

The logo for The California State University, consisting of the letters 'CSU' in white on a red rectangular background.

The California
State University

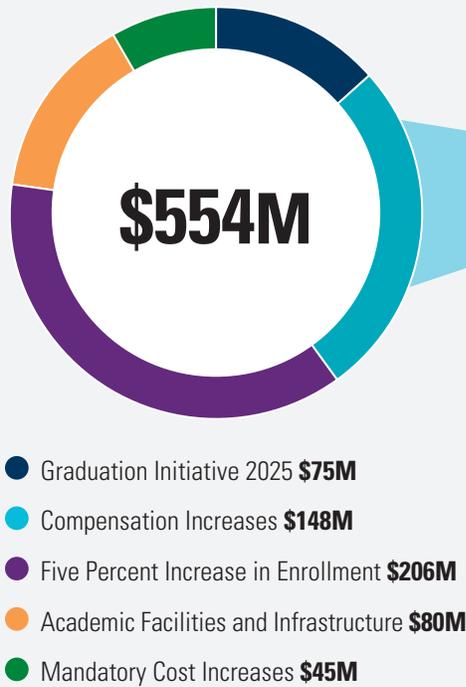
A photograph of a modern university campus. In the foreground, several students are walking across a paved plaza. One student in the center is wearing a red t-shirt with 'BOLESA' on it. To the right, a student is wearing a backpack and a patterned t-shirt. In the background, there are modern buildings with large windows and balconies. A sign on the left says 'WELCOME TO FRESNO STATE'. A sign on the building in the background says 'TABLE MOUNTAIN RANCHERIA'. The sky is clear and blue.

2019–20 OPERATING BUDGET

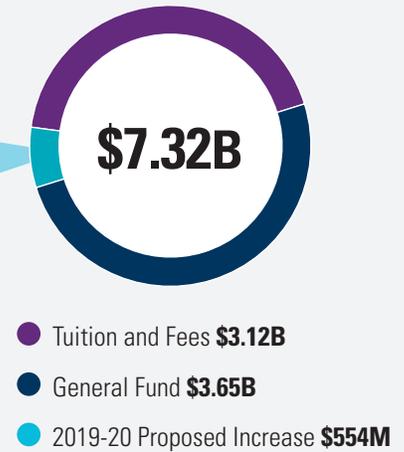
www.calstate.edu/budget

APPROVED BY THE CSU BOARD OF TRUSTEES NOVEMBER 14, 2018

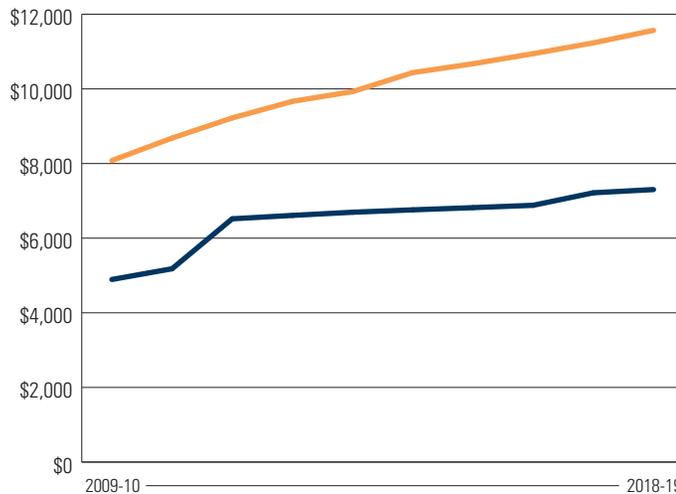
2019-20 REQUEST



2019-20 PROPOSED OPERATING BUDGET



CSU TUITION AND FEES VS. COMPARISON INSTITUTIONS (Based on Average Resident Undergrad)



2018-19 Comparison:

CSU Average = \$7,303
Comparison Institutions Average = \$11,569

CSU is \$4,266 less than our Comparison Institutions.

- CSU Average
- Comparison Institutions Average

CSU'S OWN STATE UNIVERSITY GRANT PROGRAM AWARDED OVER \$700 MILLION TO OVER 138,000 STUDENTS WITH SIGNIFICANT FINANCIAL NEED.

80%

OF ALL CSU STUDENTS RECEIVED FINANCIAL AID

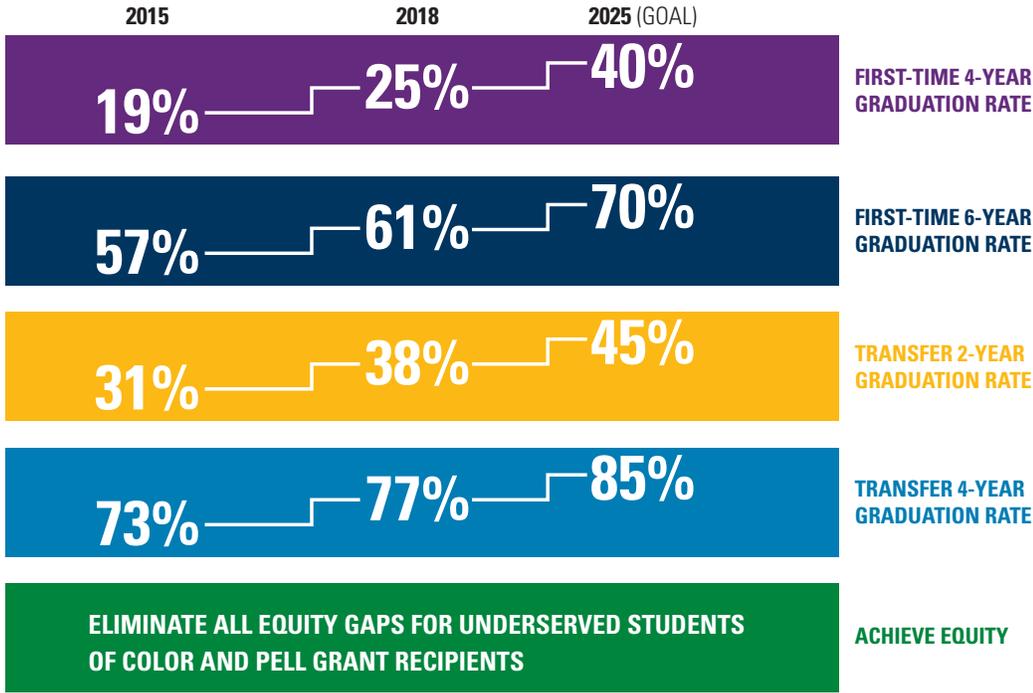
63%

OF ALL CSU UNDERGRADUATES PAID \$0 TUITION

49%

OF ALL CSU UNDERGRADUATES RECEIVED A FEDERAL PELL GRANT

GRADUATION INITIATIVE 2025



\$554M
2019-20 NEW REQUEST

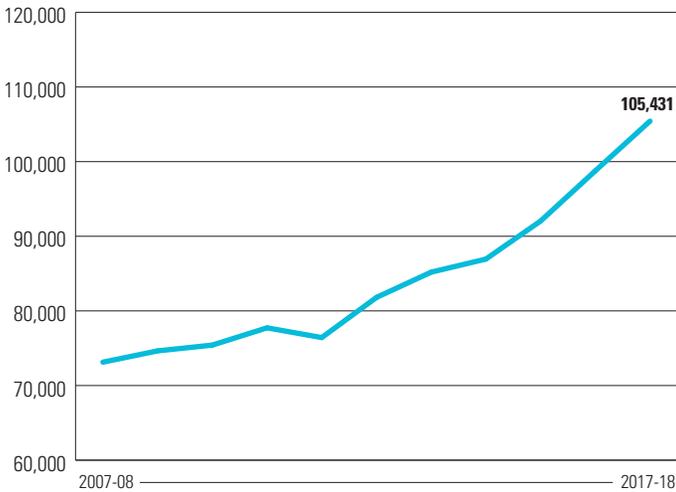
\$6.77B
CURRENT
OPERATING BUDGET

125,920
2017-18 GRADUATES

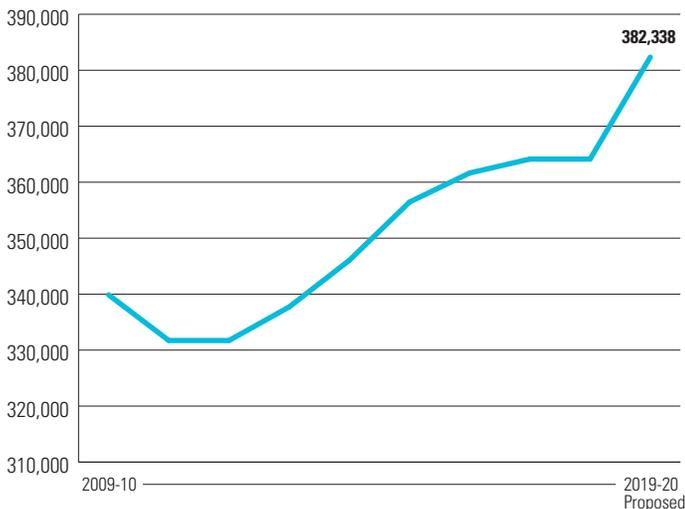
484,297
STUDENTS IN FALL 2017

NEARLY HALF
OF THE STATE'S
BACHELOR'S DEGREES
ARE AWARDED BY THE CSU

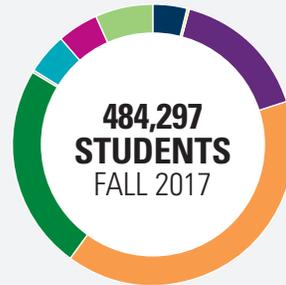
CSU IS AWARDING MORE BACHELOR'S DEGREES THAN EVER



RESIDENT FTES ENROLLMENT TARGETS



THE CSU SERVES A DIVERSE STUDENT POPULATION



- African American 19,810 **4.1%**
- American Indian 1,188 **0.2%**
- Asian American 76,363 **15.8%**
- Latino 194,237 **40.1%**
- White 114,029 **23.5%**
- Pacific Islander 1,283 **0.3%**
- Two or More Races 22,524 **4.7%**
- Unknown 22,954 **4.7%**
- Non Resident Alien 31,909 **6.6%**

WHO DO WE SERVE?

94%
OF ALL ENROLLED STUDENTS
ARE FROM CALIFORNIA

32%
OF UNDERGRADUATES
ARE THE FIRST IN
THEIR FAMILIES TO
ATTEND COLLEGE

44%
OF UNDERGRADUATES
ARE TRADITIONALLY
UNDERSERVED
STUDENTS OF COLOR

93%
OF NEW
UNDERGRADUATE
TRANSFERS ARE
FROM CALIFORNIA
COMMUNITY COLLEGES





CHANCELLOR'S MESSAGE

California has always been a state of possibilities and potential, fueled by people whose faith in the future remains remarkably resilient.

Indeed, people have always been California's greatest resource. We are a society of inquirers, of innovators and idealists, who collectively recognized decades ago that a college degree was the key to a brighter future. Our state's

investment in the master plan for higher education transformed California because it transformed the lives of millions of Californians; gratefully, I am one of them.

The result of that vision is an economy among the mightiest in the world. Technology and business flourish because of our educated workforce. Agriculture, construction, health care, financial services, manufacturing, hospitality and so much more – all benefit from the extraordinary educational opportunities made available to Californians from all walks of life.

That key to California's bright future is equally valid today – but only if it remains affordable. The California State University remains firmly committed to opening the doors of opportunity to all qualified Californians. Such a mission, however, requires a connected commitment from the state to provide necessary financial support. Indeed, the best way to keep California moving forward is through a robust investment in the CSU.

With that investment, the CSU will:

- Elevate student success via Graduation Initiative 2025, removing barriers to achievement and implementing innovative approaches to learning and teaching;
- Compensate our employees fairly, ensuring the best and brightest academic minds and crucial staff members remain in California, educating our next generation of achievers;
- Focus on maintaining affordability while enhancing our offerings and outreach;
- Expand access through enrollment growth, ensuring that more Californians are able to enroll in the CSU and earn a degree; and
- Renew and repair our aging facilities and infrastructure to provide the best and safest environment for students, faculty and staff.

Increasingly, California has become a beacon to the world. With the state's steadfast financial support of the CSU, we can continue to keep that ideal alive and thriving. We stand ready to welcome the inquisitive, the innovative, the creative, the hopeful and the dreamers who have made California a truly golden state. We ask you to join us in making that future possible.

Timothy P. White
Chancellor
The California State University

TABLE OF CONTENTS

Chancellor's Message..... 1

The CSU Today 2

2019-20 Operating Budget Plan.. 4

Graduation Initiative 2025 6

Compensation Increases..... 7

Five Percent Increase in
Resident Enrollment 7

Academic Facilities
and Infrastructure..... 8

Mandatory Cost Increases..... 8

– Health Benefits

– Retirement Benefits

– Maintenance of New Facilities

– Minimum Wage Increase

One-Time Requests 10

Basic Needs Partnerships 11

Deferred Maintenance Backlog 11

CSU Financial Aid..... 12

State University Grant Program 13

Tuition Waivers 13

Resolution 14



The California State University system begins 2018-19 better positioned to help students succeed. The CSU received an increase of \$323.9 million from the state, which includes \$197.3 million in permanent base funding and \$126.6 million in one-time funding. Our \$6.77 billion operating fund budget for the current year includes \$3.65 billion in state general fund and \$3.12 billion in tuition and fee revenue, as shown in Table 1.

TABLE 1: OPERATING BUDGET & INFRASTRUCTURE

	2017-18 Past Year	2018-19 Current Year	2019-20 Budget Year	2019-20 Increase
General Fund, Operations	\$3,109,314,000	\$3,309,085,000	\$3,685,120,000	\$376,035,000
General Fund, Academic Facilities and Infrastructure	340,560,000	340,560,000	420,560,000	80,000,000
Tuition and Other Fee Revenue	3,275,294,000	3,118,104,000	3,216,413,000	98,309,000
TOTAL OPERATING BUDGET AND INFRASTRUCTURE	\$6,725,168,000	\$6,767,749,000	\$7,322,093,000	\$554,344,000

The operating fund budget is focused on fulfilling CSU's core mission: to serve students with a high-quality, affordable and accessible education. As shown in Table 2, the CSU spends over 75 percent of its budget, \$5.1 billion, on instruction, academic support, student services and financial aid. All of these activities promote student success, enrich the academic experience and ensure that each graduate is ready to succeed in the workforce.

TABLE 2: EXPENDITURES BY PROGRAM AREA

	2017-18 Past Year	2018-19 Current Year	2019-20 Budget Year
Instruction	\$2,657,499,000	\$2,773,224,000	\$2,773,224,000
Research	21,093,000	17,749,000	17,749,000
Public Service	20,558,000	15,414,000	15,414,000
Academic Support	702,709,000	688,150,000	688,150,000
Student Services	728,972,000	718,429,000	718,429,000
Institutional Support	838,450,000	870,888,000	870,888,000
Operation and Maintenance of Plant	1,012,719,000	943,668,000	943,668,000
Student Grants and Scholarships	743,168,000	740,227,000	740,227,000
New Expenditures	--	--	554,344,000
TOTAL EXPENDITURES	\$6,725,168,000	\$6,767,749,000	\$7,322,093,000

With increased state support, the CSU continues to be one of the best investments for the state of California:

- Graduated 125,920 students in 2017-18, 6,646 more than 2016-17;
- 484,297 students enrolled in Fall 2017;
- Increased average salaries by 3.6 percent per year for faculty and 3.2 percent per year for staff from 2014-15 through 2018-19;
- Increased average unit load by offering an additional 3,200 course sections or 90,000 new seats in classrooms across the system, allowing students to reduce their time to degree;
- Reduced the equity gap for underserved students of color by 2.5 percentage points since 2016;
- Opened or expanded food pantries or food distribution systems on every campus, while continuing to raise awareness about student well-being, housing and food insecurity;
- Added more than 1,000 online course sections over the past three years; and
- Plans to hire at least 180 net new tenure-track faculty systemwide in 2018-19.

The CSU also continues to be efficient with its resources and prides itself on being a good fiscal steward:

- Partnered with the University of California on CalUsource, a single procurement system for both universities. The CSU will save \$5 million per year just from its first purchase through CalUsource.
- Implemented strategies to reduce electricity and water usage while also reducing costs.
 - At San Marcos, electricity consumption was reduced by more than five percent by sealing air conditioning ducts.
 - A public-private partnership for battery energy storage at Long Beach allowed the campus to save at least \$51,400 annually.
 - An innovative project at Stanislaus uses reclaimed rainwater to help cool campus facilities before being reused for irrigation, saving an average of one million gallons of water per year.
- Partnered with the University of California and investor-owned utilities to leverage more than \$30 million in incentive funding to complete over \$128 million worth of energy efficiency projects. This has reduced systemwide energy use intensity by 16 percent since 2005-06.

As the CSU continues to grow, we remain focused on improving our academic and student services, our campus facilities and the overall experience of our nearly half a million students.

The following pages outline the CSU Operating Budget Request for 2019-20.



2019-20 OPERATING BUDGET PLAN



The CSU proposes a \$7.3 billion operating budget for 2019-20, with \$4.1 billion from the state general fund and \$3.2 billion from tuition and fee revenue. As shown in Table 1 on page 2, this budget plan is an increase of \$554.3 million over the 2018-19 operating budget. This budget plan includes significant investments to

the CSU so we can continue to serve as the key to California's prosperous economy, now ranked as the fifth largest in the world.

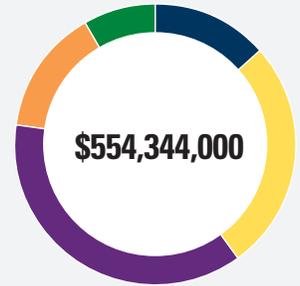
Table 3 outlines the sources and uses of funds that make up the \$554.3 million increase.

TABLE 3: SOURCES AND USES OF FUNDS

SOURCES OF FUNDS		
General Fund Increase		\$456,035,000
Operating Budget	\$376,035,000	
Academic Facilities and Infrastructure	80,000,000	
Tuition from 5% Enrollment Growth		98,309,000
(18,207 Full-Time Equivalent Students' Revenue)		
TOTAL NEW SOURCES		\$554,344,000

USES OF FUNDS		
Graduation Initiative 2025		\$75,000,000
Compensation Increases		147,785,000
Five Percent Increase in Resident Enrollment		206,140,000
Academic Facilities and Infrastructure		80,000,000
Mandatory Cost Increases		45,419,000
Health Benefits	\$7,304,000	
Retirement	26,536,000	
Maintenance of New Facilities	4,748,000	
Minimum Wage Increase	6,831,000	
TOTAL NEW USES		\$554,344,000

USE OF FUNDS



- Graduation Initiative 2025 **13.5%**
- Compensation Increases **26.7%**
- Five Percent Increase in Resident Enrollment **37.2%**
- Academic Facilities and Infrastructure **14.4%**
- Mandatory Cost Increases **8.2%**



Graduation Initiative 2025: \$75 million

As Graduation Initiative 2025 enters its third year, the CSU expects to use \$75 million of the 2019-20 operating budget request to meet the ambitious goals adopted by each campus. Launched in 2016, this initiative aims to raise the graduation rates for first-time and transfer students and eliminate equity gaps for underserved students of color and Pell grant recipients.

Four-Year Rates:

Systemwide, the four-year graduation rates for first-time students improved by two percentage points compared to last year and by six percentage points over the last three years. Since 2015, nearly all campuses have increased their four-year graduation rate:

- 2,939 additional students completed their degrees in four years.
- San Diego and Long Beach both improved their four-year graduation rate by double-digits.
- Pomona, San Bernardino, East Bay, Humboldt and Sacramento saw above average increases in their four-year rate.
- The CSU is on track to meet its systemwide goal of 40 percent in 2025.

Equity:

For the first time, equity gaps are beginning to close. Students' ability to earn a degree should not be determined by their background or family income but by their willingness to put in the work required to accomplish their educational goals. Equity gaps are shrinking while enrolling a greater percentage of underserved students of color and Pell grant recipients. These enrollment trends underscore the need to explicitly focus on closing equity gaps at every level of the university.

The increases in graduation rates shown in Table 4 represent all-time highs in each category. Additionally, the number of bachelor's degrees awarded reached an all-time high with 105,431 in 2018, 6,660 more than 2017 and 13,387 more compared to 2016. They also represent the dedication of CSU faculty, intentional action by campus leaders and a systemwide focus on student success. Continuous state funding for Graduation Initiative 2025 is critical to maintain momentum. Campuses will continue to use these funds to offer more courses, hire additional faculty and to advance innovative student success practices.

An investment by the state in Graduation Initiative 2025 in 2019-20 will immediately benefit our students. Students who earn their degree one term earlier save approximately \$14,000 in tuition, fees, housing and other costs of attendance, and reduce the need for additional student loan debt. Reducing time to degree means that graduates enter the workforce or graduate school sooner, furthering their potential to earn more over their lifetimes to improve their lives and the lives of their families.

Predictable, sufficient investment in Graduation Initiative 2025 means that the CSU can continue to fund innovative strategies to address student success with focus on these six areas:

- Academic Preparation
- Enrollment Management
- Student Engagement and Well-Being
- Financial Aid
- Data-Driven Decision Making
- Administrative Barriers

These efforts ensure that all students have the opportunity to earn a degree, empowering current and future generations of Californians. More information about specific systemwide and campus priorities can be found at calstate.edu/graduationinitiative

TABLE 4: CSU SYSTEMWIDE GRADUATION INITIATIVE PROGRESS

		2016	2017	2018	2025 Goal
GRADUATION RATES					
First-time Students	4-Year	21%	23%	25%	40%
	6-Year	59%	59%	61%	70%
Transfer	2-Year	33%	35%	38%	45%
	4-Year	74%	75%	77%	85%
EQUITY GAPS					
Underserved Students of Color		12	12.2	10.5	0
Pell Grant Recipients		10	10.6	9.5	0



Compensation Increases: \$147.8 million

The CSU Board of Trustees recognizes compensation for faculty, staff and management as a key element of the university's success. Continued investment in competitive salaries is critical for the CSU to fulfill its primary mission of access to an affordable and high-quality education. A competitive compensation package is essential to the CSU's ability to recruit and retain the best and brightest faculty, staff and management employees.

This budget plan calls for \$147.8 million to fund a 2019-20 compensation pool based on current and pending employee contracts and commitments.

Five Percent Increase in Resident Enrollment: \$206.1 million

The CSU aims for bold increases in enrollment to meet student demand for a CSU education and the needs of California's future workforce. The CSU plans to increase resident enrollment by 18,207 full-time equivalent students (FTES). Using the marginal cost rate, which is the cost of education per FTES, the funding required to support 18,207 new FTES in 2019-20 is \$206.1 million.

2018-19 Resident FTES Base	364,131
Proposed Growth (5%)	18,207
2019-20 Total Resident FTES	382,338

Marginal Cost Rate per FTES	\$11,322
Total Cost of Enrollment Growth	\$206,140,000

Increased funding for enrollment means increased capacity to educate students without sacrificing quality. Through Graduation Initiative 2025, we have hired hundreds more faculty, offered thousands more course sections, increased the average unit load per student and awarded more bachelor's degrees annually. Accommodating increased enrollment happens through face-to-face instruction and through a growing number of sections offered in fully on-line and hybrid courses. CSU's Fully Online

Courses project added more than 1,000 course sections over the past three years as the number of undergraduate students participating in fully online or hybrid programs at the CSU has increased by 25 percent. Additionally, Cal State Online Complete will be launched to meet the needs of students who started college but never obtained a degree – this online option will help them complete their education at the CSU.

The CSU is implementing a redirection policy beginning with the fall 2019 application cycle to ensure that all first-time and transfer applicants who meet minimum CSU eligibility requirements are offered admission to at least one CSU campus. While the 1965 Master Plan recommends the CSU accept the top 33 percent of high school graduates, the number of CSU-eligible high school students is actually 41 percent, according to a study commissioned by the Governor's Office of Planning and Research. The new redirection policy provides CSU-eligible undergraduate applicants, who are waitlisted or denied admission due to either campus or program impaction, an opportunity to be redirected to and offered admission by a non-impacted campus. This aligns with the admissions guarantee in place for transfer applicants who have an Associate Degree for Transfer (ADT). This policy change, coupled with additional enrollment funding, could result in significantly more first-time and transfer students enrolled at the CSU in the 2019-20 academic year.

The Public Policy Institute of California (PPIC) estimates that over the next 15 years, the state's public and private institutions of higher education will produce 3.1 million bachelor's degrees, while the projected need is closer to 4.2 million, leaving a gap of 1.1 million degrees. Of the 1.1 million degree gap, the PPIC calculates the CSU will need to graduate an additional 481,000 students to meet its share of the gap. The CSU will partially meet workforce demand by increasing access and completion outcomes through Graduation Initiative 2025. A funded enrollment increase of three to five percent per year over the next decade is necessary to meet increasing student demand for a CSU education and to meet California's future workforce needs.

Academic Facilities and Infrastructure: \$80 million

The CSU proposes using \$80 million of the \$554.3 million request to fund academic facilities and infrastructure projects. Ten years after the Great Recession, the CSU has made progress to recondition, refurbish and revitalize its critical utility infrastructure. However, the enormity of the facilities and infrastructure needs demands a greater response to ensure the CSU can appropriately serve its students. In support of the request for permanent base funding, the CSU Five-Year Capital Plan identifies the priority needs of each of the 23 campuses and their off-campus centers.

The plan identifies renewal/replacement needs of existing buildings and new facilities to accommodate growth and improve student access.

The Board of Trustees annually approves categories and criteria for capital outlay priority setting. The priorities are consistent with the state's priorities of critical infrastructure, life safety projects, renovation/modernization of existing facilities and new facilities to increase capacity to serve the existing and projected enrollment. The Five-Year Plan requires over \$10 billion to address our academic infrastructure and facilities needs. The \$80 million in the 2019-20 budget request will help fund or finance approximately \$1.2 billion of the \$10 billion in priority projects identified by the campuses. For more information on specific projects and priorities, see the [CSU Five-Year Capital Plan](#).



Mandatory Cost Increases: \$45.4 million

Mandatory costs are expenditures the university must pay regardless of the level of funding allocated by the state, and they often increase independent of the state budget condition. These costs include increases for employee health and retirement benefits, state minimum wage cost increases, and the operations and maintenance of newly constructed facilities. The 2019-20 operating budget request includes \$45.4 million for increases in mandatory cost obligations.

Health Benefits	\$7,304,000
Retirement Benefits	26,536,000
Maintenance of New Facilities	4,748,000
Minimum Wage Increase	6,831,000
TOTAL	\$45,419,000

Health Benefits

Permanent base budget costs associated with January 2019 employer-paid health care premium increases are over \$7.3 million. Health care premiums are shared between the CSU and its employees, with the CSU funding a significant portion of the costs. The CSU is governed by California Government Code section 22871 that defines the employer-paid contribution rates.

Retirement Benefits (above state-funded)

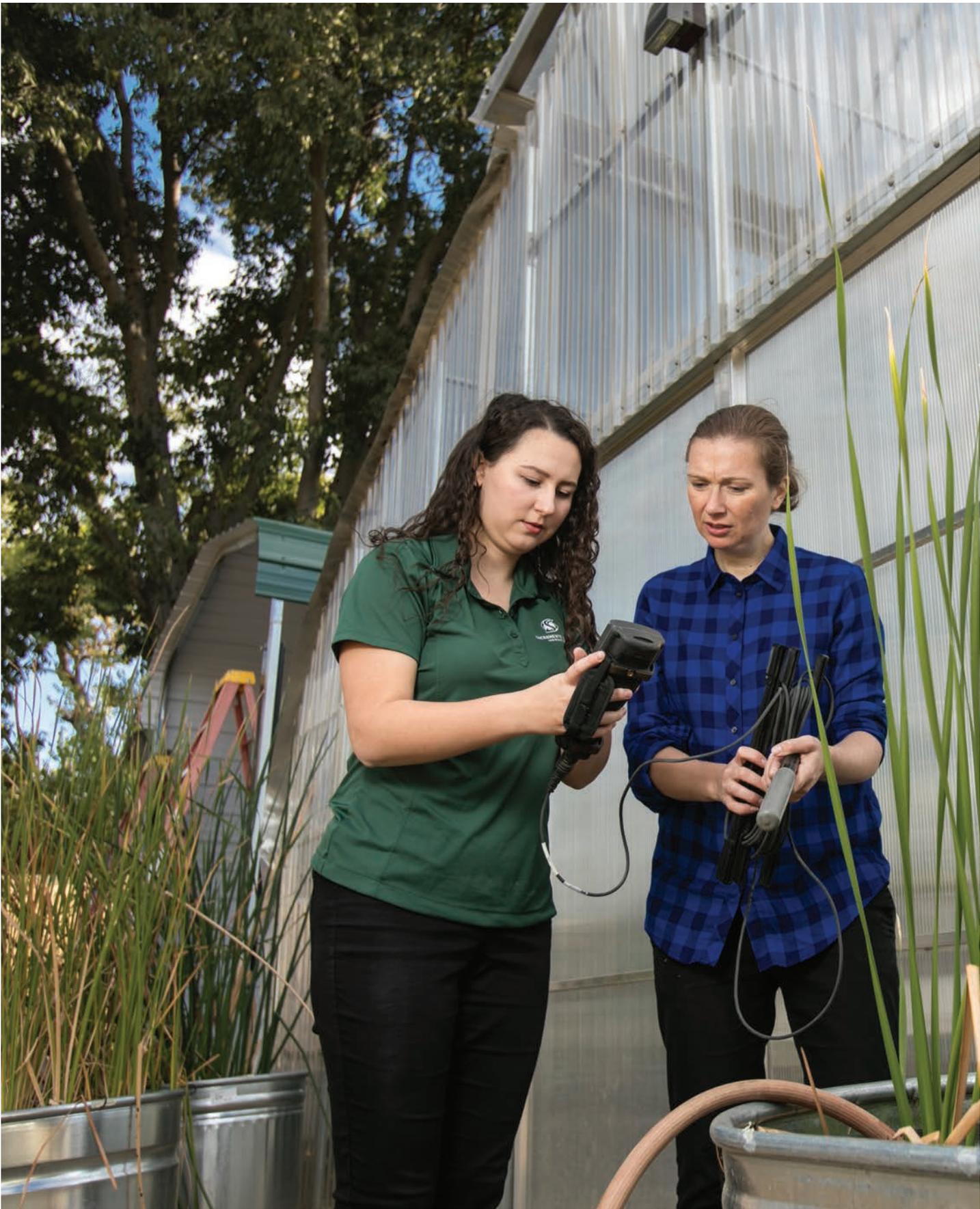
Beginning with the 2014-15 fiscal year, a limit was placed on the state's obligation to adjust CSU retirement funding due to annual changes in CalPERS rates. While the state's obligation to adjust retirement funding continues (Government Code section 20814), the salary base applied to the incremental rate change is set to the CSU 2013-14 pensionable payroll level as reported by the State Controller's Office. The \$26.5 million included here represents the 2017-18, 2018-19 and projected 2019-20 unfunded retirement cost for annual CalPERS employer-paid rate adjustments that must be funded by the CSU.

Maintenance of New Facilities

The CSU is scheduled to open 404,052 square feet of new facilities in 2019-20. The cost to fund regular maintenance of these facilities is \$11.75 per square foot, for a total of \$4.7 million in 2019-20. Regular maintenance of new facilities includes the cost of utilities, building maintenance, custodial, landscape and administrative support.

Minimum Wage Increase

In January 2019, the California minimum wage will increase from \$11/hour to \$12/hour. The estimated annualized cost of the increase on CSU campuses is over \$6.8 million. Further, the California minimum wage will increase in each subsequent year until January 2022 when it reaches \$15/hour.



ONE-TIME REQUESTS



The CSU seeks \$265 million in one-time funding from the state, in addition to the permanent funding increases included in the 2019-20 Operating Budget request.

Basic Needs Partnerships: \$15 million

The CSU requests \$15 million in one-time state funds for Basic Needs Partnerships. The CSU began a systemwide initiative in 2015 to provide a framework for the CSU's 23 campuses to take a more coordinated approach to developing programs and strategies that support students experiencing food and housing insecurity and overall student health and safety challenges. CSU leaders across the system have committed to enhancing and developing resources for students experiencing challenges meeting their basic needs. These strategies include increasing CalFresh outreach and application assistance, on-campus food distribution programs, and new and renewed partnerships with non-profit and governmental entities that provide direct services to students. Every student who attends CSU should be afforded the opportunity to focus on their studies and not find themselves otherwise preoccupied with hunger or homelessness.

The CSU received a \$2.5 million one-time state appropriation in 2017-18 and \$1.5 million in 2018-19 to address student hunger. Awards were distributed to campuses to expand existing efforts to fight student hunger, raise awareness of services currently offered on campus, and develop practices and procedures to provide additional assistance to students in need. The CSU continues to work to destigmatize the topic of basic needs so more students in crisis can comfortably turn to a campuswide support system for help. Through ongoing training and engagement, faculty and staff will be better positioned to support on-campus efforts and refer students to appropriate resources on- and off-campus.

The CSU will continue to identify sustainable solutions for students and pilot a variety of emergency housing programs systemwide. There is also a need to increase prevention, interventions and destigmatizing campaigns for basic needs, including outreach regarding mental health.

Deferred Maintenance Backlog: \$250 million

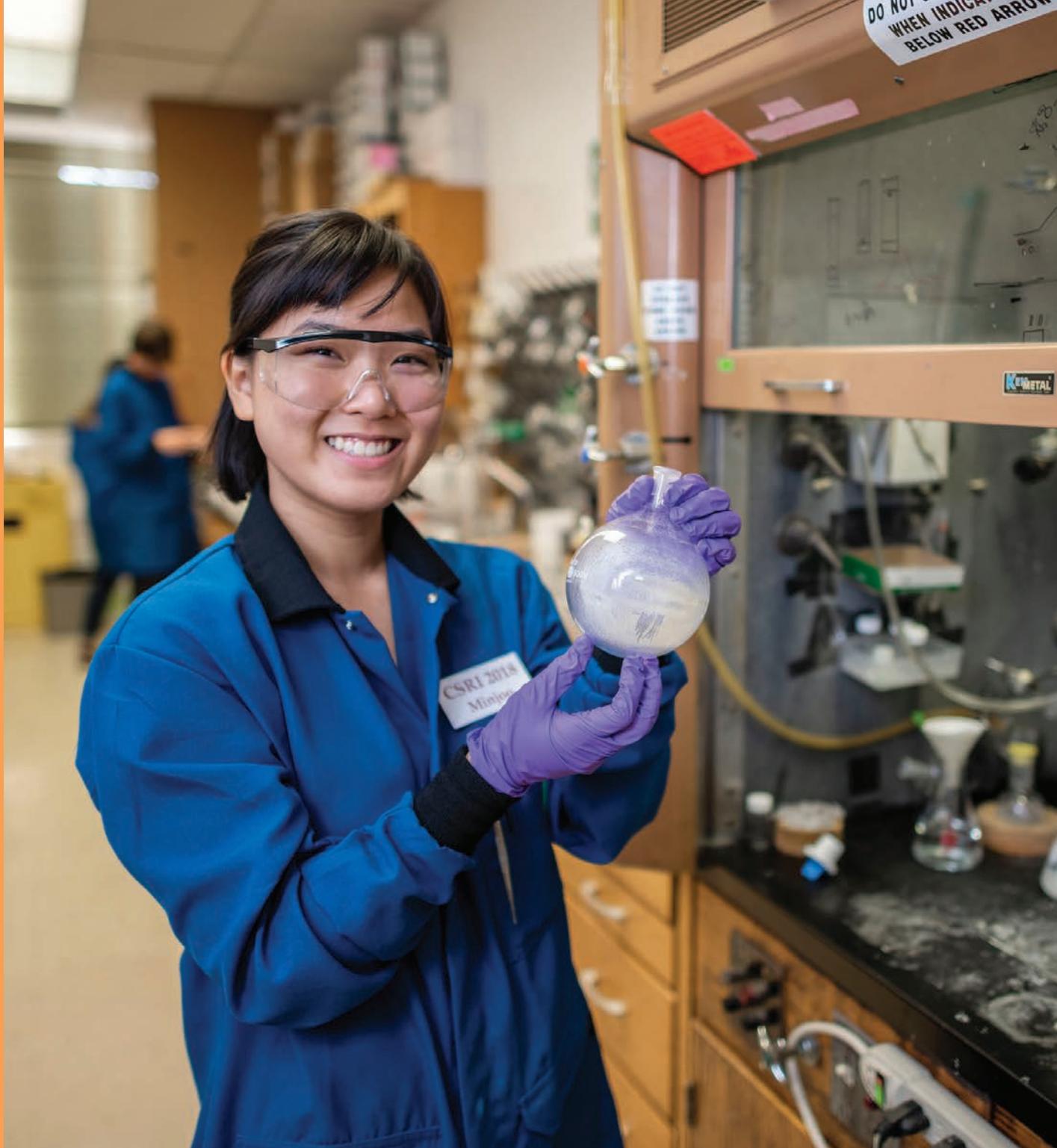
The CSU seeks an additional \$250 million of one-time funding to further address the growing maintenance backlog of building and utility infrastructure systems that have passed their useful life. Over 56 percent of the academic buildings (in gross square feet) are at least 40 years old. Maintenance costs are increasing each year as heating and air conditioning systems become less efficient, equipment is outdated, and custom replacement parts are needed to keep equipment operational. Increased funding is a key element in our plan to address our aging facilities. The previous support from the state for deferred maintenance was used to cofund projects across the system to stretch our limited resources.

As an example, over the last year, the CSU cofunded the reassessment of facility renewal needs with the campuses to confirm the accuracy of the renewal backlog and improve the level of detail in the building deficiencies. The reassessment determined that the renewal backlog was \$3.7 billion. The requested funds will address critical deficiencies throughout the 23 campuses to continue essential operations, reduce the likelihood of catastrophic failures and meet current code requirements to operate safe facilities. Major building systems that have exceeded the expected service life will be modernized to enable campuses to operate utilities more effectively, improve heating and air conditioning systems efficiency, reduce energy and lighting costs, reduce water consumption and greenhouse gas emissions, and extend the useful life of existing facilities. Utility and infrastructure systems such as centralized heating and cooling, electrical distribution and domestic water production are examples of maintained infrastructure between campus buildings that have been added to the renewal backlog.

The one-time funding will be spent on projects on a pay-as-you-go basis.



CSU FINANCIAL AID



Students attending the CSU should be focused squarely on their college education and experience, not whether they can pay tuition and fees or afford to attend the next semester. That's why the CSU strives to keep costs to a minimum by offering institutional aid programs in addition to federal and state grant and loan programs.

In 2016-17, 80 percent of the CSU's total student population received some form of financial aid and 63 percent of all undergraduate students paid \$0 in systemwide tuition. CSU systemwide tuition is one of the lowest in the nation, at \$5,742 per year for a resident undergraduate student. These programs help mitigate the cost of attendance for our lowest income students and keep student debt as low as possible. In fact, CSU bachelor's degree recipients have lower average debt (\$16,625) than California (\$22,744) and national (\$28,350) averages.

State University Grant Program

To further the CSU's mission to provide an affordable, high-quality education to all students, the CSU created the State University Grant (SUG) program in 1982-83 to assist students with the greatest financial need. Each year, the CSU awards need-based grants to eligible California residents and DREAM applicants who enroll at CSU campuses in undergraduate, post-baccalaureate, credential and graduate programs. Financial need is determined by the expected family contribution (EFC) based on the FAFSA application.

The SUG program has grown considerably since its inception, from \$4.0 million in 1982-83 to \$701.2 million in 2018-19. Over 138,000 students received a SUG award in 2017-18.

As tuition and enrollment increased while state investment in the CSU decreased, the CSU expanded the SUG program to help keep student costs to a minimum. Currently, about 11 percent of the total CSU operating budget is dedicated to financial aid for students with the greatest need. The SUG program remains one of the largest commitments in the CSU operating budget.



Tuition Waivers

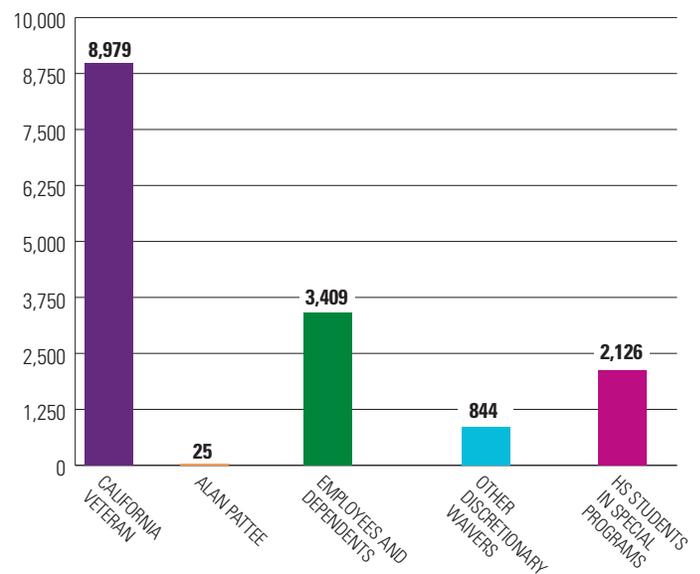
State law mandates five systemwide tuition waiver programs, with the newest program created in September 2018 for foster youth:

- California Veterans Waiver for children of disabled/deceased veterans (Education Code section 66025.3);
- Alan Pattee Waiver for dependents of deceased law enforcement or fire suppression personnel (Education Code section 68120);
- Current or former foster youth (Education Code section 66025.3);
- California residents who were dependents of victims killed in the September 11, 2001 terrorist attacks (Education Code section 68121); and
- Student trustees (Education Code section 66602).

The CSU also offers systemwide tuition waivers for employees and their dependents pursuant to collective bargaining agreements, executive orders and CSU policy. Other discretionary tuition and fee waiver programs have been established by the CSU Board of Trustees and California statute for programs such as high school students participating in special programs, California residents age 60 or older, or certain study abroad students.

In 2017-18, 15,383 tuition waivers were granted to CSU students, totaling approximately \$76.2 million in waived tuition. The state has not provided any General Fund support for any CSU tuition waiver program since 1992-93.

2017-18 SYSTEMWIDE TUITION WAIVERS



RESOLUTION



BOARD OF TRUSTEES

Approval of the 2019-2020 Operating Budget Request (RFIN 11-18-04)

RESOLVED, that the Board of Trustees of the California State University acknowledges and expresses its appreciation to the governor and legislature for their increased budget support; and be it further

RESOLVED, that the Board of Trustees understands there are numerous competing interests for budgetary support given the fiscal constraints and competing policy priorities under which California continues to operate; and be it further

RESOLVED, that the future of California rests on CSU's ability to provide a high-quality, affordable, and accessible education to hundreds of thousands of students; and be it further

RESOLVED, by the Board of Trustees that the proposed CSU 2019-2020 Operating Budget Request is approved as submitted by the chancellor; and be it further

RESOLVED, that the chancellor is authorized to adjust and amend this budget to reflect changes in the assumptions upon which this budget is based, and that any changes made by the chancellor be communicated promptly to the trustees; and be it further

RESOLVED, that copies of this resolution be transmitted to the governor, to the director of the Department of Finance, and to the legislature..

23 California State University Campuses





CSU The California State University

401 Golden Shore, Long Beach, CA 90802
www.calstate.edu