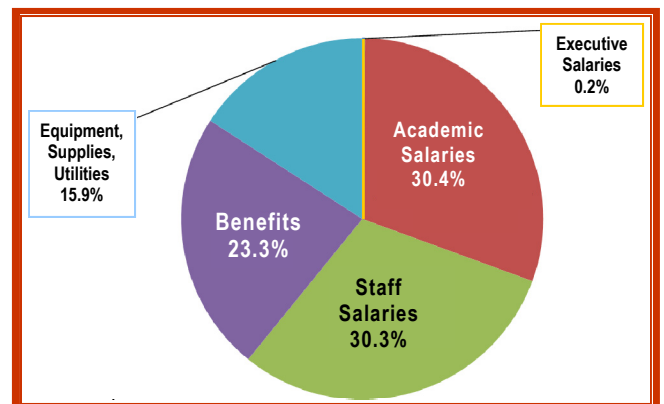
The CSU is critical to sustaining an educated workforce in this state as shown by the percentage of industry-specific California bachelor's degrees awarded in 2007.

CSU will continue its operational efficiency efforts, but **a budget reduction of this magnitude will have serious impacts**.

As before, **all options are on the table to address this massive budget cut**. There will inevitably be impacts to programs and personnel, and there is no single solution that will be enough to meet this challenge.

Ten of the 20 most efficient university campuses in the nation are CSU campuses— measured in terms of campus spending per student among campuses of 15,000 FTE or greater.

CSU will continue its efficiency efforts, but with nearly **85 percent of CSU's budget going to personnel salary and benefit costs**, the system cannot address a \$500 million reduction just through efficiencies.



CSU 2009-2010 operating expenditures, excluding financial aid and lease-revenue bond payments, demonstrating the extent to which the CSU budget is invested in people.