

The California State University Employee Update

Friday, June 26, 2009

State May Have to Issue IOU's; CSU Employees Will Receive Paychecks

State Controller John Chiang has announced that he will have to issue registered warrants or "IOUs" as early as July 2 if the legislature and governor cannot find a solution to close the \$24.3 billion state budget gap. CSU employees, however, will be paid as they normally are and will not receive IOUs. Chiang said the state will have a \$2.8 billion cash shortage at the start of the fiscal year July 1 which could grow to \$6.5 billion in September in the absence of a balanced budget. More information: <http://www.sco.ca.gov/>.

System Leaders Meet to Discuss Budget Options

CSU Chancellor Charles B. Reed and the 23 campus presidents met this week to discuss options to manage a proposed \$584 million budget deficit. While no details were finalized, discussions will continue with the Board of Trustees at a special meeting July 7. The trustees will then use their regularly scheduled July 21 meeting to adopt an action plan that will be implemented systemwide and at the campuses.