

**TO ALL CONCERNED CSU FACULTY & STUDENTS, TAXPAYERS,
PRESS, AND LEGISLATORS**

**URGENT!
CSULB & CSU FINANCIAL DATA REVEALED**

In his 7/15 e-mail to the CSULB campus community, President F. King Alexander conceded what many have suspected all along, that Administrative consolidation can be implemented to cover the deficit.

We thank President Alexander for his candor and leadership, because the herein writers and researchers -- Professors at CSULB -- have pored through the budgets and financial records of CSULB and the CSU and conclude that the Administration component of the University can be consolidated to cover the University's total budget reduction without compromising the University's teaching mission at all.

Here are the facts and figures at CSULB, but these numbers also apply across the entire CSU System:

- 1.** 30% of the University's total operating costs goes to Administration (executive and management employees and their costs), while 45% goes to Teaching (Instructors and their costs). *(The remaining 25% goes to physical plant operations, student scholarships, auxiliary enterprise expenses, and depreciation.)*¹
- 2.** As between cumulative Administrative salaries and cumulative Teaching salaries, 43% goes to Administration and 57% to Instructors.²
- 3.** Cost of benefits to Administration employees is 20% higher than the cost of benefits for Instructors.³

¹ California State University Long Beach Audited Financial Statement, issued by KPMG Accountants, for June 30, 2008 and 2007, page 48.

² CSULB Internal Budget 2008/2009, page 2.

³ California State University Long Beach Audited Financial Statement, issued by KPMG Accountants, for June 30, 2008 and 2007, page 48.

- 4.** In the last ten years, Administrative costs have gone up by 85%, while enrollment has increased by only 20%.⁴
- 5.** By CSU mandate, enrollment is now being forcibly rolled back to 1999 levels over the next two years, but neither the University nor the CSU has suggested cutting Administration back to its 1999 levels.
- 6.** At CSULB there are now 25 Upper Level "Titled" Administrators, which include the President, the Provost, Two Associate Provosts, and numerous Vice-Presidents and Associate Vice-Presidents and Assistant Vice-Presidents and Directors and Special Assistants, as well as 20 Deans and Associate Deans across the campus. All of these Upper Level Administrators have a vast supporting network of staff of managers and coordinators. The cost of these Administrators and their staffs and operations is more than 140 million dollars per year.⁵
- 7.** In the last 10 years, the number of Upper Level Administrators has more than doubled.⁶
- 8.** The average salary of an Upper Level Administrator is 2.5 times the average salary of a tenured professor. In addition to salary, Upper Level Administrators receive substantial perks and benefits that Instructors do not.⁷
- 9.** The ratio of Upper Level Administrators to their Staff is 1:5. The ratio of Instructors to their Staff is 15:1.⁸
- 10.** We have been told that CSULB must cut its operating budget by approximately 50 million dollars. Consolidation of the Administration and related staff positions and support costs would lead to immediate savings that would cover all of the campus deficit without touching Instruction, to wit:
 - (i) As noted, from 1999 to 2009 the CSULB Administration has nearly doubled in size and Administrative costs have gone up by 85% as enrollment rose by 20%;

⁴ California State University, Long Beach, Annual Financial Report 1999, audited by KPMG Accountants, pages 9, 17, 28 and 31; and CSULB Internal Budget 2008/2009.

⁵ CSULB Internal Budget 2008/2009, page 2.

⁶ See CSULB Mastheads from 1999 and 2009.

⁷ CSULB Internal Budget 2008/2009.

⁸ CSULB Internal Budget 2008/2009.

(ii) This indicates an assumption that the work needed to manage the campus increases by a 5:1 ratio for increases in student population;

(iii) Reducing both enrollment and Administration to 1999 levels would cut Administrative costs (salaries, benefits, staff, supplies, services, and support) by approximately 55 million dollars. This reduction covers more than the entire projected campus deficit;

(iv) It is our contention that the Administration can be downsized to this extent without reducing enrollment at all.

11. If the University's mission is teaching, reduction should be made from the top down, beginning with Administration and only reaching Instructors and Students if and when there would be no place else to turn.

12. All of the University's specific reduction proposals to date go right to the heart of Instruction while maintaining a vastly higher percentage of Administration than is necessary. Only now, for the first time, is CSULB wisely contemplating Administration consolidation, while the CSU System is still only contemplating furloughs for executive and management employees.

13. Furloughing Instructors means cutting Instruction. Raising Student fees means cutting Instruction. What about cutting Administration? What about capping Administrative salaries, benefits, and support at levels equal to Instructors? The latter would cover the entire University budget cut that is mandated.

14. A final note as to waste caused by management decisions: the CSULB Internal Budget 2008/2009 reveals at least one Upper Level Administrator being paid in full despite having been removed from her post for malfeasance years ago, and at least two professors being paid in full despite being suspended and/or fired for proven academic fraud. The herein reviewers suspect there are many other such situations which are being covered up -- and paid for -- by the University and CSU Administration.