University Budget Committee (UBC) Notes  
Friday, March 26, 2004

Present:
Steve Butler  
Nancy Kelly  
Rollin Richmond
Steve Carlson  
Gretchen Kinney Newsom  
Laurie Sheppard
Carl Coffey  
Thomas (TK) Koesterer  
Carol Terry
Randi Darnall-Burke  
Judith Little
Susie Dodson  
Sue MacConnie
Karen Earls  
Wayne Perryman  
Shawn MacDuff, note taker

Absent:
Saeed Mortazavi  
Donna Sorensen  
Samantha Williams
Robert Read  
Rick Vrem

Agenda:
3:00 – 3:20 Budget background
• Correction to February 19 meeting notes
• Report on March 11<sup>th</sup> CSU Budget Summit (Sue MacConnie)
• Local budget planning (Carol Terry)
• Meeting process and outcomes (Rick Vrem)
3:20 – 4:50 Budget presentations
3:20 – 3:35 Student Affairs (Vice President Butler)
3:35 – 3:40 Q & A
3:40 – 3:55 Administrative Affairs (Vice President Coffey)
3:55 – 4:00 Q & A
4:00 – 4:15 President’s Office (President Richmond)
4:15 – 4:20 Q & A
4:20 – 4:40 Academic Affairs (Vice President Vrem)
4:40 – 4:50 Q & A
4:50 – 5:00 Next Steps

Correction to Feb 19 meeting notes—MacConnie
• TK Koesterer to hold 2-year initial term

CSU Budget Summit—MacConnie
• 3 main presentations
  o Financial—How did we get in this position? Higher than average stock-related revenue sources based on high technology stocks
  o What does a no enrollment plus 10% reduction budget look like?
  o CSU budget and impact on the state
• Group brainstormed on different ways to advocate for the CSU
Meeting Process and Outcomes—MacConnie

- VPs asked to present in similar format as agreed upon by budget representatives from different divisions
- Karen Earls to present for Provost Vrem
- President Richmond stressed that reports would only reflect one planning scenario, as budget is not final and will not be for some time. Reminded committee and guests that more detailed information may not be available given union notification requirements.

For detail of Total University and Divisional budget planning that follows, see http://www.humboldt.edu/~budget/Archives/UBCHandoutsMar26.pdf

Local Budget Planning—Terry

- Continuing a process begun with departments in October 2003
- Reduction criteria for university as recommended by Faculty Senate
  - Second year using these criteria
- 10% university-wide reduction target chosen to represent most likely scenario from the state plus all unfunded mandates
- “All University” includes expenditures that cannot be attributed to a particular cost center
  - Preliminary work by the Executive Committee has decentralized some items previously budgeted in All University (i.e. Summer Session, Faculty SSI)

Student Affairs—Vice President Butler

- HSU is unique
  - Rural campus, we are the community for our students
  - Highest number of students with learning disabilities per capita in the CSU system
- Distributed and discussed additional handouts
  - Maslow's Hierarchy of Needs
  - Various General Fund allocation, student enrollment, and FTE graphs
  - Proposed Student Affairs reduction
    - Recommendation to move University Police to All University and make exempt from and reduction
      - Maintained all other reduction levels as proposed
      - Total Student Affairs reduction--$641,143
- Questions? Comments
  - Move of University Police and exemption from reduction will mean higher reduction for others
  - How were differential reductions determined?
    - Based on division reduction criteria, what has happened in the past, and which areas are best able to absorb further reduction
  - Are we at a pint where we need to “take a serious look” at Athletics?
    - Have already looked at Athletics
      - Around 350 students involved
Typically higher GPA than average student
Higher proportion of students of color than in campus at large
- Deliver high level of fund raising
  - Advisory committee recommended differential cuts across athletic teams/programs

**Administrative Affairs—Vice President Coffey**
- Several positions moved to Trust Funds
- Questions? Comments
  - Will recycling be completely student-run?
    - Yes, if the students will pick it up
    - Cannot be continued with a 40% reduction in plant
  - Clarify “Special Repairs”
    - essentially deferred maintenance
    - once a part of Capital but is now part of Operations

**President’s Division—President Richmond**
- HSU is “grossly underadministered”
- Must preserve Diversity funding
- Non-essential travel eliminated

**Academic Affairs—Karen Earls for Provost Vrem**
- Centrally Managed Commitments includes mostly release time funding
- Discussed impacts on individual colleges and programs in significant detail
- Questions? Comments
  - College/program level impact document will be made available online
  - Have we done a cost analysis of running remediation through College of the Redwoods?
    - Direction the Governor’s budget is going
    - Remedial programs generate much-needed FTES
    - Run some through Extended Education (i.e. English)
  - If we eliminate programs, what provision will be made for students already committed to those programs of study?
    - Difficult to identify minors (15-18 units) or those in certificate programs because they do not “declare” like majors
      - Few minors, even fewer students in certificate programs
    - See online Program Suspension document.
  - Are all program suspension discussions hypothetical?
    - One official suspension
    - Some unofficial, courses are not being offered
  - What are our enrollment projections?
    - Target is same number of entering Freshmen
      - Do not know whether students will stay and whether they will take a heavy enough load to meet FTES target
• First-time Freshmen taking 12-15 units, other Freshmen lighter load
  ▪ Entire system taking a 5% FTES reduction, however we must meet our target to optimize revenues
  o Are we getting withdrawals due to increased fees?
    ▪ Anticipate smaller number of Summer program participants due to decreased Financial Aid which should help Fall enrollments
  o Are we still maintaining marketing level to students?
    ▪ President Richmond responded that maintaining marketing levels is a priority
  o Have we considered increasing staff/over-60 student fees?
    ▪ Enrollment Management committee discussing
  o Is there any update on the voluntary salary reduction program?
    ▪ Cannot make mandatory without negotiating through unions
    ▪ In the past, those in higher salary ranges would take a mandatory reduction but are now afraid that the cut would be permanent
      • We cannot make promises that there will be budget in the future to resume funding at higher level
      • Employees must carefully weigh any decision about voluntary salary reduction against retirement and other benefit levels
    ▪ Many staff already taking voluntary salary reductions and time-base reductions
    ▪ Overload and voluntary faculty increasing
  o Where is funding for utilities?
    ▪ In “All Univesity”

Next Steps—MacConnie
  ▪ Next meeting on Friday, April 2, from 3:00 to 5:00, place TBD
  ▪ Before next meeting, email Co-Chairs any further questions for discussion
  ▪ Final Questions? Comments
    o Need additional information such as:
      ▪ Estimate of roll forward
      ▪ Analysis of Trust Funds
      ▪ Analysis of Lottery Funds
    o University Budget Office would like to provide this type of information but may have to build as we enter next budget cycle due to limited time and staffing