

**MINUTES**  
**COMMITTEE ON PLANNING AND BUDGET**  
**Meeting of October 8, 2009**

- Present:** Chair Brent Haddad, JJ Garcia-Luna, Gildas Hamel, Lori Kletzer, Piero Madau, Marc Mangel, Cindy Pease-Alvarez, Warren Sack, Gene Switkes, Rob Wilson, Kevin Schlaufman, Kalwis Lo and Mary-Beth Harhen
- Absent:** SUA Rep, Jennifer De La Torre
- Guests:** EVC Dave Kliger, Interim VC Peggy Delaney and Special Assistant Linda Kittle

**Member Items**

CPB member Gildas Hamel reported on the administrative undergraduate work group meeting which is looking at issues related to efficiencies and crisis management, and is preparing a two page document of questions for the academic deans.

CPB Chair Brent Haddad reported on the recent University of California Committee on Planning and Budget (UCPB) meeting. The budget situation continues to be bad, and the University of California (UC) is restructuring its long term debt to help with budgeting problems. If short term interest rates stay low for the next couple of years the refinancing plan will work to UC's benefit, but if interest rates increase it will be problematic.

The committee then approved the draft minutes from the October 1, 2009 meeting.

**External Reviews – Supplemental Questions**

The committee discussed two changes and then approved the draft Applied Math and Statistics letter. The draft Education letter has been distributed to the committee for comment. The committee then discussed the Biomolecular Engineering and Digital Arts and New Media self studies and accompanying materials. The leads for those external reviews will draft letters for the committee to review. CPB began the Linguistics review discussion, and will complete the discussion at the October 15 meeting.

**Pre Consultation EVC Dave Kliger**

CPB determined a number of issues to discuss with the EVC including confidentiality during consultation, the administrative work groups and their charges, and the EVC's vision for the budget process that will determine budgets for 2010-11.

**Consultation with EVC Dave Kliger**

The EVC began by discussing how he consults with committees stating that generally consultation falls into three categories; he informs the committee about a decision he has already made, he tells the committee about a decision he is thinking about and provides the committee an opportunity to respond, and other times when a decision is pending and he would like to brainstorm with a committee.

CPB asked the EVC about the relationship between budgeting and how to work through barriers between divisions, which are especially apparent for interdisciplinary initiatives. EVC Kliger responded that one option is to keep more resources centrally, but he is not convinced that the deans do not cooperate with each other. A CPB member provided an example of during times of budgetary stresses departments often try to relieve themselves of affiliations and other obligations to save money. There is no incentive for faculty or departments to maintain affiliations with other programs when the core curriculum is threatened by budget cuts. CPB also commented that faculty tend to work within structures that are disciplinary and asked the EVC to consider if there are ways to adjust the incentive structures to maintain interdisciplinary programs.

Chair Haddad asked the EVC about this year's budget process. The EVC responded that he is looking at processes, and what can be done more efficiently. The Vice Provost for Academic Affairs is working on a process and principles document, and the deans are looking at what parts of the academic plan they will be implementing in their divisions. The EVC is working with the Office of Planning and Budget on possible budget scenarios. CPB asked the EVC to always make it clear to Principle Officers that he plans to share information with CPB, in order to avoid the confidentiality issues that arose last year.

Chair Haddad asked about differential cuts and the EVC said he would like to know if CPB prefers across the board or differential cuts. The EVC stated it is really hard to make very different cuts; since all divisions and departments can make the case for excellence. Also, cuts to non academic units lead to problems in compliance. CPB and the EVC then discussed the compliance issue. CPB would like to know about what that really means and what is really necessary versus what is risk management.

The EVC does not believe there is going to be a lot of options when it comes to cuts. Cuts will be allocated in very similar percentages as last year and it is going to do a lot of harm.

CPB asked about base budgeting and if the campus can learn where it really is before it takes on another rounds of cuts. The EVC said the problem is that knowing what you spend on a process does not really tell you what you need to spend on a process. Benchmarks are needed. CPB reiterated again that a base budgeting process, looking at total budgets, will be very useful and the EVC said he will sit down with the Office of Planning and Budget to discuss how that would be done.

### **Consultation on Administrative Work Groups with VPDUE Bill Ladusaw and Interim Graduate Dean Tyrus Miller**

Interim Graduate Dean Miller provided an update on the graduate work group. The work group is gathering national information on attrition and discussing the use of the block allocation. The Graduate Council is contemplating how the Graduate Division might think about admissions and supporting incoming students. VPDUE Ladusaw reported the undergraduate work group wants to create a context where the deans and departments can do their job better.

**Budget Overview from Interim Vice Chancellor of Planning and Budget Peggy Delaney**

Interim VC Delaney provided an overview of the UC budget and the campus budget including information on student fees, state dollars and UC general funds, how the funds are distributed by division. CPB asked a question about self support versus recharge funds in the context of the BAS budget, and Interim VC Delaney responded that she will research the question and get back to the committee. Interim VC Delaney also explained the annual UC budget development process and timeline.

Interim VC Delaney informed the committee that Planning and Budget is committed to providing CPB the information it needs to provide input on budgetary matters.