

January 9 , 2004

Dear Colleagues:

We have now received the Governor's Budget for 2004/05. The news is not good, but it is not as bad as anticipated. The CSU will be required to reduce its budget by about 7.2%. (This assumes that there will be student fee increases, and they have been taken into account.)



The Governor's Budget makes some policy assumptions that will need to be worked through in the following months. For example, students would pay the full cost for excess units, i.e., those that exceed 10% of what is needed for graduation. In addition, 10% of CSU first-time freshmen will be redirected to the community colleges. Overall, there will be fewer students next year in the California State University System.

Our challenge, as a campus community, will be to engage in a dialogue that is open, inclusive, and productive. We must cut our budget while still focusing on the creation of high-quality learning environments in and outside of the classroom. We will thus retain and continue to strengthen that which is vital and central to our core mission.

We have faced past challenges and we have done so well, because we worked together for the future of the institution. I am asking you to think boldly and creatively about how to reduce our budget. Simple across-the-board reductions will not allow us to maintain institutional quality and serve the needs of our students.

I am directing all vice presidents and all of the colleges and units to work actively to save money this year that can be used to mitigate the impact of the cuts next year. I will also hold a series of open meetings to discuss the budget and will solicit your advice about how best to achieve the cuts mandated by the Governor.

I will continue to send you budget updates, as they become available, and I will do my best to explain the local implications of the Governor's Budget. It is important to note that, like all previous budgets, this is a proposal that must be adopted by the Legislature. Many things can change between now and the beginning of the next fiscal year.

Please feel free to communicate directly with me and be assured that I will pass along your good ideas to our new president, Paul Zingg.