

MINUTES
COMMITTEE ON PLANNING AND BUDGET
Meeting of November 15, 2007

Present: Chair Susan Gillman, Michael Brown, Emily Honig, Tracy Larrabee, Herbert Lee, Karen Ottemann, Grant Pogson, Quentin Williams, Lora Bartlett, and Mary-Beth Harhen

Absent: Lori Kletzer (with notice) and Kelvin Cen

Guests: EVC/CP Dave Kliger, VC Meredith Michaels, Committee on Faculty Welfare Chair Ted Holman

Member Items

CPB discussed the UNEX report which was distributed in the fall Senate call. Chair Gillman recognized that UNEX not hiring a dean suggests the administration is aware of the direness of the UNEX situation and wants to stabilize the situation before they make a hire. CPB will reiterate to the EVC that in the best of times UNEX makes a little money and in the worst of times loses a lot of money.

Chair Gillman reported that UCPB is undertaking a review of indirect cost recovery. They are not taking no for an answer and refuse to accept it is too difficult to follow. Faculty salaries were discussed UCPB. There is apparently an effort at some campuses to pay for salary increases outside of the scale system. UCPB feels this effort is not going to be successful or get very far.

Pre Consultation VCSA McGinty

CPB developed a number of questions concerning childcare for VCSA McGinty and will provide them to the VCSA in advance of the November 29 meeting.

Consultation with Committee on Faculty Welfare (CFW) Chair Ted Holman

CFW Chair Holman joined CPB's childcare discussion and reported on CFW's concerns and actions to date regarding childcare. CFW is focusing on the current crisis and then will address long term issues. Student Affairs provides the majority of funding for childcare and the faculty to student ratio is about even. CPB and CFW Chair Holman determined that they would like more information on: current organization and budget, current plans for moving out of this problem and long term plans and priorities. CPB invited CFW Chair Holman to attend the November 29 consultation with VCSA McGinty.

Consultation with EVC Kliger

CPB informed the EVC that it is worried about the UNEX projections for the future and does not want to wait until the next Senate meeting for accurate numbers. CPB would like some justification for the numbers. Is the ten percent growth each year realistic? The EVC recommended that CPB consult with the VPAA to discuss the specific assumptions made in the analysis.

EVC Kliger updated CPB on the third week census of enrollments. The third week statistics are used as a model for the rest of the year. Projected enrollments for the entire year indicate that the total budgeted enrollment would be 15,980 FTE. The campus is under-enrolled by 95. The shortfall is at the transfer level and graduate students are far below what the campus expected. Budgetarily this means that the campus does not know if it is going to get to keep the state dollars. Even if the campus does keep the state money it will lose the fees students pay. This is the third year the campus did not meet its enrollment targets, yet each year the campus has made the allocations to divisions as though the targets had been met. It is now time for the campus to revisit assumptions about enrollments and allocations.

The 2008-09 university budget has been sent to the Regents. The EVC said the important things to note are:

- 1) The state budget is projected to have a \$10 billion shortfall. Every state agency has been asked to submit a budget plan with a ten percent reduction. UC has not been asked to at this point but it does not mean UC is immune.
- 2) The Regents have been asked to adopt an expenditure plan. The plan will continue the second year of faculty salary increase and two research initiatives having to do with global warming and the education imperative.
- 3) The budget is not silent on fees but it assumes UC needs the state to provide 70 million or that student fees will be increased ten percent.
- 4) There is an assumption that there will be a minimum of \$28 million cut from administrative efficiencies.

All those pieces have to come together for the expenditure plan to be feasible. OP has mandated that a minimum of ten percent be cut from every unit at OP. Some functions may be eliminated or shifted to campuses. All of this will happen over the next month. OP wants to set an example to campuses that there are ways to save money.

The EVC discussed the strategic budget plan and the campus's efforts to better align its budget with the top priorities. Whenever the campus talks about doing something it needs more money from the center. To help move the process forward the EVC has developed a proposal that he would like comment on. There are three components to the EVC's proposal:

- 1) What is the budget going to look like and what are some assumptions that we can make? What are our likely sources of income and how can we spend most efficiently? Assume enrollment growth is going to be half of what we expected. In terms of the permanent budget it is important to have a two percent reserve. For one time funds the campus has already made some commitments. Campus may want to take \$10 million of the one time funds and apply it to the highest priorities.
- 2) Three clear things that everybody agrees are high priorities are: improving undergraduate education, supporting graduate education and research. The question is how to make that information useful. The campus needs to come up with the top two or three most important things in those areas that can make a difference to the campus.

3) The EVC has been looking at all the projects the campus has been talking about doing to see how they fit together and fit or enhance the academic plan. The EVC is also asking the same questions of the academic support units and looking at connections to define what are the highest priorities. The EVC and chancellor plan to work with divisions and departments to help them become more strategic.

CAPM 418.000

While not identifying any particular budgetary or planning implication, the committee expressed concern over the proposed timing for faculty to request a reconsideration.

In the APM deadlines are expressed in increments of academic quarters. Section C of the proposed policy states that a faculty has 45 days from the date of the decision letter in which to request a reconsideration. CPB suggests that the timing of 45 calendar days is neither realistic for a faculty schedule nor consonant with the calendar units of the APM. Many decision letters are sent at the end of an academic year, placing the burden of the request during the summer. Further, request for a reconsideration is not a casual decision for faculty, and they should have access to all the resources and consultation necessary to be fully informed.

CPB recommends that the wording in Section C Time Limit and Procedures be changed to reflect that request for reconsideration should be by end of subsequent the quarter following the date of the decision letter.

Principles for Department Instructional Workload Policy

Tabled until CPB receives the VPAA's response to its request.