COMMITTEE ON BUDGET AND RESOURCE ALLOCATION

DRAFT MINUTES

Wednesday January 23, 2019

Members Present: Nancy Mangold (CBE, COBRA Chair), Kevin Callahan, Paul Carpenter (Kinesiology), Chris Chamberlain (Hospitality, Tourism, and Recreation), Ayona Chatterjee, Jiansheng Guo (CLASS), Kim Shima (Accounting & Finance), Kyzyl Fenno-Smith (Library), Yung-I Liu (Communication), Rafael Hernandez (Associate Provost for Faculty Affairs and Administration, Presidential Appointee), Monique Cornelius (University Budget Director, Presidential Appointee)

1. Approval of the agenda
   M/S/P Guo/Chris/P

2. Approval of 11/14/18 minutes
   M/S/P Kevin/Ayona/P

3. Reports
   a. Report of the Chair
      No formal report; COBRA 1 and 2 have been submitted to Ex Com.

   b. Report of the Presidential appointee(s)
      Monique Cornelius, University Budget Director, reported on the Governor’s January budget. The budget outlook for the CSU is very optimistic compared to previous years. The CSU requested $554M for 2019/20 and the Governor's January budget allotted $562M of which $300M is permanent and ongoing and $262M is one-time funding.

      The permanent funding includes $45M for the Graduation Initiative 2025; $147.7M for compensation increases; $45.4M for mandatory costs; and $62M for a 2% increase in enrollment.

      The one-time funding includes $247M for deferred maintenance, to improve or expand childcare centers, and to improve classrooms, labs, student support buildings; and $15M to meet student’s basic needs and help alleviate food and shelter insecurity.

      Rafael Hernandez, Associate Provost for Academic Resources and Planning, reported on current enrollment and potential implications in 2019/20. Current enrollment is below the State target by 6.1%. There is the possibility that low enrollment will have financial ramifications from the Chancellor’s Office. The CO may adopt a ‘hold harmless’ approach by taking into consideration semester conversion and its effect on current enrollment. A second issue with current enrollments is that students are taking fewer units in semesters.

      Staff and faculty have access to detailed information about enrollments, targets, class scheduling (by college, department and subject), and other metrics. To look at current information navigate to https://data.csueastbay.edu then Pioneer Insights and then Internal Reports.
We are enrolled at 94.9% of our target of 12,332 FTEs. We graduated a lot of students, however many more than usual stopped out because of financial difficulties perhaps attributable to problems with financial aid. Applications are about the same for Fall 2020. Every percent and half below target takes approximately 10 years to recover. Student headcount and unit load have both decreased. Lower unit load costs less in faculty salaries, but more in the long term because students won’t graduate as quickly or at all. We are looking for ways to increase students unit counts. We have high numbers of faculty combined with low enrollment; we are faculty rich and student poor.

Academic Affairs has asked deans to anticipate flat enrollment and a flat budget. No pencil budget is anticipated this year. Budget allocations on campus are negotiated by Administration and Finance and Academic Affairs. There is a tension between meeting enrollment targets and other goals or outcome driven approaches.

Discussion turned to strategies for increasing enrollments and how to better analyze enrollment trends at the program level. We do not know if or to what extent self-support courses and degrees negatively impact stateside enrollment. Switching Summer back to stateside would impact 1.5 million in auxiliary fees from self-support courses. There are financial implications based on local fees in changing the current balance of stateside and extended education offerings. We do not know to what degree course schedules are impacting self-support enrollments. The drive to fill sections may conflict with demand for additional sections at popular times and at popular times we may not have classrooms available. There is a need for actionable data and nimble decision-making to respond to registration demand. The registration audit feature in Peoplesoft shows real-time data which may improve responsiveness in course scheduling during registration. There are problems with course scheduling including overlapping time blocks and variable unit offerings which are having an impact on unit loads.

4. Business:
   a. Request to seek information on the methodology (the WHAT and the WHY) by which the fund amounts were determined for “Exceptional Effort Awards.” See “Exceptional Effort Award Methodology” by Rafael Hernandez.

   Julie Glass made the request for information. She reported that the Provost had said that funds would be distributed to departments for past success related to graduation initiative goals. Did faculty Chairs have input in the process? What are the funds and how were they awarded? Julie commented that the distribution of monies had created a “vast differential” between departments in the College of Science.

   Raphael Hernandez reported that the funds were awarded based on two categories of improvement, decrease in DFW rates (over three years) and increase in the number of degrees awarded. Theses categories are not from the Graduation Initiative, which uses retention as a focus. Degrees awarded is a broader group of students.

   One department was awarded in both categories. The highest award possible was $150,000, if funded in both categories. Paul Carpenter commented that the formula does not clarify what, if anything departments have done to achieve results nor does it reward departments that have had consistently low DFWs over time. The
measure of improvement is over three years, but doesn’t reward those who were already doing it right.

Nancy Mangold asked where the funds came from. They were an unexpended portion of Extended University funds that had been used for Quality Matters and faculty development last year. This is the portion of Extended University funds not used for University overhead. There is $2 million in this fund. The Colleges also have high balances of Extension funds. Chair Mangold commented that the University takes 40% of department’s monies from Extension and that departments work hard to generate these funds which are then distributed to other departments. Associate Provost Hernandez explained that this occurs after cost recovery. Kevin Callahan observed that with stateside numbers down, we are experiencing restricted spending on photocopying and graders. Which has sometimes led faculty to pay for these necessities out-of-pocket. Yet Extension monies make it possible for some faculty to attend a conference in Europe. Paul Carpenter commented that we are not short of money, rather we don’t have money where it needs to be. Julie Glass requested that faculty governance have input in the award process next year. Raphael Hernandez commented that Dean sand Chairs need to discuss the surpluses in the Colleges and strategies for allocating the funds.

b. Discuss initiatives to make textbooks affordable: Jiansheng Guo, Kevin Callahan, Kyzyl Fenno-Smith.

Jiansheng Guo reported on McGraw Hill’s Inclusive Access program which applies to ebooks and course materials. It includes a ‘smartbook’ feature of interactive questions and quizzing which can be embedded in Blackboard and used with a single sign-on the first day of class. Students must opt-out in the first two weeks of the term. Faculty order the ebook through the bookstore, the publisher bills student’s account for the textbook. The bookstore charges $5 overhead per book. Faculty need to open their Blackboard course before the term starts to provide access to the embedded textbook. Guo reported that it was pretty painless for the faculty member and that he did not receive questions from students regarding connecting to the ebook. The publisher also markets a $25 loose-leaf version of the textbook. We don’t know how students will react to being charged if they don’t want to be. The bookstore says they will send two email reminders of the option to opt-out. By enrolling in the class the students have agreed to enroll in the inclusive access program which us $13 cheaper. Nancy Mangold asked if the publisher agreement is with the bookstore or the University? What happens if students don’t pay for their ebook? What are consequences for students if they owe money to the bookstore?

Discussion of textbook affordability tabled for the next agenda

5. Adjournment
M/S/P Gou/Chamberlain
4:13pm