

MINUTES OF THE UNIVERSITY BUDGET COMMITTEE
CALIFORNIA STATE UNIVERSITY, FRESNO
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Fresno, California 93740-8027
Office of the Academic Senate Ext. 8-2743

October 7, 2009

Members Present: J. Constable (Chair), J. Hironaka-Juteau, E. Junn, J. Kus,
P. Newell, A. Parham, J. Parks.

Members Absent: N. Bengiamin (excused).

Visitor(s): Provost W. Covino, J. Waayers.

The meeting was called to order by Chair J. Constable at 3:36 p.m. in Thomas Administration #117.

1. Minutes. MSC to approve the Minutes of 9/30/2009.
2. Agenda. MSC to approve the Agenda as distributed.
3. Communications and Announcements.

The presentation by Vice President Cindy Matson-Teniente to the Facilities and Campus Environment Liaison Committee (FACEL) on future parking was reported to the University Budget Committee (UBC). It was noted that student parking fees are expected to double to pay for a multi-level parking structure. Questions raised by members of the UBC included the mechanism through which consultation was achieved and the limited concern accorded to the general public and groups with a long-time relationship with the University (e.g. Future Farmers of American (FFA) and the Peach Blossom Festival).

4. New Business.

The UBC was alerted to a referendum being routed through Academic Policy & Planning Committee (AP&P) from the library for funds targeting academic materials (books, periodicals, electronic databases, etc.)

5. Introduction to the history and function of the UBC to Provost W. Covino.

Following introductions, Dr. J. Kus provided Provost W. Covino with a brief history and function of the UBC followed by the development of the current budget model. Key aspects included:

- a. Formation of the UBC in the mid-1980's to increase faculty involvement in the budget process.
- b. The scope of the UBC is very broad serving not just the Senate, but also addressing requests from the Provost and the President.

- c. The current budget model is derived from cost structure originally set forth in the Orange book that allowed the University to charge the State for the cost of student instruction. In the 1980s an effort to reduce educational costs resulted in University being altered such that the University would receive a set sum to pay all educational costs.
- d. Early in President J. Welty's tenure he adopted the current budget principles that were later incorporated into a budget model in order to allocate funds across the colleges in a predictable manner based on the differential costs of instruction present in each college. A major goal was to meet the request of the Deans for a monetary lump sum that they could spend as they saw fit to meet the educational goals of their College.
- e. The concept of differential costs of instruction in the original model were based on course mode/level and enrollment, however, the model was unresponsive to changes in total enrollment and changes in enrollment patterns among the Colleges. Therefore, the model was revised to:
- Make it more "responsive" to changes in enrollment by using course-by-course enrollment data from the previous year. The goal was to fund Colleges based on how (according to both enrollment and mode/level) their courses were actually being taught.
 - Provide the Deans with a budgeting "tool" through which they could examine how the types of courses taught in a College would influence the College budget.
 - Include course "limits" on enrollment such that course enrollments were held at the approximate number designated by the classes' established mode/level designation.
 - Temper annual changes in enrollment in a College by using a three year moving average (of enrollment and mode/level) to reduce annual fluctuations in College budget and aid financial planning.
- f. The revised model, reflecting the changes above, was adopted by the UBC and Provost J. Echeverria and scheduled to be "phased-in" over three years (2006-07: 1/3 revised & 2/3 old; 2007-08: 2/3 revised & 1/3 old; 2008-09 and future years: 3/3 revised). However, concern by several Deans regarding their funding level resulted in Provost J. Echeverria freezing the budget model at 1/3 revised and 2/3 old model.
- g. Provost W. Covino was also informed of the current budget review of new programs approved by the UBC since 2002. His concern was the apparent micro-management of the programs by the UBC. It was countered that many of the programs were high cost, and the reviews (i) had been scheduled at the time of initial UBC approval, (ii) provided information to the Senate as to whether or not the programs were functioning, within reasonable limits, according to their initial enrollment and budgeting assumptions, and (iii) informs Deans about a programs cost.

- h. Provost W. Covino also provided the UBC with his past experience of budgeting colleges within a university. Provost W. Covino favors an open and transparent mechanism whereby Deans meet with the Provost and discuss each College's budget needs and future fiscal plans. The needs of each College are then weighed based on each of the Dean's budget justification and the Provost allocates funds accordingly.
- i. Provost W. Covino is skeptical of the revised model's suitability, especially under a declining enrollment scenario coupled with the fact that the model does not account for fixed College costs. The UBC indicated an awareness of the lack of a fixed cost component in the model and noted that the model similarly does not account for the distribution of Full/Assistant/Associate rank faculty within a College resulting in very different costs between a College with younger faculty (Assistant/Associate) versus more senior faculty (Full/Associate).

(Given the time the UBC made the following motion to table the remaining agenda.)

MSC to table the remaining agenda items #6 Parking Office Income and Expenses and #7 Review of Academic Programs until October 14, 2009.

6. Parking Office Income and Expenses – Update.

Tabled.

7. Review of Academic Programs – Update.

Tabled.

MSC to adjourn at 5:05 p.m.

The next University Budget Committee meeting will be on Wednesday, October 14, 2009 at 3:30 p.m. in Thomas Administration #117.

Agenda.

- 1. Approval of the Minutes of October 7, 2009.
- 2. Approval of the Agenda for October 14, 2009.
- 3. Communications and Announcements.
- 4. New Business.
- 5. Parking Office Income and Expenses – Update.
- 6. Review of Academic Programs – Update.