

**From:** President  
**Sent:** Monday, June 15, 2009 7:23 AM  
**To:** Faculty-Staff  
**Subject:** CSU Update - June 12, 2009

Dear Colleagues,  
Provided below is the latest update from the CSU Chancellor's Office.  
Regards,  
Ham

The California State University Employee Update  
Friday, June 12, 2009

### **CSU and Labor Unions Discuss Budget Reductions**

The CSU has begun meeting with its labor unions to discuss ways to mitigate the impact of the projected \$584 million budget reduction on the university and its employees. The cut, which represents a reduction of 16 to 20 percent of state General Fund support to the CSU for 2009-10, was proposed as part of Gov. Arnold Schwarzenegger's May revision of the state budget which aims to close a \$24.3 billion deficit.

Chancellor Charles B. Reed has recognized that the magnitude of the cuts means that all options need to be on the table as no single solution or approach can create the needed savings. The guiding principle behind the decisions, Reed has said, will be "to serve as many students as possible without sacrificing quality and to preserve as many jobs as possible."

The CSU is considering introducing furloughs for all CSU employees, including management and executive levels, to protect the maximum number of jobs while generating essential salary savings in fiscal year 2009-10. Applied systemwide, a two day furlough per month for all employees would generate approximately \$275 million in salary savings. Although the furlough plan alone will not generate enough savings, it will produce significant savings that could otherwise only be achieved through a massive immediate program of layoffs and/or non-renewal of temporary employment contracts. Approximately 80 percent of the CSU's costs are salary and benefits payments.

A furlough is a mandated period of time off without pay. Furloughs differ from salary reductions and pay cuts in that they are temporary and do not affect employment status, or health or retirement benefits. Also, employees are not required to work on furlough days.

The CSU management team is discussing the projected budget reductions with CSU labor leaders. This includes the possibility of furloughs as one of the means to mitigate the projected reduction. The CSU will continue to move forward with its planning, regardless of whether or not the 2009-10 state budget is implemented on time. The chancellor is expected to bring a cost-savings action plan to the Board of Trustees in July.

### **H1N1 Flu Pandemic Declared**

The World Health Organization (WHO) has raised the pandemic threat level of the H1N1 flu virus to Phase 6, reflecting the spread of the virus around the world. The decision to raise the level means that the flu virus spreads easily from one person to another and that it is now found in many countries, but it

does not mean an increase in the flu's severity. CSU campuses have been and are continuing to monitor the situation. To help avoid a significant outbreak, public health officials advise the following:

- Cover your nose and mouth with a tissue when you cough or sneeze. Throw the tissue in the trash.
- Wash your hands often with soap and water, especially after you cough or sneeze. Alcohol-based hand cleaners are also effective.
- Avoid touching your eyes, nose or mouth as it spreads germs.
- Try to avoid close contact with sick people.
- Influenza is thought to spread mainly person-to-person through coughing or sneezing of infected people.
- If you get sick, the Centers for Disease Control recommends that you stay home from work or school and limit contact with others to keep from infecting them.

More information: [http://www.calstate.edu/risk\\_management/em/pandemicflu/](http://www.calstate.edu/risk_management/em/pandemicflu/).

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