



News

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Contact: Kenn Marshall, (717) 720-4054 or (717) 329-0809

Statement on Gov. Corbett's 2012-13 proposed budget *Spending plan would reduce funding to PASSHE universities by 20 percent*

Harrisburg – The following is a joint statement from Guido Pichini, chair of the Pennsylvania State System of Higher Education's Board of Governors, and PASSHE Chancellor John C. Cavanaugh in response to Gov. Tom Corbett's proposed 2012-13 state budget. The governor's proposal would reduce funding to PASSHE by 20 percent, or more than \$82 million:

"The number one priority of the Pennsylvania State System of Higher Education is the success of our students. We agree with Governor Corbett that the needs of our students come first.

"We also agree with the governor that every family in Pennsylvania should be able to afford higher education. That is why we have been very vigilant not only in keeping our tuition the lowest in the Commonwealth, but also in maintaining the cost of attendance below the average in the mid- Atlantic region.

"We fully recognize the financial challenges facing the Commonwealth. Governor Corbett was right in saying that education is a key to the state's financial recovery. That is especially true of our graduates, over 80 percent of whom stay in Pennsylvania for their careers and as community and civic leaders. However, our joint goals are at risk as a result of the budget blueprint for the Commonwealth presented today, which provides only \$2 million more than the system received 24 years ago in 1988-89. During that period we have added 23,000 students.

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“The proposed budget represents the latest in a cascade of reductions to the State System in the past 18 months. If this proposal stands, we will have lost more than \$170 million in state and federal education and general funding, compounded by a 50 percent reduction in our capital allocation and the loss of Key ‘93 funding dedicated to deferred maintenance. Taken together, these reductions now mean that we must increasingly decide whether to renovate and maintain our existing physical plant or provide students the courses and programs they require to graduate.

“We do our part. We have reduced our operating costs by more than \$230 million during the past decade and will continue to seek additional efficiencies through collaboration. Since 2010, we have over 900 current vacancies and/or eliminated positions throughout the System. We continue to review our academic offerings; we have eliminated or put into moratorium hundreds of programs.

“We respond to the Commonwealth’s needs. Our new programs have focused on meeting the needs of the shale industry, filling workforce training gaps in the Northern Tier of the Commonwealth, and responding to the growing need for well-prepared allied health professionals, especially nurses and physician assistants. It will be challenging to continue to devote funds to these efforts without stable funding.

“We will continue to look for ways to reduce our costs. Through the cooperation of two of our unions, AFSCME and SPFPA, we have achieved cost savings in our new agreements through the adoption of more flexible work rules and health and benefit savings. We hope to achieve similar cost savings in our ongoing negotiations with our faculty and coaches union, APSCUF, and our SCUPA employees. We need flexibility in what, where, and how we deliver programs and services. It is important to recognize that about 75 percent of our operating budget is personnel costs.

“We appreciate the support of and look forward to working with the General Assembly and the governor during the upcoming budget process. Our budget hearings will provide the opportunity to discuss the successes we have had in cost control and reduction, as well as the impact of the proposed cuts.

“We are also very pleased to participate in the Governor’s Higher Education Advisory Panel. The need for a true comprehensive strategic plan for higher education in the Commonwealth is great. We look forward to that conversation, and to charting PASSHE’s future.”

The Pennsylvania State System of Higher Education is the largest provider of higher education in the Commonwealth, with nearly 120,000 students. The 14 PASSHE universities offer degree and certificate programs in more than 120 areas of study. About 500,000 PASSHE alumni live and work in Pennsylvania.

The state-owned universities are Bloomsburg, California, Cheyney, Clarion, East Stroudsburg, Edinboro, Indiana, Kutztown, Lock Haven, Mansfield, Millersville, Shippensburg, Slippery

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Rock and West Chester Universities of Pennsylvania. PASSHE also operates branch campuses in Clearfield, Freeport, Oil City and Punxsutawney and several regional centers, including the Dixon University Center in Harrisburg.

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