

E-mail Notice

The notice below was originally shared with the university community via e-mail.

January 28, 2003
Mid-Year Budget Update

Dear Colleague:

I will do my best to keep you informed about the status of our budget situation as new information develops. The attached letter provides an update on the state of our current (2002/03) fiscal year budget. When we have more concrete information about the budget for the coming fiscal year (2003/04), I will write you again.

Rollin C. Richmond
President

January 28, 2003

Dear Colleague:

The State of California, like many other states, finds itself in a bad fiscal crisis. As a consequence, Humboldt State University has been asked to reduce its current year (FY2002/03) state appropriation by \$1,657,800 exclusive of the 10% student fee increase approved by the CSU Trustees at their special meeting of December 16, 2002. The reduction will amount to \$1,260,800 inclusive of the proposed fee increase. This mid-year reduction is in addition to the reduction we took at the beginning of the fiscal year that amounted to approximately \$1.5M.

In anticipation of an additional budget reduction, the University has kept reserves since the beginning of the fiscal year that now amount to approximately \$1.023M. We estimate that we will have approximately \$200,000 in additional funds available from excess fee revenue before the mid-year fee increase, and \$200,000 in year-end funds normally available as the budget year closes in June 2003. Using these resources, we intend to meet the mid-year reduction as follows:

- Funds from excess student fee revenue \$200,000
- Year-end funds \$200,000
- Funds from existing reserves \$500,000
- Additional reductions in current FY \$360,800
- Total \$1,260,800

This plan will leave the University with a small but prudent reserve of about \$500,000 for the remainder of this fiscal year. Barring unforeseen expenditures, these monies can be rolled forward into the 2003/04 fiscal year.

This plan requires the University to reduce its planned expenditures by a total of \$360,800 during the current fiscal year. We propose to do this in a differential manner as summarized in the table below.

MID-YEAR			
BUDGETED EXPENDITURES	TOTAL	\$ REDUCTION	% REDUCTION
Academic Affairs	\$52,250,461	\$228,335	0.437%
Administrative Affairs & Development	\$12,352,268	\$70,161	0.568%
Student Affairs	\$7,272,933	\$32,001	0.440%
President's Office	\$1,005,807	\$4,999	0.497%
All University	\$4,490,514	\$20,207	0.450%
New Compensation	\$1,368,750	\$0	0.000%
Other	\$876,250	\$5,097	0.582%
Total Proposed Expenditures	\$79,616,983	\$360,800	
(excludes Health Center Fees and Mandatory Paper Fees)			

These reductions will follow the proposed guidelines for budget reductions now under discussion by the Academic Senate and available online at <http://www.humboldt.edu/~budget/>.

It is our intention to do all we can to protect the quality and quantity of the academic offerings we provide for our students during the Spring 2003 semester. However, the reductions we are facing will, of necessity, fall in significant part upon the academic units of the University which account for nearly 65% of our state expenditures.

The next year and a half promises to be difficult for much of the CSU and for Humboldt State University. We will do our best to keep you informed of our budget situation and to use our resources wisely. I ask that each of you do all that you can to keep this University strong by reducing or eliminating your use of University resources whenever possible. In particular, let's work to reduce our utility costs by turning off lights whenever feasible and turning off our computers when we leave our offices and laboratories.

Thank you for your help in this difficult time and for all that you have done and will do to make and keep the quality of Humboldt State University high.

Sincerely,
 Rollin C. Richmond
 President