

To: Campus Community
From: Paul J. Zingg, President
Subj: Budget update and Q&A

While some very important decisions and events regarding next year's budget are yet to take place, it is clear that the CSU faces enormous challenges ahead. At this week's CSU Trustees meeting, Chancellor Reed said pending budget cuts -- \$500 million currently planned, with the possibility it could reach \$1 billion -- represent an unprecedented crisis for the system. With similar cuts coming to the UC and Community College systems, the state's visionary Master Plan for Higher Education has never been more imperiled.

In order to keep everyone on our campus informed, this web page <http://www.csuchico.edu/prs/budget/> has a list of questions and answers pertaining to the current budget situation and how it affects our campus and the CSU. My office will update the Q&A information here regularly as circumstances change and new information becomes available.

We are preparing, as we have in the past, to make cuts to our campus budgets even if we don't know at the moment exactly the full extent of the reduction in state support. At a meeting today of the University Budget Committee, a range of familiar cost-saving measures was noted, including not filling vacant positions, delaying purchases, cutting other operating expenses, and redesigning some courses so that fewer overall sections are offered.

These and so many other actions represent tough choices, with potentially widespread impacts and consequences. At the same time, I appreciate that our deans, chairs, directors and other campus leaders go about this work with the utmost care and consideration. As we know more about the size of the budget reduction, and the actions of the Chancellor's Office and Trustees in response, I will be back in touch regarding what additional and specific cost-cutting actions we will take. So, too, I will keep you informed on revenue raising efforts, as these are critical to our institutional health and capacity to serve our students and support other aspects of our mission.

As I shared with the faculty, staff and students attending today's University Budget Committee meeting, these extraordinarily challenging times are also an opportunity to affirm what we stand for. Our campus has a true and vital mission. We shape and change lives for the better; we provide critical service to our region and state; we have promises to keep and hopes to sustain. Our efforts to advocate for higher education have reaped benefits in the past, and they will again. We will stick together in our common purpose and commitment. We are a good community, informed by best intentions and enviable values, and even the most drastic of budget cuts will not change that. Thank you for what you do for our students and for Chico State.