

**Testimony of the Professional Staff Congress/CUNY  
The City University of New York FY 2011-2012 University Budget Request**

Good evening. I am Barbara Bowen, the president of the Professional Staff Congress and a faculty member in English at Queens College and the Graduate Center. I offer this testimony on behalf of the 22,000 instructional staff I represent—the people who are on the front line with students every day, who live the realities of CUNY’s chronic lack of funds.

**Need for Transparency**

CUNY’s FY 2011-2012 budget request comes during a year in which the faculty, staff and students are already paying the price for cuts in State and City funding. While the cuts can seem remote in this lavishly paneled boardroom, they are very real to us. The 3.75% cut in senior college funding and the possibility of even greater cuts in community college funding have already meant adjuncts losing health insurance, college assistants being replaced with cheaper student employees, professional staff who take the early retirement incentive not being replaced, course sections being reduced in number and classes increased in size. People in part-time positions, some of whom have served the University for decades, are already losing their jobs.

The University cannot expect faculty and staff to support its budget request for next year if we are not provided with full and transparent information about the decisions made on the budget this year. We call on you to provide immediately to the union and faculty governance leaders on every campus a transparent, all-funds budget that can be shared with the faculty and staff. By “all funds budget” I mean one that includes revenue and expenditures from tax levy funds (including tuition), student fees, CUNY Research Foundation, college Research Foundations and auxiliary corporations. We also call on you to make public on every campus, as some colleges have done, the college’s plan for implementing the budget reductions already enacted, and to provide us with information about every search still being conducted for college administration positions. While holding off on high-paid management appointments is clearly not enough to close the budget gap this year, it may be enough to save some adjunct jobs or give students access to the course sections they need. Faculty, staff and students are the ones being asked to sacrifice; we are entitled to complete information about the decisions that have already been made.

One issue on which we think we could make a difference is in preventing some of the student attrition that usually occurs midyear. Improving student retention is important primarily because of its impact on our students’ lives, but it also has an impact on budget. I am announcing today that the union is willing to work with our members to offer assistance on lessening midyear student withdrawals. We are prepared to explore ways the faculty and staff can help to ensure that students for whom college is the right choice receive the support they need to stay in college. Supporting students’ desire to achieve a college degree is a much better way to address budget shortfalls than cutting courses or overcrowding classes. We invite you to discuss this proposal with us.

### **Increased Investment in CUNY**

The University's budget proposal to the State for FY 2011-2012 includes a request for increased funds. The PSC strongly supports the position that this is a time for more—not less—public investment in CUNY. With enrollment up 33% in the last ten years, maintaining current levels of public funding is not enough. The proposal for an increase of \$95 million in baseline funding and \$63 million in new programmatic funds sends an important signal to Albany when the State expects to face a \$9 billion deficit. The PSC has been one of the most vigorous forces in Albany making the case for continued investment in public higher education—especially during an economic downturn. We have brought the power of the entire State teachers' union, NYSUT, to advocate for this position, and we plan to redouble that effort this year.

We also acknowledge the importance of Chancellor Goldstein's public statements about the priority of protecting full-time jobs at CUNY and his opposition to retrenchment. Retrenchment would be a disaster for CUNY. The budget cuts experienced this year do not put the University in danger of retrenchment, and a request for increased funds provides further protection. The PSC is categorically opposed to retrenchment. We have shown that we can and will fight back against the imposition of austerity on our members, as we did last May when CUNY was prepared to administer a 20% cut in weekly pay in the form of furloughs. Important as CUNY's statements on retrenchment are, however, we need to remember that job losses or reduced appointments have already begun; adjuncts and other part-time employees who have given years of service to the University should be entitled to the protections of job security.

### **CUNY's Requested Increases**

We support CUNY's aggressive request to continue expansion of the full-time faculty, by seeking funds for an additional 275 faculty positions. Significant as this is, it only begins to address the need. As the University's request acknowledges, an even more aggressive approach is required to meet CUNY's own goal of a faculty that is 70% full-time. Despite the hiring of hundreds of new full-time faculty in recent years, the ratio of part-time to full-time faculty has actually grown. In 2004, for instance, the percentage of full-time faculty was 42.4; by 2008 that number had shrunk to 40.6%.

I'd like to comment on two other aspects of the budget request before turning to the proposed tuition increase. The union strongly supports the focus on Student Services and the call for additional funds for students with disabilities and for student childcare. But the need for investment goes beyond those two areas. The University's request should include a strategy for replacing the professional staff in Student Services who elect the early retirement incentive. While we are aware that the directive for the ERI did not provide for such replacements, CUNY should make it clear that Student Services will be devastated if significant numbers of professional staff retire this year and are not replaced. With the surge in enrollment, the demand on counselors, registrars, financial aid experts and other Student Services staff has been enormous. A critical part of student retention is access to Student Service personnel. It makes no sense to allow these positions to be eroded as the University seeks to improve its retention rates.

CUNY cites the data system CUNYfirst in its request for additional funds for technology. CUNYfirst, an outsourced system provided by a for-profit company—and one that has never had experience with a system of this size—has already cost the University scores of millions of dollars. We ask the University for a full and public accounting of the cost of CUNYfirst. At a time when our students are being asked to shoulder yet more of the burden of tuition, the University community is entitled to know how many millions of dollars have been spent on this system and how the decision was made to use a for-profit, outsourced vendor rather than to develop the needed capacities internally.

### **Tuition Increase**

While we vigorously support the University's request for additional funds, and will devote union resources to supporting that request in Albany, we cannot support the portion of the request that calls for an increase in tuition. The union leadership acknowledges the choices CUNY has made in putting this budget request together and appreciates that CUNY's approach has been more nuanced than SUNY's. CUNY has also expressed a refusal to enact retrenchment, while SUNY Albany, without a declaration of fiscal exigency at SUNY, has announced the closing of degree programs in foreign languages and the retrenchment of twenty full-time professors. CUNY's budget proposal is *right* not to accept further scarcity for CUNY—but wrong to visit that scarcity on students rather than insisting on higher funding from the State.

We say this with full awareness of the ugly political moment we are in right now and of the governor-elect's announced refusal to implement a progressive tax structure to solve the expected deficit. Our opposition is a considered position, one that takes account of the union's long-time mission both to advance its members' economic and professional interests—and to defend the interests of CUNY students.

A “new normal” has developed in response to the recession from which we are still emerging, and asking students to pay more while the State is not held to paying its fair share is part of it. In the new normal, people who did not create the recession and who are suffering most because of its persistent effects are the ones who pay its price. In the span of nine months, the federal government allocated \$7.8 trillion in taxpayer dollars to banks and bankers. The Fiscal Policy Institute comments: “Never before had such largess been lavished so quickly with so little strategic thought and with such poor results.” Wall Street posted record profits in 2009, and 15 million Americans are still jobless. The new normal is scarcity for the middle class, for the working class and the poor, with growing concentration of wealth for the rich. There has not been such a concentration of wealth among the richest 1% since 1928, on the eve of the Depression. Regressive tax policies like those in New York State have contributed to this new normal.

Austerity for the public sector is not in the interest of our students—nor is it in the interest of the faculty and staff. While the idea that a 5% tuition increase could stave off further cut-backs at CUNY might have some initial appeal, tuition hikes are not the answer. Tuition increases at any level that is thinkable at CUNY will never be enough to provide full funding to the University. More important, the logic that says CUNY

students must “sacrifice” and pay a little more is the same logic that says CUNY faculty and staff must sacrifice and accept furloughs or worse. Acceptance of tuition increases for our students is acceptance of the paradigm that leads to austerity for us and for the University. We are right to demand an alternative to the poverty version of CUNY.

### **New York State Could Do More—Even in the Current Economy**

The State budget for next year is far from settled. The PSC, like many progressive forces across the state, believes that it is not unrealistic to press for a solution that relies on more than budget cuts. It is intellectually dishonest to know that scarcity for working people is the wrong solution but to propose that solution anyway. Increases in the cost of essential goods and services during an economic downturn are bad policy. If we believe that a college education is an essential service—especially in this economic moment—we should do everything we can to ensure that it remains affordable. While the PSC will work vigorously to support increased funds for CUNY, we will also advocate vigorously for a more progressive solution for New York than budget cuts to essential services and increases in student costs.

It is not unrealistic to propose that New York State could do a much better job at supporting public higher education—even in the current economic climate. In 2008 and 2009 (years that include federal stimulus money) there were only ten states with records worse than New York’s in providing State support to higher education per \$1,000 of personal income. New York, then, has devoted a smaller share of its wealth to higher education than 39 other states. CUNY cannot be an engine of economic resurgence and of equality for the state with this low level of investment.

The proposed tuition increases should also not be defended on the grounds that they will not hurt. However consoling it may be to tell ourselves that TAP will cover the poorest students, that simply isn’t true. There is little TAP assistance for the 30.4% of CUNY students who attend part time, even though these are often the students most economically strapped. Rule changes adopted last year eliminated TAP grants for graduate students, whose proposed increase is the largest in real dollars. While some students and some families may be able to absorb the 5% increase proposed for the remainder of this year and the 2% increase proposed for next year, many are not so fortunate. More than half of all CUNY undergraduates—54%—come from households with annual incomes of \$30,000 or less. An increase of \$115 in the spring semester is significant.

The University has announced its commitment to ensuring that the TAP maximum keeps pace with CUNY tuition increases. While we certainly support keeping CUNY tuition under the TAP ceiling, we believe that CUNY’s focus on the TAP maximum to mitigate the impact of increases should be reconsidered. Raising the TAP maximum is inefficient if the goal is to make up for State funding cuts to public colleges, as a substantial portion of TAP goes to students attending private and for-profit colleges. In 2009, New York State invested more than \$900 million in taxpayer dollars in TAP. More than 40% of that amount went to private and for-profit colleges. In that year, CUNY and SUNY students were 65% of TAP recipients but received only 55% of TAP dollars, while students and

private and for-profit colleges were 35% of recipients but received 40% of the available aid.

### **An Opportunity for TAP Reform**

We believe this moment of stress in the State budget may offer an opportunity for comprehensive TAP reform. The union stands ready to form a strong partnership with the University to pursue such a goal and to call on the legislature to reject the rule changes imposed by the governor last year. The myth that TAP protects all needy students should not be perpetuated; we propose instead that the University press for comprehensive reform that also addresses the inequities in TAP for part-time students, graduate students and independent students. To take the most egregious example: single independent students without dependents—the working poor—are subject to an eligibility schedule for TAP that has not been adjusted since 1994 and limits them to a grant level of \$3,035. TAP grants for these students phase out entirely when their adjusted income exceeds \$17,500. This means that 20,000 independent students at CUNY receiving TAP have extremely low incomes *and* are limited to very small grants. The tuition increase will hit them the hardest—and TAP will not protect them. It is time for New York State to reconsider TAP as a broad entitlement program that benefits private and for-profit colleges disproportionately, in favor of reforms that better meet the needs of the poorest students and those who attend the public universities.

We ask you to consider two other aspects of the proposed tuition increase in particular. First, the impact on the community college tuition. Community college tuition at CUNY is among the one or two highest in the country. According to the College Board, the average tuition at public two-year colleges nationwide is now \$2,544, or 25% less than the \$3,360 level proposed. While we are not advocating opening a large gap between the community and senior colleges, we are asking you to consider the chilling effect such a level of tuition will have on the community college system, and to reconsider the entire proposal.

The increase in graduate tuition will also have a potentially devastating effect, with no TAP support and often little other funding available, especially at the Master's level. Many graduate students who teach at CUNY will be doubly hit by the University's budget actions, as some have already seen their adjunct teaching reduced, and will now face higher tuition. A large part of CUNY's attractiveness for research-active faculty is the opportunity to work with graduate students who bring new energy to their disciplines. The tuition increase would be particularly damaging for them.

### **Conclusion**

The PSC draws a distinction between a one-time tuition increase and the CUNY Compact, which would create a *permanent* system of tuition increases without the ability to guarantee analogous increases in State funds. The CUNY Compact, in our view, is a recipe for continued withdrawal of State support and increased reliance on students. We oppose its implementation as it will lead to a *loss* of State funding for CUNY. We are also strongly opposed to the Public Higher Education Empowerment and Innovation Act,

which would privatize CUNY and SUNY funding, reduce State support, and remove tuition increases from oversight by the legislature.

The faculty and staff represented by the PSC display an extraordinary level of commitment to the mission of this university. Many of us have readily accepted positions with lower salary and higher workload than those we were offered elsewhere for the privilege of being part of what is still—in 2010 just as in 1847—a radical experiment of *public* higher education. We recognize the severe constraints in the State budget this year, and we acknowledge that the University has chosen to seek new investment—a critical choice if CUNY is to remain an engine of equality for New York. But the approach does not go far enough.

The State's budget constraints are profound, but they are not irreversible. As you know, they could be significantly relieved by even a temporary tax surcharge. The PSC is part of coalitions to press for such a change, and we do not rule out its success. Change is less likely, however, if CUNY gives up in advance on the fight for full public investment rather than reliance on increased tuition.

The proposed tuition increase will hurt. It will mean that some students' dream of a college education is shattered and that others just give up in despair. We believe there is a better way to approach the budget, and that it is crucial not to allow austerity for working people to become the norm.