



June 11, 2020

Governor Gavin Newsom, Speaker Anthony Rendon, Senate President Pro Tempore Toni Atkins California State Capitol Building Sacramento, CA

Dear Governor Gavin Newsom, Speaker Anthony Rendon, Senate President Pro Tempore Toni Atkins,

We are the Reclaim CA Higher Education Coalition, stakeholders committed to the reaffirmation of California's Master Plan for Higher Education. We are the student, staff, faculty, and labor groups of the California Community Colleges, California State University, and the University of California – representing more than three million constituents.

Our mission is to fully restore the Master Plan for Higher Education as it was enacted in 1960 – tuitionand fee-free, accessible to all, and of the highest quality. While the state faces a daunting budget situation, we believe that our public colleges and universities must be fully supported because they are essential to the health of our communities and the economic recovery of our state.

We recognize there are many difficult decisions to be made this budget cycle. We offer options and lines of thinking that would be beneficial to our students, workers, and institutions in light of the dire budget.

While we have already advocated for internally and flexibly moving around funds in reserves to meet budget needs on a one-time basis, this is not a replacement for sustained and adequate state funding for public higher education.

We encourage state leaders to be similarly flexible in its various funding streams to each segment to allow for critical operations to continue to function.

Other areas in the state budget for higher education that can be eliminated or paused and then reappropriated include:

- California Community Colleges
 - Eliminating CalBright college, which is unaccredited and duplicative of pre-existing colleges, can redirect \$137 million to the other existing 114 colleges.
 - Pausing or eliminating the student-centered funding formula to focus on making sure community colleges can handle likely surges in enrollment.
 - Funding growth for California Community Colleges to accommodate greater numbers of students, due to high rates of unemployment and access to Community Colleges.

• California State University

- OCSU can and should be expected to draw down a significant portion of its \$1.7 billion surplus, not just the \$470 million of it that has been designated a rainy day fund. The legislature should require a portion of these reserves to be allocated to preventing damaging layoffs and furloughs. We believe doing so, in concert with the state's maintenance of the same base allocation as last year, will enable the CSU to continue to provide the services our students deserve while managing the additional resource needs caused by the pandemic. We are opposed to a potential 10% budget cut for the CSU because the Governor and the Legislature have a responsibility to our students, in no small part because investing in the CSU is central to the future economy of California.
- CSU has a number of administrators making more than the Governor and many millions
 of dollars in requests for construction projects that can be deferred. These are both
 sources of potential savings, and the latter could allow CSU to focus on more pressing
 deferred maintenance needs.

• University of California

- OUC has reserves, liquidity, and access to low-cost borrowing, but would likely be willing to do so for the duration of the crisis if the state commits to at least provide the same level of financial commitment from state funds as last year and to fully funding UC in the future, including funds to pay back what UC borrowed or spent down during this emergency.
- UC's President and Chancellors have voluntarily taken 10% pay cuts, which should be expanded to UC's other top-paid employees including those in the Senior Management Group and football and basketball coaches. Progressive cuts on only those salaries that are above \$250,000 could save the UC as much as \$900 million.

We cannot compromise the quality of our public higher education in California, the best in the world, in response to this crisis. Even before the pandemic, state funding for public higher education remained below pre-2008 levels, and colleges were already educating more students with less funding. The vital teaching and research missions of the UCs, CSUs, and CCCs require continued support for this core commitment and the faculty and graduate students who carry it out, ahead of other non-research and non-educational priorities.

We are deeply aware of the contribution the CSU system makes to the state. CSU produces over half of the K-12 teachers, a sizable portion of nurses, and literally thousands of well-educated first-generation students who are well equipped to be productive and engaged citizens. We cannot and must not close the doors of opportunity that a CSU education provides to those students.

Our higher education system must not be pushed down the path to becoming fully online, with large classes, and focused solely on workforce development. As we continue to robustly invest in the education of our state's people, we also must ensure that education retains its quality while meeting the need to deliver it in an accessible and equitable manner.

Further, this shift in work has made more apparent many inequities within our faculty and staff. Non-tenure-eligible faculty (lecturers, adjuncts, and graduate students) are paid the least and are most likely to face extreme challenges in working from home, including a lack of private or dedicated workspace, childcare and educational responsibilities to children, and lack of technology (hardware, software, and connectivity) necessary for online teaching.

Workers also do not have the tools and equipment to allow for a safe work environment as the location of the workplace shifts to the home, such as a lack of ergonomic chairs and desks for extended periods of work. Funding is needed to purchase equipment necessary to perform work from home in a healthy manner This is only fair, given that workers are now subsidizing the University's operational costs with their own personal property and out-of-pocket expenses.

The last recession and state budget cuts in response to it led to unprecedented levels of higher tuition in all three systems. Raising tuition, on the backs of California families and students, to make up for lost state funding is not the answer to balancing the state's budget -- especially with potentially depressed enrollments and soaring unemployment. Graduating students in 2021 and beyond with even more debt in a depressed economy will only lead to a worse situation. **Significant tuition reduction, or better yet, a return to the tuition-free model**, will provide economic relief to thousands while preparing them to lead the economic recovery.

Students and their families filled out financial aid requests in the first quarter of the year based on their economic circumstances in 2019, which for so many is drastically different from today. With the sudden change in the economy, we must also make our financial aid eligibility requirements more flexible to meet the new needs of our students and families beyond the cost of tuition/fees such as rent, food, and technology needed to learn/work remotely when necessary.

Our state will be in danger if we are not able to keep producing the same number of graduates needed for our critical services and economic recovery. Outgoing high school students and college students negatively affected by more difficult learning during this time and adverse economic situations may also take much longer to finish their higher education.

All funding for education now is an investment towards a stronger economic recovery for California. As public institutions, our funding should be seen as part of the recovery efforts, not a subsidy or bailout.

Higher education has already been on the frontlines and essential in responding to the pandemic and economic situation, but needs support from our elected leaders to continue being able to do so. Our state's leaders took many laudable actions in the last few months putting the public good first amidst a crisis. We need to continue that by supporting public higher education as another necessary public good -- one that has fueled California's economic engine since the adoption of the Master Plan for Higher Education in 1960.

We call on our state leaders to prioritize higher education and act with flexibility in ensuring it is funded adequately to support our students, families, workers, and economic recovery.

We thank the Senate and Assembly for their leadership in proposing a budget on June 3rd that prioritizes higher education funding and takes action on the aforementioned ideas such as dismantling CalBright College and reappropriating its funding.

Signed,

University Council-American Federation of Teachers (UC-AFT) The Council of UC Faculty Associations (CUCFA) Faculty Association of Community Colleges (FACC) California Community College Independents (CCCI)
California Part-Time Faculty Association
Teamsters Local 2010
American Association of University Professors - California Conference
California Faculty Association
Jonathan Abboud, Reclaim CA Higher Education Coalition coordinator & Santa Barbara City College
Trustee

Cc:

President Janet Napolitano Chancellor Eloy Oakley Chancellor Timothy White