

Budget Update – January 22, 2025

Dear Campus Community,

I write to you today with sobering news about further steps that must be taken to address Sonoma State's anticipated budget deficit. In a perfect world, this information would be communicated personally, not through an email. For the sake of accurate and consistent information, however, I believe it is necessary to inform everyone at the same time, and email provides us with the only reasonable means to do so.

As we continued to assess our expenses and account for cost escalations in several areas, we have come to an unfortunate realization: Our projected budget deficit has increased. We now estimate the deficit to be \$23.9 million, a figure significantly larger than the \$21 million projected last fall.

Actions taken to date have reduced the projected deficit by \$6.8 million, which is a significant achievement. I commend everyone for their flexibility and capacity for change as we have adjusted operations and workflows to creatively problem-solve during this transition. If there is a silver lining to be found in addressing the deficit, it is that we have been introduced to new ways of evaluating what we do and how university business must be done going forward.

The University has had a budget deficit for several years. It is attributable to a variety of factors – cost of personnel, annual price increases for supplies and utilities, inflation – but the main reason is enrollment. Student tuition and fees, combined with enrollment-based funding from The California State University, are the major sources of revenue in the university budget. Sonoma State's enrollment has dropped 38% since its peak in 2015.

Remember that to close budget gaps, over the past two years the university has employed a variety of methods – including voluntary employee separations, strategic

personnel reductions, academic and operational streamlining, shared services, hiring freezes, and prudent use of reserves.

Unfortunately, the actions taken so far, difficult though they have been, are not enough. Further steps must be taken to fully close the budget gap and ensure Sonoma State's financial capacity to best serve its current and future students and adapt to a changing higher education landscape.

The financial options have now narrowed to a small set of actions – elimination of programs and departments, non-renewal of faculty contracts (both tenured and adjunct), and more layoffs of staff and administration.

Consequently, today, approximately 46 university faculty – both tenured and adjunct – will receive notice that their contracts will not be renewed for 2025-26. Additional lecturers will receive notice that no work will be available in fall 2025. Four management positions and 12 staff positions also will be eliminated. Additionally, several academic departments and programs will be combined, downsized, and/or eliminated as follows.

- Programs identified for elimination: Administrative Services Credential in ELSE; Art History BA; Art Studio BFA; Dance BA; Earth and Environmental Sciences BA; Economics BA; Education Leadership MA; English MA; French BA; Geology BS; German Minor; Global Studies BA; History MA; Interdisciplinary Studies BA; Interdisciplinary Studies MA; Philosophy BA; Physical Science BA; Physics BA; Physics BS; Public Administration MPA; Spanish MA; Theatre Arts BA; Women and Gender Studies BA.
- Departments identified for closure: Art History; Economics; Geology; Philosophy; Theater/Dance; Women and Gender Studies.
- Program mergers: Ethnic Studies (current departments of American Multicultural Studies, Chicano and Latino Studies, and Native American Studies) will be consolidated into one department with one major; Anthropology BA and Human Development BA will merge in the consolidated Department of

Anthropology and Geography, Environment, and Planning; Liberal Studies (current Liberal Studies Ukiah BA and Liberal Studies Hutchins School BA) will merge in the Hutchins School of Liberal Studies.

- Schools identified for consolidation into departments with a single chair:

Anthropology and Geography, Environment, and Planning; Business (all concentrations; one chair); Chemistry and Physics/Astronomy; Communication Studies and Studio Art; Electrical Engineering and Computer Science; Nursing and Health; Political Science and History; Sociology and Criminology/Criminal Justice.

- Instructional faculty (lecturers and some FERP faculty) will be reduced in Ethnic Studies, Hutchins, the Library, Modern Languages, History, Political Science, and Physics/Astronomy.

We also have made the decision to eliminate NCAA Division II athletics. Our Athletic Director is informing our student athletes and coaching staffs of this decision today. We are wholly committed to working with every impacted student athlete to ensure they are aware of their options as they consider whether to remain at Sonoma State or to transfer to another institution. Student athletes who choose to remain at SSU will remain eligible to receive scholarships, as long as they meet the current terms of the scholarship. We will also support and assist those who wish to transfer in order to continue participation in intercollegiate athletics.

Students, faculty, and staff potentially affected by these plans will receive subsequent direct communication if there are parts of the plan that may impact them. Additional information about the budget deficit reduction plan, including FAQs, can be found at <https://budget.sonoma.edu/budget-deficit-resources>.

I want to note that budget cuts were not across-the-board based on a set percentage. They were done strategically, with an eye toward effective realignment of staff and resources based on anticipated future needs. These reductions include:

- \$8 million in reduced instructional costs
- \$3.8 million from reorganization/MPP non-retentions

- \$3.7 million from discontinuing NCAA athletics
- \$3.3 million from the hiring freeze
- \$1.3 million from university-wide budget lines

We anticipate that this is a large majority of any adjustments we will have to make this year. Nevertheless, ongoing discussion about CSU shared services may result in further decreases to our operating budget and our staffing levels. We plan to conclude these discussions as soon as possible and will keep the campus informed.

I must emphasize two things as this plan goes forward:

- The university was required to submit a balanced-budget plan and take action to close its deficit.
- The plan has the approval of the Chancellor's Office.

I know this is unsettling and difficult news for our campus community. I am keenly aware of its human impact, and how individuals, families, relationships, and communities are affected by such news. I understand that no amount of explanation or necessity makes any of us feel better.

We strongly believe these changes are needed, not only to close the deficit, but also to reorient the university's operations and workforce. They will help us ensure long-term fiscal stability; meet the changing needs of future generations of students; align with the CSU's career-focused mission of producing graduates ready to contribute to California's economy, culture, and schools; and continue to be a major force for economic, environmental, and social progress in the North Bay and beyond.

Nevertheless, this is a deeply painful process that impacts the entire Seawolf community. Those seeking support at this difficult time are encouraged to make use of the following:

- Counseling and Psychological Services (CAPS) is available for any student seeking support at (707) 664-2153. A Confidential Advocate is also available at

(707) 664-2698.

- Our [Employee Assistance Program](#), LifeMatters by Empathia, is available for any staff and faculty seeking support.

Human Resources will continue to look for means of supporting those affected by these changes and as it identifies them will communicate them with all deliberate speed.

A Town Hall to discuss these changes will be held from 1:30 to 3 p.m. Thursday, January 30 in the Student Center ballrooms. Details will be forthcoming. I hope you will attend.

My profound thanks to everyone for their commitment and service to Sonoma State University. We will build on the remarkable legacy that precedes us and continue to serve the students and communities in this region for many years to come.