

e-Bulletin20090315

Stimulus Funds Will Flow for 2 Years, Not Just for 1

Temple and the three other state-related universities that had funds cut from our appropriations this year by Governor Edward Rendell should receive restoration of the funds for at least two years, i.e., in FY2009 and FY2010 (i.e., 2009-10 and 2010-11). TAUP consulted information issued by the US Department of Education (<http://www.ed.gov/policy/gen/leg/recovery/factsheet/stabilization-fund.html>), which confirms the language of the original legislation. The American Recovery and Reinvestment Act of 2009 states that the purpose of the State Fiscal Stabilization Fund is:

to provide, in each of fiscal years 2009, 2010, and 2011, the amount of funds to public institutions of higher education in the State that is needed to restore State support for such institutions (excluding tuition and fees paid by students) to the greater of the fiscal year 2008 or fiscal year 2009 level.

In addition, TAUP has also obtained information through AFT Pennsylvania from representatives at the PA Department of Education and the PA House of Representatives Appropriation Committee. These sources confirm that Governor Rendell will use the federal dollars from the State Fiscal Stabilization Fund to restore funding in FY2010 and FY2011.

TAUP believes the information about the stimulus funds is crucial to settling the contract negotiations because it promises to stabilize Temple's revenues from state appropriations for the near future.

TAUP is inquiring further with sources in Washington to determine whether the funds also have to be restored for the current year, FY2009. However, the US Secretary of Education has not yet provided specific guidance on this issue.

In her letter to the University community on March 5, President Ann Weaver Hart said that the restoration of funds was for one year only, for FY2010. However, this apparently was based on the press statement issued by Governor Rendell on March 3. The Governor's statement was politically timed for the morning that President Hart and the presidents of Penn State, Pitt and Lincoln testified at the House Appropriations Committee. That preceded the issuance of more detailed information by the US Department of Education on March 7.