

President Budget Message

From: CSU, Chico President Paul Zingg
Sent: Wednesday, May 20, 2009 2:04 PM
To: All Announce (restricted)
Subject: State Budget Update

To: The Campus Community

From: Paul J. Zingg, President

As I'm sure you are aware by now, voters overwhelmingly defeated five ballot propositions on state finances and revenue yesterday. The word from Sacramento is that Legislative leaders will meet today, and a joint legislative committee will convene tomorrow, to work on a new state budget to address the staggering \$21.3 billion deficit and forestall cash-flow shortages expected by July 1.

In regards to our budget, Governor Schwarzenegger stated in his May 14 budget revision, echoed in an email to all CSU employees by Chancellor Reed the following day, that the defeat of the propositions could result in a \$410 million reduction to the System's budget. This is an additional 10 percent reduction to the losses in state General Fund revenues which we have already experienced. This shocking figure includes \$118.6 million in further cuts to the CSU because of the defeated ballot propositions, according to the Governor's revision.

On June 1, the campus presidents will meet with the Chancellor to discuss how to manage a drastically reduced budget. A wide range of cost-cutting options will be considered at that meeting that will surely affect every one of us. As I have mentioned in prior e-mails to you, maintaining our academic quality and workforce are primary objectives in approaching budget cuts. I will be back in touch as soon as possible after this meeting to communicate to you what decisions are reached and how they will affect Chico State.

I realize this is a time of great uncertainty and deep concern about our University, its people and programs. I also know we are at one of the most joyous times of year, with the first graduation events tomorrow, and undergraduate Commencement exercises this weekend. The accomplishments of the students we honor this week are by no measure diminished by the very difficult decisions ahead. In fact, our celebrations this week are a reminder of why we must persist, why we must do everything we can to maintain our standard of excellence and provide service to the students who seek us out. There is broad acknowledgement that the state's universities are indispensable to the economic recovery of California; we will keep making that case, and strengthen our resolve to serve students well. Thank you for the outstanding work you do on behalf of our students. Those who are graduating this week will always be grateful for the opportunities they have had at Chico State, and the successes they achieved with your help and guidance.