

TESTIMONY OF THE PROFESSIONAL STAFF CONGRESS/CUNY

BOARD OF TRUSTEES HEARING, NOVEMBER 21, 2011

Calendar Items 3 and 7.D

Delivered by Dr. Steven London, First Vice President

Good afternoon. We strongly support the University's operating and capital budget request, particularly its inclusion of funds for adjunct health insurance and investment in new full-time faculty lines. The call for additional public resources to cover the University's mandatory costs and a share of the University's investment plan for FY 2013 is important at a time when austerity policies have undermined the University's ability to deliver a quality education to our student body.

The budget request for an additional \$118.2 million in additional public funding is mostly for mandatory cost increases. This budget request makes clear that the "Maintenance of Effort" (MoE) funding commitment by the State and City must include inflationary cost increases and the costs associated with collective bargaining agreements. The additional programmatic requests from public funds, however, amount to only \$15.6 million or 14.2% of the University's planned expenditure on new programs, including the hiring of 440 net new faculty. Most of the new programmatic funding in this budget request comes from tuition, which comprises 69.4% of all investment dollars.

The PSC continues to advocate for an investment strategy that relies on public funding and not tuition. An additional concern which we will continue to raise with the governor and legislature is that though the \$300 increase in undergraduate tuition will generate approximately \$51 million

in new revenue for the senior colleges, \$10 million of that amount will have to be set aside to self-fund the University for those senior college students who are eligible for the full TAP award. The resulting \$41 million increase in revenues for the senior colleges and the \$23.3 million revenue increase for the community colleges does not come close to covering the \$300 million cut in public funding sustained by the University over the past three years. Additional tuition revenue of \$11.3 million from enrollment growth is not a net gain for the University since additional resources are required to provide services to the additional students.

PSC Secretary DeSola's testimony will address the difficulty tuition increases pose for our students. My point here is that an investment strategy that essentially relies on tuition will not bring the needed funding to provide for a quality education for all CUNY students.

The University requests an additional \$100/FTE for community college base aid. After a 20% reduction over four years in state FTE funding for the community colleges, reversing that trend is very important. As the University's budget presentation points out, CUNY community colleges have experienced a 26% increase in enrollment over the same time period. For this reason, the PSC will include in its budget request a full restoration of FTE funding to \$2,675, and we recommend that CUNY do the same.

CUNY's budget request includes additional funding for the ASAP program so it can be expanded to 4,000 students. We believe this valuable program is illustrative of the yawning gap between what our students need to succeed in the community colleges and the spare resources with which most are provided. A request for full restoration of State FTE base aid funding will

allow, if funded, more of our students to succeed and will make the point that CUNY community colleges are currently very under-resourced.

CUNY's budget presentation for FY 2013 begins with the assessment that budget deficits will continue and the "fiscal climate in the State and City will remain austere." Underlying the PSC's perspective is the idea that there is another way—a better way—to fund CUNY. Instead of turning low- and middle-income students into cash machines for the state debt, New York should continue the "millionaires' tax" and find other progressive taxes to fund needed State and City investments. It is unconscionable to ask the poorest people in the state to pay more for the chance of a college education when the wealthiest New Yorkers are not asked to contribute their fair share.