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Sent: Friday, March 11, 2005 12:09 PM
To: All Staff & Faculty DL
Subject: Budget update

As we approach the mid-point of another legislative cycle, I want to give you a brief update on our budget planning for the 2005-07 biennium. As you know, the state budget process is lengthy, and will ultimately determine Evergreen's appropriation levels for the next two-year cycle, which begins July 1, 2005. The election of a new Governor delayed the overall process somewhat.

At this time, we have limited information regarding legislative proposals to use in our internal budget planning work. We know the state is facing a budget shortfall of \$2.2 billion, which is somewhat smaller than the shortfall the legislature faced when building the 2003-05 budget.

Last spring the College Budget Council provided recommendations that anticipated the uncertainty we currently face. The budget that the Trustees adopted included a healthy reserve and gives us some flexibility as we work toward a budget for 2005-07. The vice presidents and I continue to work closely with the divisional budget coordinators, Steve Trotter and Petra Carver to keep us on track with our budget goals.

The next significant date in the legislative process is March 17, when the official state revenue forecast will be updated. Governor Gregoire and the legislature will use the updated forecast to create their budget recommendations. We hope the forecast will continue to show signs of economic recovery in our state. We anticipate that before the end of the month, Governor Gregoire will release her budget recommendations. We expect both the Senate and House budgets will emerge early in April.

Early next month, we expect to have the necessary information to know where we stand. As we move forward, our goal will be to continue to improve our budget management and communication with the community without distracting unnecessarily from our primary mission of teaching and learning. I will provide updates to the campus as events unfold during the remaining weeks of the legislative session.