California State University
Northridge

The following is a compilation of my correspondence, including that with Assembly Weber's office, concerning her proposed legislation, AB 1464, requiring the CSU raise the tenure density to 75% over the next eight years, as well as the communications with various other administrators and Statewide Academic Senate folk.

Dear Assembly Member,

It was a pleasure meeting with you last Wednesday in Sacramento and I want to express my sincere thanks for the time spent with us, particularly in discussing the bill generated by your office, AB1464 on tenure density in the CSU. As promised, I am writing to forward the cost data and time frame analysis about which we spoke. As well I have comments on potential funding to support its requirement.

As you no doubt have come to realize, in working on this bill, having sufficient tenure density is necessary for the functioning of the CSU. Since 2001, the state has recognized the need to be at or near 75% (e.g. ACR 73). We are currently at 55.5% system wide and, with minor variation, have been for 15 years. That is why it is so refreshing to see someone like Member Weber attempting to legislate this issue.

Yet costs are elusive, if not borderline prohibitive. Because this is so, I would not want to see the result of your efforts die in appropriations committee or to be enacted only as an unfunded mandate to the CSU. That said, I offer herein a cost analysis for tenure density, as reality check of sorts, together with a viable solution that would self-correct the issue.

The Chancellor's office accounting shows the CSU has 10,293 full time equivalent tenure or tenure-track positions and 8,256 full time equivalent lecturer positions (a total of 18,551 full time equivalent faculty indicating a tenure density of 55.5%). The human resources group tells us the annual salary and benefits for a newly hired tenure track assistant professor is roughly $110,000 ($76,000 for salary and $34,000 for benefits). The one-time costs of that hire (including recruiting, site visits, moving expenses, release time, etc.) is approximately $65,000.

The attrition of faculty at the CSU is approximately 600 positions per year (retirement, quitting, denial of tenure, etc.). The net savings per faculty leaving averages approximately $22,000. Therefore, assuming a need to replace 600 tenure track faculty annually to stay even, we would see a compensation savings of $13.2 million offset by $39 million in one-time costs, or a net deficit of $25.8 million.

Moreover, the CSU enrollment has increased approximately 3% per year for the past ten years and is projected to do so going forward (474,000 students now would portend another 14,220 students for 2018). Indeed, the Public Policy Institute of California (PPIC) projections see a need for an additional 700,000 graduates by 2030. To hire the additional faculty necessary to accommodate these 14,220 additional students, at the currently funded 19:1 Student Faculty Ratio, would require another 748 faculty over and above the 600 required to stay even, or a total of 1,348 new hires each year. This compares to a banner year for hiring last year, of 750 positions—still a deficit of nearly 600 positions. Clearly we are barely staying even and are certainly not meeting increased demand.

These 1,348 faculty hires needed to replace existing faculty and accommodate enrollment increases would cost approximately $25.8 million (for replacement faculty) and $131 million for additional faculty (salary, benefits and one time fees) or a total of $157 million per year. Clearly when the Governor offers a $158 million increase over last year's CSU budget, as he did this year, were we to use it to right the ship on tenure density and hire these 1348 faculty, it would be at the expense of all other line items in the budget (e.g. all capital items cast upon us by the Governor three years ago, including deferred maintenance of 50-year old infrastructure, the multiple employment contracts that must be negotiated each year, the unfunded mandates of the Graduation Initiative, etc.).

Clearly, hiring 748 new faculty each year would have a positive effect on tenure density (nearly a 2% yearly impact if all were to be hired in a tenure-track capacity) and getting us to nearly the 75% in eight years--your intended goal in the bill. However, it is highly unlikely that any coalition of legislators could get the Governor and Legislature to fund an additional $158 million each year just for faculty hires.

So, let's approach this in a slightly different manner. The Board of Trustees made a request of approximately $326 million this year. The Governor gave $158 million. Therefore, there is a shortfall of roughly $168 million. Of that amount, $75 million is allocated in baseline funding for our Graduation Initiative 2025. From that GI 2025 funding, 3000 new classes fulfilled by 400 additional faculty, are to be hired to support students moving from 12 to 15 units per semester and thereby facilitating their graduation in four years. Hiring 400 additional tenure-track faculty per year would add approximately 1% per year to tenure density, while increasing the graduation rate roughly the same 1% per year. We would not accomplish your goals of 75% tenure density in eight years (by 2025), but it would provide a steady and constant growth and achieve that target within approximately 18 years—still an admirable goal.

Yet this still requires the state pay for this $168 million in CSU requested shortfall, to accommodate the 400 new faculty hires. How is that to happen? Try taking this to the Appropriations Committee. Increasing graduation rates 11% (19% to 30%) portends an additional 13,000 system wide graduates per year. The Bureau of Labor Statistics tells us that approximately 70% will be injected into the job market at roughly $40,000 per year. Those 9,000 additional wages earners will generate $200,000 in economic activity (the BLS says each dollar of wages generates five in economic activity). At a tax rate of 10%, the state will realize $20,000 in taxes by virtue of each new graduate—a total of $180 million from these 9,000 additional graduates. This is more than enough to fund the $168 million in CSU budget shortfall. In short, by merely covering the cost of the state mandate to the CSU, we will achieve their goal of increasing grad rates, while simultaneously meeting our common objective of putting the institution on the road to 75% tenure density.

Moreover, I contend we can accelerate the time frame for increasing tenure density, to your eight years, by amending your bill to suggest that whenever possible and appropriate, campuses look to the Lecturer pool for tenure-track hires. As we discussed, this could become a reality by forming a complimentary tenure track line for those who emphasize teaching and service, but not research. Converting a Lecturer to full time tenure track employee has two advantages: 1) it eliminates the $65,000 in one time recruiting costs and the benefits (they are already being paid); and 2) serves double duty in allowing twice the hires for the same amount of money—thereby doubling the effect on tenure density.

Among these tenure types, we would still realize five classes of teaching, but dramatically increase their service time, thereby reducing the release time given to current faculty (e.g. data champions, option coordinators, advisors, retention specialists, etc.). Because we would instantly free up dozens of release-time teaching hours, currently given to tenure track faculty, it could provide more classes from the same FTEF, while freeing the current faculty for more time to do research.

In short, generating higher tenure density, in part from this alternative tenure track line, would increase not decrease the potential for grants and research. In the long-run it would also provide more faculty qualified to serve on RTP and other committees requiring tenured members. Moreover, the net result of adding this idea to the baseline funding for the CSU shortfall, which includes the Graduation Initiative, could quite literally accelerate the increase in tenure density to your eight-year time frame, all while being either self-funded from the increases in taxes that would accrue from the additional graduates added to the labor force or involve no funding by reclassifying Lecturers into this special tenure track line.

Let me explain more fully. Since nearly half of CSU faculty are non-tenure-track instructors, and approximately 80% of those faculty are part-time, the result is that 40% of our instructors spend most of their time on the freeway commuting between multiple jobs. That is not a sustainable model for the increasing numbers of under-represented students craving advisement, mentoring, tutoring and other face-to-face time. It has led to more administrative bloat in hiring, more remediation, lower grad rates and reduced state funding, all issue the CSU is currently struggling with in closing the achievement gap.

That said, going forward, if we maintained the current 10,293 tenured/tenured track faculty, replacing faculty lost through normal attrition, while hiring half the additional 748 new faculty (required for the 3% enrollment increase), from regular tenure track hires and half from the instructor pool (for the teaching and service track), we would reach 75% tenure density within the eight years. This would be so as it would add a total of 5,984 faculty to the numerator, over the eight years (748 hires per year), while adding only the additional 2,992 to the denominator over eight years (374 new hires per year). Thus the 10,233/18,551 or the current 55.5% of tenure density becomes 16,217/21,543 or 75.3%.

Moreover, this would mean 60% (four-fifths of the 75% tenured track faculty) would be as are currently classified while 15% (one-fifth of 75%) would be hired in this special track. The other 25% would remain part time instructors. By doing this, the cost incurred would be no more than one-half the state's obligation to fund enrollment increases (i.e. only half of the 748 would be new hires), which amount would already be covered through, and paid for by, the increase in taxes derived from the additional graduates sent into the labor force through GI 2025. Thus, we would be solving the tenure density issue, the funding for enrollment and graduation rate increases, all simultaneously and sustainably.

I hope you see the efficacy of joining these issues (funding enrollment and graduation rate increases, while increasing tenure density). I am available to answer any questions you may have as to the calculations or references for these statistics.

Sincerely,

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