

The California State University Employee Update
Friday, January 8, 2010

Governor's Budget Restores Cuts, Adds Enrollment Funding

A \$305 million one-time cut in the CSU's current budget will be restored in 2010-11 according to the budget proposal put forth by Governor Arnold Schwarzenegger today, which also includes an additional \$60.6 million in funding for the CSU's enrollment growth.

The governor's budget seeks to close a \$19.9 billion deficit over the next 18 months through a variety of cuts and shifts in spending, many of which will start in the current fiscal year. But he vowed to protect education saying it was the state's best way to invest in the future.

"We commend the governor for his renewed investment in the California State University," said CSU Chancellor Charles B. Reed. "If adopted by the legislature, this budget will allow us to begin restoring student access to our university. In this extremely difficult budget climate, we appreciate the governor making higher education a priority. Clearly, he understands how important restored budgets for higher education are for jobs and California's economic recovery. We are still faced with challenging circumstances and it will be a slow process as we seek to return to financial stability. This budget will help start us on the path to recovery."

Over the past two years, the CSU has implemented several cost-cutting measures including enrollment reductions, student fee increases, employee furloughs and layoffs, and class reductions to address a 21 percent or \$625 million decrease in state support. While the additional funding will allow the CSU more flexibility, state funding is still below the 2007-08 level.

"We look forward to working with the governor and the legislature to reinvest and restore funding for the California State University as we move through the budget process," said Reed.

The \$305 million that the governor is proposing to restore was a one-time cut to the current budget. The additional \$60.6 million for enrollment growth is contingent upon the state receiving a threshold amount in federal aid for other state programs.

More information: <http://gov.ca.gov/press-release/14154/>