CALIFORNIA STATE UNIVERSITY, HAYWARD
Committee on Budget and Resource Allocations

Approved as presented

Minutes of the Meeting of April 16, 2004

Members Present:
Dana Edwards, Kris Erway, Karina Garbesi, Armando Gonzales, Bill Langan (Chair), Eleanor Levine, José A. López, Nancy Mangold, Saeid Motavalli, Don Wort

Members Absent:
Don Sawyer

Guests:
Rich Aramella, Bob Brauer, Nan Chico, Stanley Clark, Bill Dinehart, Linda Eick, Raj George, Jim Kelley, Raymond Wallace, Michael Orkin (two additional names were unreadable)

Meeting convened 9:05.

Agenda approved.

Minutes of April 2 not available.

Chair’s report.
Langan: Rees’ expectation of Layoff Committee and COBRA is that we should make specific recommendations for cuts. The detailed budget Metz owes us is expected next week. Hoss cannot come at the COBRA meeting time. Langan will meet personally with Hoss (Accounting and Fiscal Services, Purchasing and Risk Management, ABA) and will report to COBRA, providing a written report via e-mail and time for discussion thereafter. Langan is trying to arrange to meet with Curt Robinson as well (Director of the Enterprise and Auxiliary Services, Auxiliary Foundation). COBRA might want to be thinking about the use of banked funds within Academic Affairs to address some of the current fiscal constraints. Martino said this is the first year that he planned on banking money (~1M centrally held within Academic Affairs. That is, excluding money banked by the individual units within Academic Affairs).

Discussion of the 04/05 Budget.
Langan: Examining the 03/04 and 04/05 budgets from last time, he argues that we may be being overly pessimistic in our estimates of both income (FTES tuition and fees) and potential savings (for example utility costs).
Garbesi: We reduced utility costs in the past, probably significantly, by reducing lighting in response to state mandated conservation mandates during the electricity crisis. This can be done again.
Clark: Most of the banked money is already spoken for. Each unit will determine what to do with its own banks. Units are counting on using those savings to help manage cuts they will be seeing in 04/05. AA’s central bank is now down to less than half a million.
Lopez: It makes sense to get a statement from the Dean’s on the impacts on educational quality that the proposed cuts would impose.
Langan: Does not see how that information will be useful to our deliberations.
Garbesi: Agreeing with Lopez. COBRA agreed in the past that it is important to document impacts. Documenting impacts of potential cuts helps us make the case against these and greater cuts. That is, to send a message to legislature and to voters.

Clark: It is important to document impacts of cuts, but the deans have too much to do right now, but they could do this in the summer.

Levine: There is no incentive in the departments to raise the enrollment in classes with no compensation for doing so. Departments in Science who were told to increase enrollments in some classes, asked to maintain caps on others. They were told no. She argues the need for more inclusive dialog across departments.

Langan: Important to do, but how can COBRA do this?

Levine: If you give the department a target for how much FTES to generate, the departments should be able to decide how to meet these targets.

Lopez: Supporting Levine’s argument: Part of our mandate is to make recommendations about the fiscal planning process and how better to including faculty.

**Gregory Pogue, Human Resources.**

Handout: (1) California State University, Hayward: Human Resources Overview, (2) CSUH Department of Human Resources, Budget

Pogue: Has been here only 6 months. A recent employee relations audit made a very large number of recommendations on the need to developing new training, better documentation, etc. His current planning is attempting to address all of these issues. He has developed a vision statement (see handout). HR has 11 staff members. • How has he handled cuts to date? Did not allow receptionist to become permanent (justified by poor performance). He is making more use of student time in a couple ways. He has created an human resources internship program for students. He is also collaborating with Prof. Green in Business and Finance to developed project-based class assignments that support HR’s mission. Pogue poses budget/management challenges for students in Prof. Green’s class. Students work on these over the course of the quarter. • More cuts will have a devastating impact on the ability to HR to perform. Almost everything they do is mandated. Therefore, they can’t cut tasks, only service performance.

Clark: There are no good choices for cuts. As cuts happen, the burden on Pogue’s unit goes up. E.g., they must be consulted about impacts on Unit 3 employees in the case of layoffs.

Langan: What are the current and anticipated impacts of cuts in HR?

Pogue: For example, right now, in place of a receptionist HR has a bell. It will take longer for department to respond to queries and complains. He would have to get rid of student interns, not fill receptionists position, etc.

**Jim Kelly, Continuing and International Education (CIE).**

Handouts: Division of Continuing and International Education Account Definition and Status thru 6/30/03

Kelly: CIE is self a largely supported arm of campus education. He manages both state supported activities and income generating activities and brings in grants and contracts to some of the academic units (managing them for academic units). He oversees special sessions programs (e.g., overseas masters programs). About $20M in CIE’s budget comes from grants. He is also in charge of International Education. CIE manages funds from many sources: (1) the general fund, (2) CERF funds from non-credit classes and extension for there (when Kelly arrived there was a significant deficit in CERF), (3) Extension Materials, (4) International Programs, (5) TEMBA, and (6) other trusts.
Clark: For a couple years the Provost could not allocate concurrent enrollment to the colleges because of the deficit. Part of that deficit was paid back this academic year. Dean’s agreed that 80% would be paid back to Deans and 20% retained by provost to support strategic enrollment.

Mangold: Is this reflected in the Dean’s budgets yet?
Clark: Last year’s debt is being paid this year. This year’s debt is promised for 04/05, along with that from the prior two years, if possible. Kelly has done much to bring down the debt and thereby enable use to repay the colleges.

Levine: It is clear that Kelly has done a great job bringing money into the university. Is there a way to know how much it cost us to bring in those grants?
Clark: The grant allowed us to get the Masters in Social Work off the ground at almost no cost to the general fund. In the longer term is should be cost neutral or near cost neutral.

Kelly: For high demand programs you can change them to special sessions, charge more, and use them to support other programs. This is the model for the MSW program. He has done this successfully at other campuses.

Langan: This could possibly be considered for Public Administration.
Clark and Kelly: These discussions are under way.
Mangold: If you run a special session, you loose the FTES.

Kelly: Where classes were impacted, but the college could not afford to offer the sessions in Business, we added special sections (only need 9 students to pay a faculty member salary). Students had the choice to take the class now at special session cost or later at the state-supported rate. We were able to fill all of the proposed sections.

Lopez: Have we considered the impacts of higher costs on students?
Kelly: The university is being forced in to this model because of fiscal constraints. We are now trying to do this for teacher education as well. We can try to offset costs by scholarships and other means.

Clark: Asks Erway how much is coming into the GF budget from international programs.
Kelly: $6.4M this year.
Montavalli: Are we accounting for the likelihood that this will go down?
Erway: Yes.

Meeting adjourned 11:20.

Respectfully submitted,
Karina Garbesi, Secretary