

The California State University Employee Update **Tuesday, March 1, 2011**

Joint Legislative Committee Confirms Cuts to the CSU's Budget

The Budget Conference Committee acted Friday to confirm Gov. Jerry Brown's proposed cuts to higher education, which include a \$500 million reduction to the CSU's 2011-2012 budget.

The Budget Conference Committee, which is made up of five members of each house, has been meeting to work out the differences between the Assembly and Senate versions of the budget bill. The meetings are part of the annual budget process, which has been expedited this year to meet the governor's request for a completed budget by March 10.

The accelerated pace is based on the governor seeking a special election in June for voters to approve an extension of the personal income tax and state sales tax, as well as the vehicle license fee, due to expire by June 30. The tax extensions and other tax changes will provide over \$10 billion in revenue to help the state close an estimated \$26 billion deficit.

If the governor cannot garner the two-thirds vote from the legislature needed for the special election, or if the election is held and voters reject the tax extensions, the CSU may face additional significant reductions.

The current proposed budget cut of \$500 million would drop the CSU's level of state support to just under \$2.3 billion, the same level of support it received more than a decade ago, but the university is now serving nearly 70,000 more students.

CSU Chancellor Charles B. Reed and several other CSU officials have been meeting regularly with legislators, the Department of Finance and the Legislative Analyst's Office to underscore that continued reductions in the CSU's funding will stall the state's economic recovery and ultimately place its future at risk.

CSU-related spending supports more than 150,000 jobs annually in California and the CSU each year provides 95,000 job-ready graduates to the state's most competitive industries—industries which account for nearly 5 million jobs in California.

CSU Leaders Advocate for Pell Funding and More in D.C.

CSU Chancellor Charles B. Reed, along with CSU trustees, university presidents and campus teams will work to advance the university's priorities with federal lawmakers this week as part of the CSU's annual "Hill Day" event.

CSU officials will discuss the significant impact on students of the proposed cuts to the Pell Grant program with Obama administration officials and members of the California Congressional delegation. The CSU is the nation's largest recipient of the need-based Pell Grants with more than 140,000 students garnering an average award of \$4,000. The vast majority of Pell recipients come from families with incomes at or below \$30,000 and without the grants, many of these students would likely be unable to attend college.

The CSU will also focus on its national role in teacher preparation, an important aspect of the reauthorization of the Elementary and Secondary Education Act, and will discuss its [policy priorities](#) related to college access and completion, workforce training, and applied research.

CSU, California Faculty Association Bargaining Update Posted

The CSU and the California Faculty Association are in the bargaining process for a new contract. An update on the February 24-25 meeting is posted on the CSU's [website](#).