



October 20, 2008

Dr. Charles Reed
Chancellor
California State University
401 Golden Shore
Long Beach, CA 90802

Dear Dr. Reed:

Continuation of Spending Constraints under Executive Order S-09-08

As discussed in our recent phone conversation, Control Section 4.07 and other cost saving assumptions adopted by the Legislature as part of the enacted 2008-09 Budget, which includes continuation of Executive Order S-09-08, requires that all General Funded agencies participate in meeting the savings required by the Budget Act.

Your office recently received notification from Jeannie Oropeza, Program Budget Manager for Education, that California State University's minimum share of the savings requirement is \$31,314,000 (approximately 1 percent of the enacted budget level). This letter is to confirm that amount and the necessity thereof. I am also attaching a copy of the letter that was sent to all Agency Secretaries from the Governor's Office concerning these matters that offers an alternative compliance option for Executive Order S-09-08 for your consideration if the specific actions outlined in the Executive Order will impair critical functions.

I do understand the challenges that both you and campus presidents face in serving the level of students that have been admitted for this academic term and trust that you will all do your best to minimize the impact on students in implementing the cost saving measures necessitated by our collective fiscal challenge.

Please know that your cooperation in achieving this level of savings is very much appreciated. If you have any further questions or comments, please call Jeannie Oropeza or Lynn Podesto, Assistant Program Budget Manager, at 916-445-0328.

Sincerely,

MICHAEL C. GENEST
Director
By:

ANA J. MATOSANTOS
Chief Deputy Director

Attachment

cc: Mr. Robert Turnage, Assistant Vice Chancellor for Budget, California State University