

# WHY INVEST IN CUNY?

1. About 500,000 CUNY graduates work in the State of New York. They pump \$15 billion into the New York economy each year. There is a 24 to 1 return each year on every state dollar spent at CUNY. The University generates a fiscal stimulus comparable to that of Michigan's entire state university system, according to the CUNY's Office of Institutional Research.
2. Dollar for dollar, the best investment the state can make is in higher education. To starve higher education now is to *guarantee* a lower income base for the state in the future; CUNY graduates add millions of dollars every year in tax revenues to the economy. Cutting the community colleges is especially shortsighted at a moment of acute economic downturn: students are flocking to CUNY's community colleges this year to gain the new skills and knowledge they need. Robbing us of the means to educate them is dangerous to the health of the State and a deep betrayal of trust for New York's people.
3. Yet in the last 10 years (1993-2003), the Governor and Legislature have reduced appropriations for higher education by 5.2 percent in constant dollars adjusted for inflation. At the same time, other states took advantage of the economic growth in the 1990's to invest in higher education.
4. In constant dollars, appropriations for higher education in:
  - New Jersey grew by 3.7%
  - Rhode Island by 10.8%
  - Connecticut by 25.1%
  - Texas by 32.4%
  - California by 38.8%
  - Florida by 42.1%
5. Despite the decline in funding, CUNY still attracts outstanding students. The average CUNY-wide SAT score is 1066 up from 1043. The SAT average at CUNY's most selective senior colleges is 1130. In addition, freshman enrollment has increased by 10.5%. Today CUNY serves more students than ever before—over 400,000 students annually: roughly half of them are degree seeking students and half are in adult and continuing education programs. But the Governor's proposed budget will make it more difficult to attract and retain students.
6. Under the Executive Budget, the share of CUNY's overall expenses covered by tuition would be 43%—twice the share students paid in 1990. Is that the future we want? Silent transfer of the cost of public services away from the public and onto individuals? It's hard to see a tuition increase as anything but a tax increase in disguise.
7. Our students are among the poorest college attendees in the nation: 16% come from families with a total income under \$10,000; and nearly 60% are from

families whose total annual income under \$30,000. In the community colleges, nearly a third are from families earning under \$20,000.

8. Although we support efforts to restore full funding for the state Tuition Assistance Program, financial aid would not cover a tuition increase. Of CUNY's 200,000 degree-seeking students, only 70,000 receive TAP. Thousands of students are not eligible for TAP because the awards are based on a series of complex factors. For instance, a single student with no dependents earning \$20,000 a year receives absolutely no TAP support. Working students attending CUNY part-time receive no TAP.
9. Even a modest tuition increase for our students would be devastating. If increased revenue for CUNY is not to come from student tuition, then from where? The Professional Staff Congress joins NYSUT, the New York State AFL-CIO and others in the Fair Budget Coalition in proposing a restoration of several revenue sources eliminated by the Governor and the Legislature. We support a modest 1% surtax on payroll incomes of \$100,000 or more; we propose reinstating the stock transfer tax in an amended form; and we support reinstating the commuter tax. These proposals would raise \$5.4 billion this year.
10. This is the right moment to take the bold step of reversing the pattern of underfunding CUNY. In the last three years, the University has made significant gains as the result of cooperation between the union and the University on the project of strengthening CUNY. The Professional Staff Congress took the unusual step of approaching contract negotiations as an opportunity to renew and rebuild the institution. We created new features to support high-quality education for our students by:
  - Providing guaranteed research time for new faculty;
  - Supporting part-time faculty, who now teach a majority of our courses, in offering office-hour consultation with students;
  - Recognizing the professional development needs of non-teaching staff and of the Educational Opportunity Centers' faculty and staff.

**That CUNY's resurgence has begun is without question. This is the moment to build on the firm foundation we have managed to put in place despite chronic underfunding and change the course of CUNY budgets.**