



Proposed State Budget Funding Cuts and Impact

THE CURRENT BUDGET SITUATION

The Governor's proposed state budget reduces the California State University budget by a total of \$386.1 million which includes a direct cut of \$312.9 million and \$73.2 million necessary to avoid raising student fees by 10 percent for the 2008-09 academic year. These reductions have significant impact on Cal State San Marcos, on the entire CSU system and, subsequently, on the economic welfare of our region and beyond.

IMPACT TO CSUSM

- A 10 percent budget reduction would be a \$2.5 million cut to CSUSM's current budget, with an additional \$3.1 million cut based on no growth, creating a total reduction of \$5.6 million.
- The cuts would mean larger class sizes, reduced student support, and fewer course sections resulting in students taking longer to graduate. It would mean greater workload for CSU faculty and staff and no funding for compensation agreements resulting in a decline in employee morale and performance.
- CSUSM grew over 25 percent in the last three years. Based on 0 percent growth, approximately 750 qualified students would not be able to enroll if CSUSM is not able to accommodate additional new student enrollment in 2008-09. First-time freshmen and transfer students who apply late to fall 2008 will not be considered unless enrollment space becomes available.
- These cuts will erase significant gains the university has made to increase access for minority and underserved communities. CSUSM's student population now reflects 22.4 percent Hispanic and 27.6 percent other minorities.

IMPACT TO CSU

- This budget cut is in addition to \$522 million in funding cuts to the CSU between 2002 and 2005.
- The CSU will be unable to provide access to 10,000 qualified students, mostly California residents, which will have a direct impact on the state's economy and on the key industries that our graduates enter, such as nursing, teaching, agriculture, business, public administration and technology. Future demand for college graduates outweighs the supply by 6 percent – representing a million graduates
- The CSU graduates 90,000 students each year, including 87 percent of education graduates, 64 percent of nurses, 65 percent of business professionals, 82 percent of those involved in public administration, and more than half of the state's graduates in agriculture-related fields.
- The proposed budget cuts to CSU would remove more than \$1 billion from the state's economy.
- The negative impact on student access would fall disproportionately on students from underrepresented communities. For 2008, freshman applications to CSU for Latinos are up by 21 percent and African Americans by 11 percent over previous years.

IMPACT TO THE REGION

- Cuts to the CSU will be felt by the regional economy as CSUSM generates a total impact of \$307 million, sustains 5000 jobs, and generates more than \$16 million per year in tax revenue.
- With 42.3 percent of all new students coming from North San Diego, and 18.6 percent from South San Diego the impact to college-bound students and their parents in the region will be devastating.
- The majority of our graduates enter into business, education, or other professional services fields. North County as a growing region is dependent on our graduates as teachers, nurses, business leaders, and service professionals.
- CSUSM's alumni continue to live in California, with more than half working in San Diego County. Two out of five of our alumni work in education; more than two-thirds work in their chosen fields.

CSU IS THE SOLUTION