CALIFORNIA STATE UNIVERSITY, HAYWARD
Committee on Budget and Resource Allocations

Minutes of the Meeting of December 5, 2003

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

Guests:
Dee Andrews, Stan Clark, Myoung-ja Lee Kwon

(1) Agenda approved unanimously.

(2) Minutes of the meeting of November 21, 2003, approved as corrected.

(3) Report of the Chair
-Next meeting will be January 16, 2004, 9am. Dean Towner will report to COBRA. At 10am the Executive Committee, the Layoff, and Academic Senate members will join us when Provost Martino will discuss the costs of implementing ACR 73 (increasing T/TT faculty to 75%).
-Dean Remonenq (ALSS) has agreed to come to discuss budget affairs in ALSS on January 30th.
-The Dean of Business and Economics has agreed to come on February 6th.
-Group agrees to this schedule.
-Keep other Fridays open because the President will almost call a BAC meeting during that time.
-The Layoff Committee meeting time is changing (chair does not have details).

(4) Report of Dean Leung, College of Science
College of Science (COS) 03/04 Budget (Handout)
Martino: COS handout disagrees with rollover numbers that Martino cited in the Academic Affairs Budget.
Leung: That is because of how Leung handles the carry over funds. He assigns them to their department of origin and does not include them in the Colleges Budget. The College gets its money from Academic Affairs (Table 1 03/04).
Re COS Budget:
- The Base Budget 03-04 Allocation is estimated because this year there will be a rolling allocation that is anticipated to change with FTES by quarter. Enrollment is down 5% in Science, so this allocation is expected to go down.
- Grant reimbursement is what goes to the College to pay for faculty release time, he doesn’t know what it will be yet. Usually it is about $150 - $200k.
- Lecturer numbers on salary costs are not yet firm. He is trying to save money for next year, anticipating an even worse cut.
- Summer funds are only partly 03/04 because of the one month overlap in fiscal versus academic year. Pending the budgetary situation the college may not be able to support extra quarter for pay (EQP).

Langan: How are FTES assigned to departments?
Leung: Each department is assigned WTU based on history.
Langan: If enrollment is down, does allocation go down?
Leung: Yes.
Langan: Is this done at the Council of Chairs or individually?
Leung: It is individually negotiated with chairs. Last year all departments were asked to present a schedule reflecting a 10% cut of departmental costs for total lecturer WTU.
Langan: How much do allocations vary per FTES among departments.
Leung: They vary according to the funding formula.
Langan: Does COS follow the tri-level funding formula?
Leung: No, it is done quite differently within the college. Leung tries to avoid abrupt changes in
departamental budgets. He wants to give departments warning.
Wort: Has the mix of T/TT and non-T/TT faculty been similar in summer and winter quarters?
Leung: Cannot answer with accuracy.
Wort: Do you offer fewer quarters to TT if there is less money available?
Leung: This is largely left up to the chairs. If people who want to teach go beyond the funding that is
available, then they cannot do it with TT faculty.
Wort: That is not right. The colleges should not do that.
Leung: That is the way COS are doing it.
Wort: Then summer quarter should be advertised as substandard.
Langan: This can be handled by banking of quarters, if necessary.
Martino: If this becomes a problem we can require that a certain fraction of the tenure track faculty teach
summer quarter, but few T/TT faculty want to.
Leung: That is certainly true in Science.
Andrews: We don’t have enough sections to require faculty to teach in summer.
Martino: We don’t have the money to teach what we need to teach in any of the quarters. But, the only
option we have is to spread the problem out, if we want to address the very narrow problem of the
summer being substandard.
Leung: Very few of the Science faculty want to teach in summer, that is their time to do research.
Langan: Would Leung have any problem with a policy that regular faculty are only allowed to teach in
summer if they bank.
Martino: Note that 3 of the 4 colleges make far less use of EQP than the business college.
Andrews: Leung mentioned that other universities regularly staff themselves with lecturers in the summer.
But do those universities advertise their summer quarter as equivalent? That is, are they doing a
summer session or an equivalent quarter?
Sawyer: What about departments that provide service courses for the university. Do the departments
distinguish between service and major courses when they decide what will be cut?
Leung: Yes. The cut is always in the reduction of multiple section courses as well as, possibly, a
consolidation of upper division elective courses. The priorities are as follows: First, don’t affect
graduating students. Second, don’t affect enrollment. If necessary, COS sometimes cuts back on
research funds to pay for courses. Sometimes cuts are in low-enrolled multiple-section courses.
Trumbo: Sometimes we cut sections and the remaining sections get very much larger.
Langan: Where does discussion of quality come in?
Leung: That is a point that chairs raise in negotiations.
Langan: Do you try to accommodate entitled faculty? Do you ever try to do retraining?
Leung: Leung is not willing to sacrifice the quality of education for the students to protect faculty in a
particular position.
Lopez: How do you determine how much surplus/reserve you keep?
Leung: You can have all the goals you want. You have to tap it when you need it.
Lopez: But, how do you get at the reserve number in the beginning of the year?
Leung: He allocates required spending first TT and staff. Then he tries to keep a roll-over of $100k - $300k
or so.
Clark: Fall quarter cuts (F03 wrt F02) consisted of 47 fewer sections across the entire university.
Langan: When did the chairs learn that they needed to cut 10%? They knew last year. They are required to
schedule for the entire year in Science.
Martino: If campuses fall 1.5% below their target enrollment, the chancellor will cut that campus’s
allocation. We are very close to that.
Langan: Given the midyear cut, the Chancellor indicated that the system might then cut enrollments. If that is the cause of enrollment decline, will that still effect our funding?

Martino: There is no way to know.

Leung: Leung uses historical percentages to determine the shares of allocations to departments. The departmental allocations include supplies and services, small equipment, and computers.

Garbesi: Have those values gone down over time?

Leung: Actually, department allocations are up this year because of concurrent enrollment. He is doing that to try to remediate some of the damage from last year.

Lopez: To what degree is the budgeting process collaborative with the larger faculty or the COC.

Leung: He believes that his chairs never hesitate to raise an issue if it is serious.

Lopez: How are the faculty actually involved?

Leung: The faculty express their concerns to their chairs, and chairs express them to the Dean. He believes the dialog is open and comfortable.

Andrews: Is each department aware of what the other departments are getting?

Leung: Yes. They know. The data are published every year.

Langan: You share the COS Budget, including the departmental shares, with your chairs?

Leung: Yes.

Langan: Question, the total faculty costs for 03/04 are indicated as about $20,000 less than in the previous year. Is this a trend over time?

Leung: It has been going up and down over time.

Trumbo: Trumbo has represented the chairs in these meetings and there is certainly no inhibition on the part of the chairs to raise issues.

(5) Old Business

A. Further discussion of Academic Affairs Budget.

Langan: How do you come up with the ‘x’ factor in funding? (The X factor being the multiplier to the SFR-based, formula-calculated college allocations, that determines the actual funding level.)

Martino: Every year we try to maximize the colleges’ allocations. This year is complicated by the need to save money for next year. In good years Martino has been funding the Colleges at above 100% of the funding formula. Only in the last two years has he funded at less than 100%. The problem is complicated by historic cuts, some of the non-instructional units were cut too far in the past and became dysfunctional.

B. Further discussion of the ’02-’03 Financial Expenditure Report

Group decides to look at a single department (Mathematics and Computer Science, pp 33, 34)

Erway: The totals for each unit are given at the bottom of each sectional summary. The first page of the three-page summary, therefore, starts with the President’s Office Expenditures.

Langan: Why does 601313 have $2k budgeted for Student Assistants vs. $90 spent?

Erway: When this reporting software was adopted, a committee, including some non-administrators, agreed that departments should only be required to budget and report for staff and non-staff expenditures. So no more detail is required of the departments, but they encouraged units to suballocate further down.

Lopez: For transparency and to see actual priorities wouldn’t it be useful to budget actual priorities.

Martino: We don’t want the software to drive the process. But it would be nice to have clearer reporting.

Langan: In response to discussion of different categories of salary expenditures…There used to be an option for faculty to take summer as part of their regular academic year. It that still allowed?

Clark: No. Only a few faculty did this. It became very complicated with respect to tracking benefits. Now all have been converted back to Fall/Winter/Spring, and faculty bank if they want to teach summer.

Erway: EQP includes both T/TT and lecturers who go above annual full time.

Gonzales: ‘Final Settlement’ is the pay mechanism for those who teach Spring quarter only.
Erway: All benefits for all departments are funded centrally by the Budget Office as costs are incurred on a $ per $ basis/benefit. The negative bottom line balance is probably a reflection of the fact that the dean did not assign operating funds to the department, but rather, paid them centrally.

Martino: The ‘budget’ column is a fiction here. The only value this document has is to record expenditures. It is misleading to compare the expenditures to the budgets.

Erway: That is true for the departments but not for all units. The college overall should come out with a zero balance or surplus.

Martino: The different practices of the different Colleges make departmental Financial Details look very different. For example, Science is entirely centrally managed. The departments don’t do individual budgeting. Yet the software wants to force them to. It would be far better to have software that reflects how we actually work.

Trumbo: There is an additional problem. Some of the staff who are responsible for operating the financial software have retired and are not been replaced. The purpose of the documents we are looking at is foremost to demonstrate legality. They are not designed to help us understand what is happening. Yet documentation is essential not only for COBRA and BAC to function as it should, but for administrators to manage effectively as well. We need to work toward a point where forms can be understood without hours of discussion. Frank wants it. We want it. Though it is unlikely to happen quickly, particularly in the current budget situation. This is Trumbo’s last meeting.

C. Postponed by agreement of the group.

(6) Meeting adjourned, 11:10.

(7) Next Meetings: January 16th, January 30th, February 6th.

Respectfully submitted,
Karina Garbesi, Secretary