

All Staff Email Sent January 19, 2007

Hello Everyone,

Following release of the governor's budget we have updated the projections as noted in my e-mail of December 4. The news is slightly better than the last projection but still shows us with a deficit of approximately \$4.7 million. Although the governor's budget is an increase of 12.7% over the current biennium, it is only a 4% increase over 2001 and that does not include inflation. So it is clear that his current budget proposal in no way makes up for the state disinvestment over the past five years. It is, however, a better starting place than the 2005 session.

This means we will need to work very hard at the legislature to make our case for a minimum of \$529 million for Oregon's community colleges. We really need \$560 million for all the colleges for Lane to be close to a balanced budget. We have already met with our legislative delegation and presented our budget situation asking them to advocate for an increase over the governor's budget.

In the meantime we are proceeding with budget development. Department and division unit plans have been submitted. All the budget reduction and revenue proposals will go to the Budget Review Group along with the ideas that were submitted in the budget forums and the budget blog. The Budget Review Group began its work this week and will work over the next couple of months to develop a set of recommendations to be submitted to me. The Group will work closely with administrators who will be assessing the feasibility of the proposals but it will be the Budget Review Group that will develop the recommendations. I will be working with the Budget Review Group to identify a target date for their recommendations and will let you know later exactly when we will have budget announcements. The membership list for the Budget Review Group will be posted on the web in the next couple of days.

All the budget proposals are up on the budget development web site and we have also compiled them into a spreadsheet for a quick summary. The summary should be up on the web by the end of the day. Please note that these are just **proposals** and they need to be carefully analyzed before they move forward as recommendations. I suspect that you will find, as I did, that some of the proposals were submitted only because there were no other options and may be counter-productive. The review and analysis by the Budget Review Group should assure that each proposal will be carefully considered. We have also posted the current list of vacancies on the web.

Next week I will provide you with some talking points regarding our legislative request. If you are in a position to talk with legislators or drop them a note this might help you be clear about our request. If you have any questions, please let me know.

Thanks.

Mary.