

California State University to Face Deep Cuts in 2009-10 Budget As Voters Reject Proposition

The following statement can be attributed to Charles B. Reed, chancellor, California State University

(**May 20, 2009**) - "With the results of the special election known, the California State University faces accumulated cuts totaling \$410 million in its 2009-10 budget that will severely impact our ability to provide student access to our universities, maintain our workforce, preserve services, and protect the quality of our institutions.

"We know that there will be very challenging and difficult times ahead. In the coming weeks, the campus presidents and I will be meeting to address how to move forward to address these fiscal issues and to develop a plan of action in consultation with our Board of Trustees. These are all very hard decisions and there are no good options. We will all need to work together to explore what is feasible with the primary goals of serving our students and preserving as many jobs as possible."

CSU has already implemented a number of cost cutting measures including a salary freeze for vice president/chancellor level positions; a hiring freeze on non-essential positions; cancellation of all non-critical equipment and supplies purchases and travel restrictions for employees. In addition for the first time in its history, CSU declared systemwide impaction to limit the number of new students entering in fall 2009, due to the state's inability to fully fund enrollment growth and operational needs. CSU currently has more than 450,000 students attending its 23 campuses.

Overall, the CSU budget includes almost \$2.7 billion in state General Fund and \$1.5 billion in student fee revenue. The proposed reduction of \$410 million represents a 15 percent reduction in General Fund support.