

Humboldt State University Budget Summit

February 20, 2004
Goodwin Forum

Today's Agenda

- Overview of 2004-05 CSU Budget as proposed by the Governor
- Overview of the 2004-05 HSU Budget
- Potential impact of budget on divisions
- Bond Measures
- CFA Initiative to Save the CSU
- How to make your voice heard

Do you need to take notes?

- No! This is online at:
<http://www.humboldt.edu/~budget/Pages/News.htm>
- The Academic Senate has proposed and the President has accepted the creation of a new University Budget Committee and a new budget process
- And we have a newly proposed and accepted budget policy

University Budget Committee

Co-chairs:

Rick Vrem, Provost and Vice President for Academic Affairs (Non-voting)

Sue MacConnie, Chair, Academic Senate (Votes to break tie)

Voting Members:

Saeed Mortazavi, Chair, Senate Finance Committee

Judith Little, Faculty representative, CAHSS

Steve Carlson Faculty representative, CNRS

Thomas (TK) Koesterer, Faculty representative, CPS

Wayne Perryman, Faculty representative, Non-College Affiliated Faculty

Gretchen Kinney Newsom, President, Associated Students

Laurie Sheppard, Staff Representative, Student Affairs

Susie Dodson, Staff Representative, Administrative Affairs

Nancy Kelly, Staff Representative, Academic Affairs

Robert Read, Associated Students

University Budget Committee

Observers:

Representative of the Labor Council - (various, as schedules permit)

Carl Coffey, Vice President for Administrative Affairs

Steve Butler, Vice President for Student Affairs

Samantha Williams, Administrative Vice President, Associated Students

Ex Officio:

Carol Terry, University Budget Director (staff to committee)

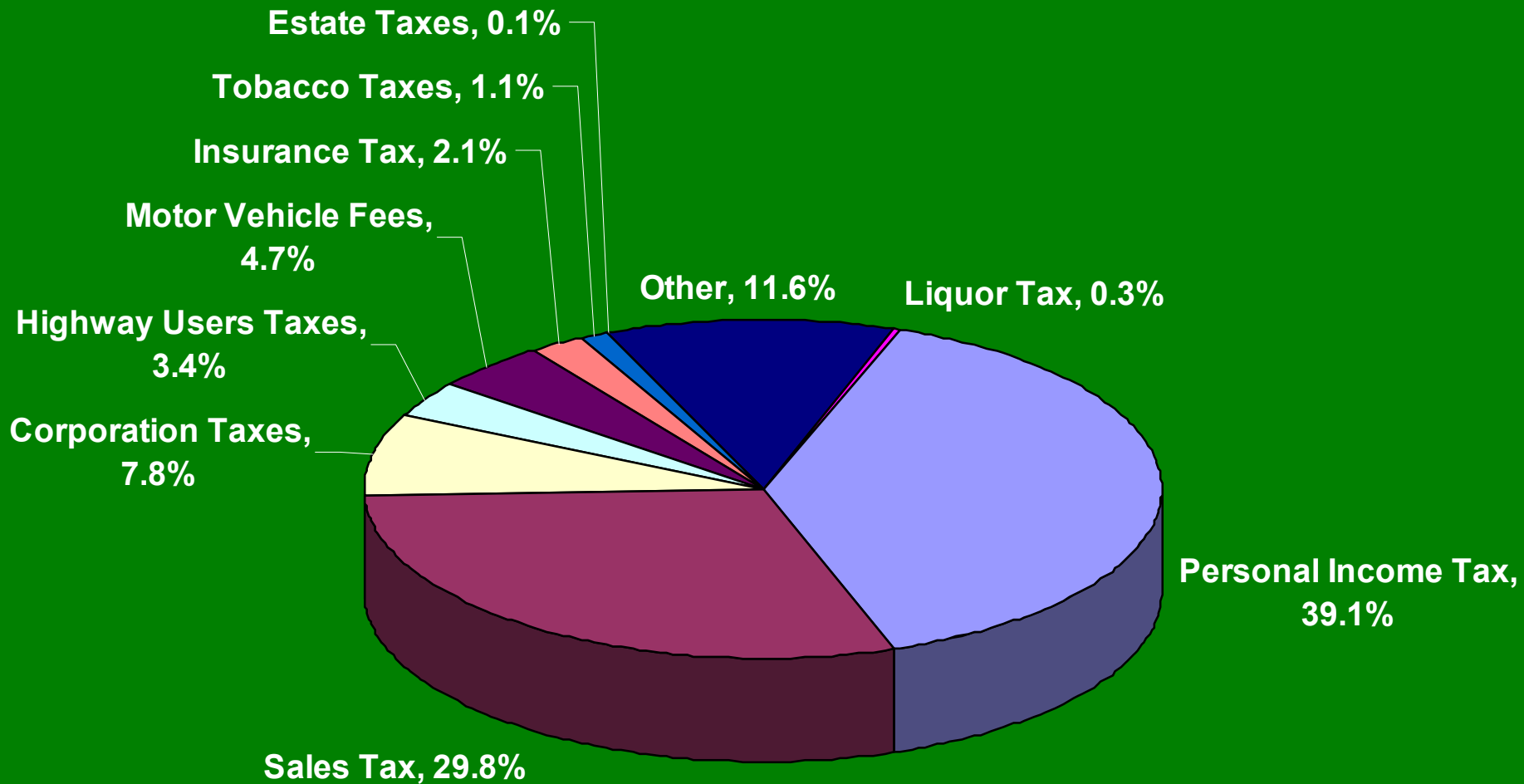
Karen Earls, Academic Affairs Director of Budget and Institutional Data

Randi Darnall-Burke, Student Affairs budget officer

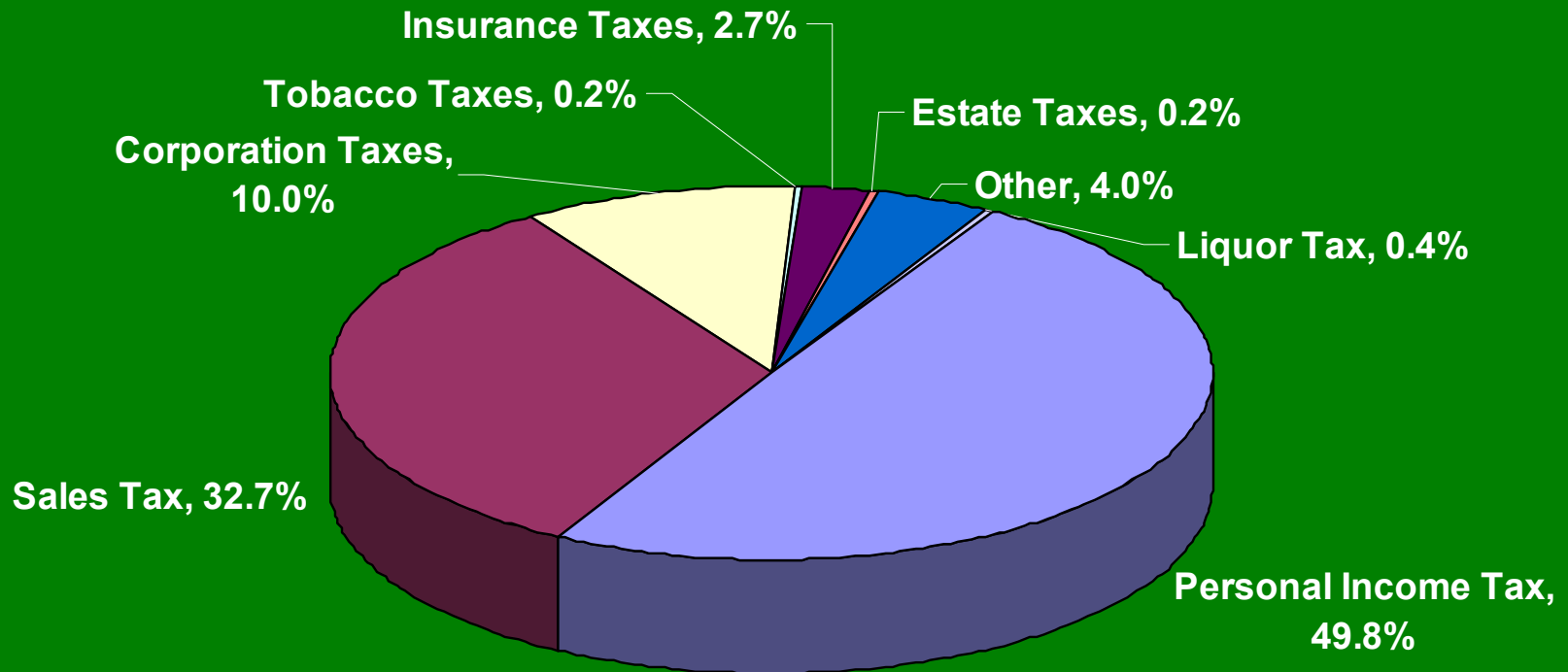
Donna Sorensen, Administrative Affairs Director of Fiscal Affairs

Overview of 2004-05 CSU Budget as proposed by the Governor

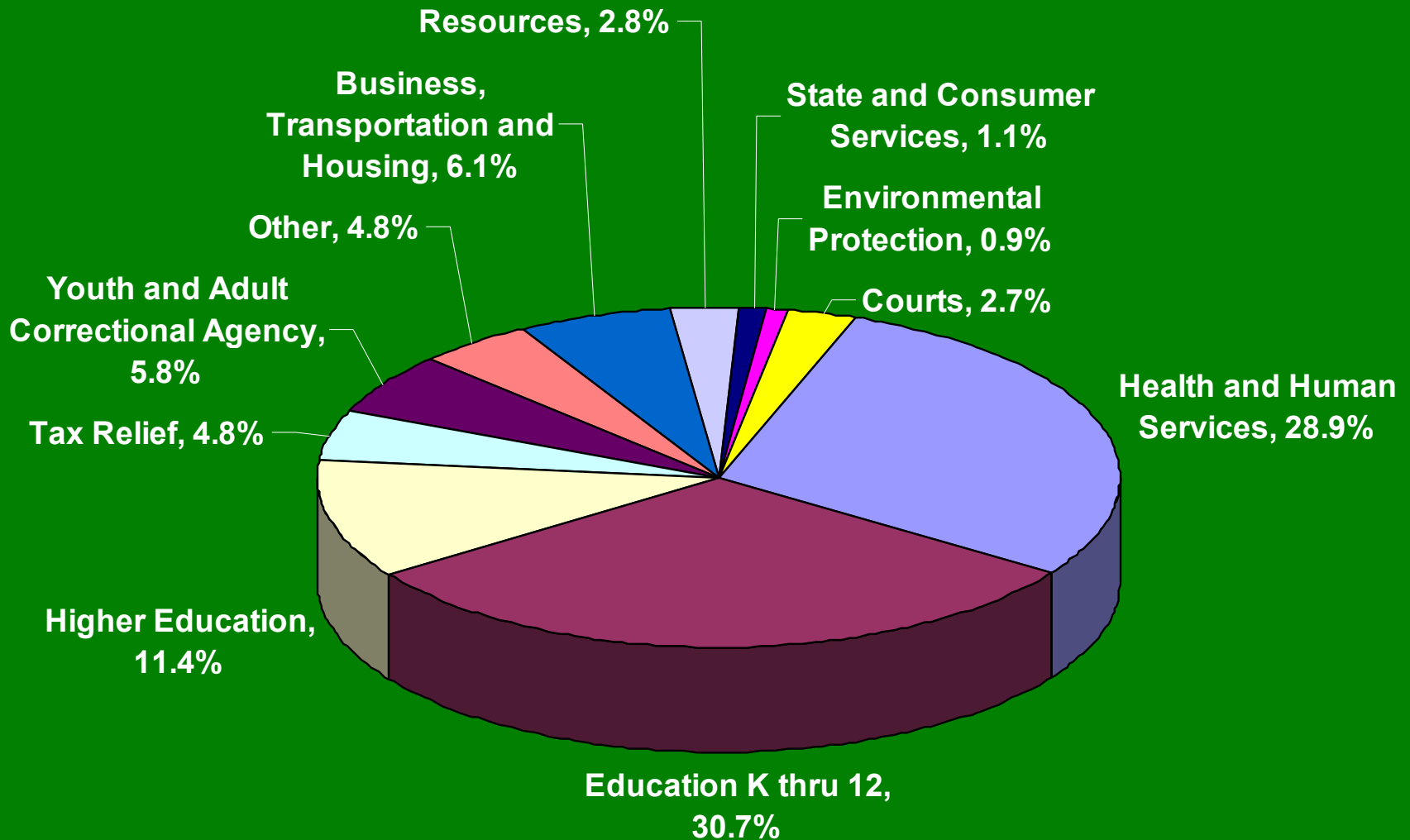
Total Revenues and Transfers



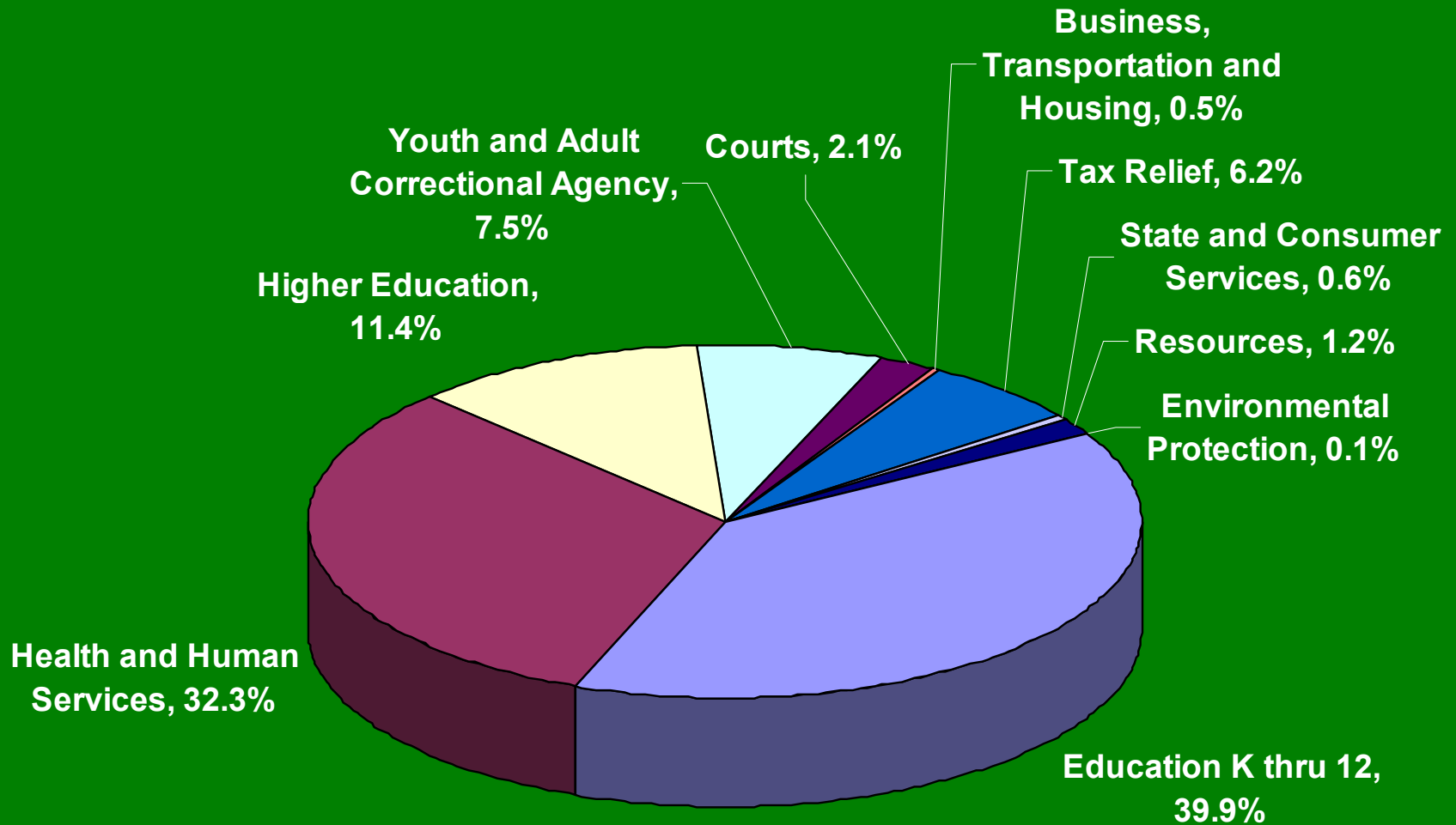
General Fund Revenues and Transfers



Total Expenditures (Including Selected Bond Funds)



General Fund Expenditures



Note: Total <> 100% due to "Other" category, -1.8%

Higher Education Expenditures

General Fund, Lottery Funds, State School Fund,
Local Revenues and Student Fees

(Dollars in Millions)

	<u>2003-04</u>	<u>Gov Prop 2004-05</u>	<u>One-Year Change Amount</u>	<u>Percent</u>
University of California				
Total Funds	\$4,519.5	\$4,505.7	-\$13.8	-0.3%
General Fund	2,868.2	2,670.5	-197.7	-6.9%
California State University				
Total Funds	3,677.2	3,587.9	-89.3	-2.4%
General Fund	2,622.5	2,409.6	-212.9	-8.1%
Community Colleges				
Total Funds	6,360.9	6,866.9	506.0	8.0%

The California State University

Budget Impact (Dollars in thousands)

Description	Governor	CSU
CSU General Fund Base	\$ 2,649,219	\$ 2,649,219
Restoration of 2003/04 One-time Budget Cut	\$ 69,500	
CSU Budget Reductions	(209,534)	
General Fund Reduction/Student Fee Income Offset	(101,527)	
Increase Counseling Serv for Freshmen Enrolling at CCC	1,900	
Total CSU General Fund Budget Adjustments	(239,661)	(239,661)
2004/05 CSU General Fund Appropriation	\$ 2,409,558	\$ 2,409,558
% Change over 2003/04 General Fund Adjustments	-9.0%	-9.0%
Total 2004/05 General Fund Adjustments	(239,661)	(239,661)
Unfunded 2004/05 Mandatory Costs	(57,475)	(57,475)
Fee Increase Revenue, less 20% financial aid set aside	105,647	76,753
Net 2004/05 Fiscal Impact, with Fee Revenue Offset	(191,489)	(220,383)
Net % Change, with Fee Revenue Offset	-7.2%	-8.3%

The California State University

Budget Impact (Dollars in thousands)

Description	Governor	CSU
Governor's Budget General Fund Adjustments	(239,661)	(239,661)
Increase Student Faculty Ratio by factor of 1	(53,516)	
Eliminate Gen Fund Subsidy for Excess Course Units	(24,402)	
Reduce New Freshmen Enrollment by 10 Percent	(21,062)	
Reduce Enrollment by 5 Percent		(96,680)
Provide Counseling for Freshmen Enrolling in CCC	1,900	1,900
7.5% Reduction in Academic/Institutional Support	(52,554)	
Defer 10% of CMS Implementation Costs	(6,000)	
Eliminate Outreach and EOP Programs	(52,000)	
Restore 2003/04 One-time Budget Cut	69,500	
7.5% Reduction in Chancellor's Office Admin/Prgs		(6,442)
Unallocated Pro-rata Reduction		(36,912)
Unallocated Budget Reductions	(23,033)	(23,033)
Reduce Gen Fund to Reflect 10% Inc in Undergrad. Fees	(31,730)	(31,730)
Reduce Gen Fund to Reflect 40% Inc in Graduate Fees	(33,948)	(33,948)
Reduce Gen Fund to Reflect 20% Inc in Nonres. Fees	(12,816)	(12,816)

The California State University

Budget Impact (Dollars in thousands)

Description	Governor	CSU
Governor's Budget 2004/05 Fee Action	\$105,647	\$ 76,753
Reduce 334,914 FTES for 10% Freshman Reduction	(10,842)	
Reduce Enrollments by 5%		(42,140)
Increase Undergraduate Fees	59,497	57,057
Increase Grad/Postbac Fees	62,878	60,275
Increase Non res Tuition Fees	20,526	20,747
Set-Aside 20% of Fee Revenue Adj for Financial Aid	(26,412)	(19,186)
Unfunded 2004/05 Mandatory Costs	(57,475)	(57,475)
Full-funding for Faculty SSI	(9,500)	(9,500)
Health Benefits Rate Increase	(25,980)	(25,980)
New Space	(3,101)	(3,101)
Insurance Costs (workers comp, property ins)	(14,958)	(14,958)
Energy Cost Increase	(3,936)	(3,936)

Did You Know

- CSU provides half of the bachelor degrees granted in this state and one-third of the master's degrees
- CSU provides almost half the state's graduates in business, nearly 40 percent of its engineering graduates
- CSU provides more graduates in agriculture, communications, health, education and public administration than all other colleges and universities in California combined

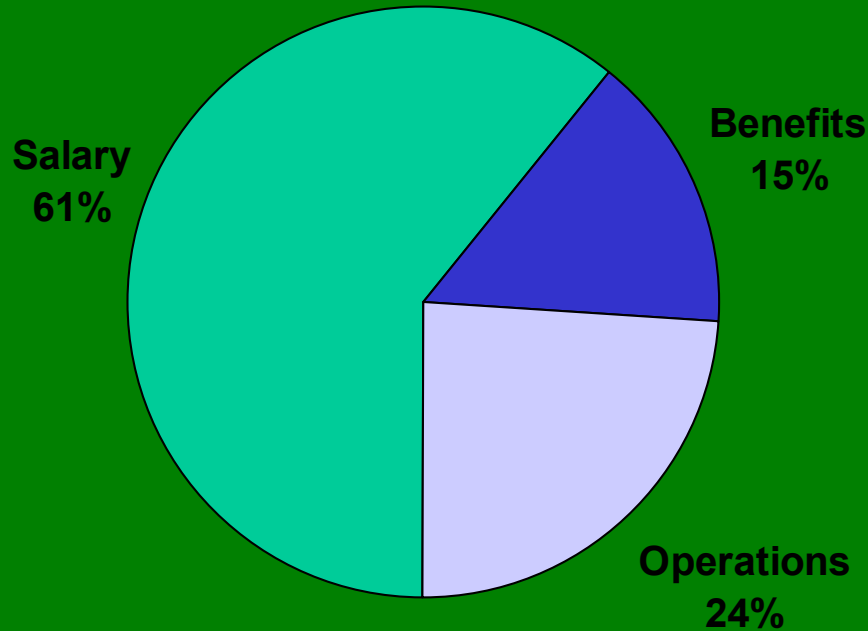
Did You Know

- Each year, about 150,000 students perform about 35 million hours of community service
- The CSU: 409,000 students in fall 2003 and 2 million alumni
- CSU alumni make up 1 in 10 of California's workforce, including more than a third of the state's Legislature.

A person with a bachelor's degree will earn nearly twice as much over a lifetime as a high school graduate.

Overview of 2004-05 HSU Budget as proposed by the Governor

Salary, Benefits, Operations By Percent (FY04)



Humboldt State University

2003-04 Budget Reduction

FY04 Reduction \$9,300,000

Description	Dollars	Percent
Academic Affairs	\$ (5,575,527)	10.70%
Administrative Affairs	(1,727,922)	15.86%
Student Affairs	(924,815)	12.57%
Presidents' Unit	(364,349)	13.88%
All University	(707,387)	12.47%
Total	(9,300,000)	

FY04 Reductions w Reallocations

Academic Affairs	\$ (1,963,448)	-3.77%
Administrative Affairs	(368,524)	-7.86%
Student Affairs	(567,528)	-7.86%
Presidents' Unit	(29,210)	-1.12%
All University	1,295,043	11.00%
Total	(1,633,667)	

10 percent Reduction Planning for 2004-05 Budget

Unit Description	Total Budget	% Reduction	Differential Reductions
Academic Affairs	\$51,357,756	11.07%	\$5,686,000
Administrative Affairs	\$10,637,029	14.35%	\$1,526,000
Student Affairs	\$6,804,062	11.38%	\$774,000
President's Division	\$2,571,044	12.56%	\$323,000
Telecommunications	\$157,835	11.40%	\$18,000
All University	\$11,739,333	0.00%	\$0
Totals	\$83,267,059		\$8,327,000

2 Year Cumulative Reductions

Description	Dollars	Percent
Academic Affairs	(7,649,448)	-14.84%
Administrative Affairs	(1,894,524)	-22.21%
Student Affairs	(1,341,528)	-19.24%
Presidents' Unit	(352,210)	-13.69%
All University	1,277,043	11.15%
Total	(9,960,667)	

Potential impact of budget on divisions

Academic Affairs

Effect of Previous Year's Budget Reduction

- Reduced course sections (230 for Fall 2003 and 195 for Spring 2004)
- Increased class size; doubled sections when space allowed
- Raised minimum enrollments
- Implemented rotation schedule of major offerings
- Eliminated electives and choice of options in the major
- Increased workloads for faculty (no readers, fewer student assistants, increased SFR, voluntary overloads)

Reduced more than 35 faculty positions and 22 staff and management positions

- Temporary Faculty/Lecturer, Staff and Librarian positions lost
- Support staff and Administrative positions left vacant, or filled at reduced time base
- Positions filled at lower classifications or reduced time base
- Adjusted chair time in some departments
- Eliminated substitute faculty funding (sick leave, maternity/paternity leaves)
- Did not replace faculty leaves or retirements at full value
- Impacted workloads and service reductions in many areas

Reduced operating funds and student assistance by up to 50%

- No funds for equipment/computer replacement and maintenance (critical, given the large electronic component of the Library)
- Fewer student assistant hours means slower reshelving of books and materials in the library, less evening and weekend coverage of the Help Desk, and reduced employment opportunities for students.
- Travel funds were eliminated or severely limited
- CICD programs and services to Indian nations, tribes, and communities were severely reduced or eliminated entirely
- Some essential functions are being supported by roll forward dollars, such as the campus virus software license
- Fewer mailings to prospective students

Budget Priorities

- Provide sufficient classes and support for students to graduate in a timely manner with a quality education.
- Recruit and retain qualified students in order to meet established enrollment targets.
- Maintain quality of viable degree programs to the fullest extent possible.
- Try to maintain jobs for tenured/probationary faculty and permanent staff.
- Maintain the basic infrastructure necessary to support the academic mission of the university.
- Try to maintain jobs for as many FERP faculty, temporary faculty and temporary staff as possible.

Budget Planning Process

- OCTOBER 2003: OAA Units asked to begin planning for 2004-05
- DECEMBER 2003: OAA Units submitted budget planning documents to the Provost's office
 - Describes current budget situation
 - Opportunity to request augmentation
 - Preliminary planning for 5%, 10%, 15% and 20% budget reductions
- MID-JANUARY 2004: Budget Presentations made to Provost's Council
 - Faculty (7), administration (14), student and staff representation (1 each)
- MID-JANUARY – PRESENT: Planning Continues
 - Provost preparing for Campus Budget Planning Process
 - Provost, Deans and Directors continue to refine program and budget planning for 2004-2005

Student Affairs

Impacts of Mandated Budget Reductions FY2003-04

- Student Affairs was mandated to reduce its General Fund budget by 13.5% for FY-04. This was on top of a mandated base reduction of 4.4% in FY-03. The budget reductions reduced services to students and faculty, had a negative impact on student success, reduced programs and reduced personnel.

Impacts of Mandated Budget Reductions FY2003-04

Impacts:

- Academic Support Services-
- Reduced personnel and time bases of personnel
- Multicultural Center and associated services reduced – reductions in personnel
- Child Care – reduced ability to serve 14 children of faculty, staff and students
- Testing Services – reduced ability to assist faculty and students with testing needs – proctoring or out-of-the-classroom testing

Impacts of Mandated Budget Reductions FY2003-04

Impacts:

- Disability Services – reduced disability testing and services to students – only meeting the minimal ADA requirements
- Learning Center – reduction of services - elimination of follow-up advising for students on academic probation.
- EOP – elimination of recruitment and outreach to first generation and low-income students

Impacts of Mandated Budget Reductions FY2003-04

Athletics:

- Reduced time base for Coaching faculty – reduced from 12 to 10 month appointments
- Suspension of an athletic program - Field
- Reduced GTA positions
- Reduction of part-time personnel
- Reduction of support budgets to all 12 Athletic programs
- Reduced number of student-athletes and FTE

Impacts of Mandated Budget Reductions FY2003-04

Career Services:

- Reduced services – elimination of graduate survey, reduction of career planning services and reduction of career academic courses
- Voluntary reductions in personnel time base – reduced personnel
- Reduced hours of operations
- Reductions in MPP position and time-base

Impacts of Mandated Budget Reductions FY2003-04

CenterArts:

- Elimination of general fund support = \$94,000
- Only profit generating programs in the future, resulting in reduction of classical and cultural events and academic course interaction

Impacts of Mandated Budget Reductions FY2003-04

Counseling and Psychological Services:

- Reduced personnel – elimination of part-time counselor and no replacement for retiring full-time counselor
- Reduced services to students and faculty
- Loss of in-class support, such as faculty assistance, risk-assessment and classroom management
- Loss of student group sessions, such as anger management

Impacts of Mandated Budget Reductions FY2003-04

Health Center:

- Reduced personnel – elimination of one physician and one nurse
- Reduced services to students and increased waiting time to see a health provider
- Elimination of emergency response to faculty and staff
- Increased costs to students for all augmented services

Impacts of Mandated Budget Reductions FY2003-04

Student Life:

- MPP salary savings from combination and elimination of MPP position
- Reduction of student cultural and activity programming funds
- Increase HOP fee to students
- Reduction in services in student clubs, student activities and volunteer programs

Impacts of Mandated Budget Reductions FY2003-04

University Police Department:

- Reduced personnel – elimination of one police officer position, reductions in support personnel
- Elimination of over-time budget
- Reduction in services – reduction in police coverage, no police coverage at events or charge event for coverage, elimination of Lost/Found
- Reduction in ability to respond
- Elimination of student interns

Impacts of Mandated Budget Reductions FY2003-04

Vice President's Office:

- Reduction in travel and operation expenses
- Reduction in personnel and division-wide unallocated

Campus-wide Impacts for FY2003-04

For Fall 2003 as compared to Fall 2002:

- Freshman retention decreased by 4%
- Student enrollments and recruitments failed to meet target
- The number of students on academic probation increased by over 50%
- Increase in the number of students disqualified for Financial Aid eligibility

Budget Reductions - Criteria

The criteria for budget reductions are in accord and prioritized with the values of the institution. For the budget reductions in FY04, The Student Affairs division used the values set by the President:

- Be student-centered
- Promote diversity of people and perspectives
- Practice social and environmental responsibility
- Be a role model for community involvement

Budget Reductions - Criteria

- Reductions were prioritized in relation to their impact on ***student success***; the greater the impact on *student success* the higher the priority for maintaining services. We attempted to prioritize the impacts to students and their ability to receive an education, i.e.; student recruitment, student retention and promotion of student development (both cognitive and affective).

Budget Reductions - Criteria

- We must keep in mind that Humboldt State is unlike most other institutions in the CSU. We are a rural-residential campus – our students are traditional age, full-time, coming to us from over 500 miles away, 92% take-up residence within 10 miles of the campus, and 80% of the Freshmen live on campus. They are not commuters and they cannot go into the community to receive alternate psychological services, health services, recreation outlets, educational programs or academic support. The CSU SNAPS surveys and the National Survey of Student Engagement indicated that students who do not get involved with the University and co-curricular activities do not stay at HSU. We are their community, providing the necessary support and safety services.

Budget Reductions - Process

- The process employed by the division for Student Affairs in planning for budget reductions is one that includes preparation of budget reduction scenarios by the Student Affairs staff, faculty, department heads and advisory committees
- Written and electronic correspondences to all Student Affairs Staff – budget letters included those from the President, the Provost and one to each staff person from the VP Student Affairs
- Each department was asked to prepare budget reduction scenarios at 5, 10, 15 and 20 percent
- The Vice President met with the staff of each department to explain the budget situation, processes, encouraged their participation in planning, and listened to suggestions
- The Directors of each department planned, with the inclusion of their staff, for budget reduction scenarios

Budget Reductions - Process

- Each department, through their Director, drafted budget reduction scenarios
- Various advisory committees and departments were consulted concerning potential budget reductions, decreased services and possible increased fees: Intercollegiate Athletic Advisory Committee; Student Fee Advisory Committee; Student Health Center Advisory Committee; Child Care Advisory Committee; and, the departments of EOP, Learning Center, Disability Service, and Student Support Services
- Various departmental groups and committees have met with the Vice President and President to advise them concerning budget issues – Intercollegiate Athletic Advisory Committee and the University Police Department
- The Student Affairs Directors have reviewed, discussed and debated hypothetical departmental and divisional budget reduction scenarios.

Administrative Affairs

Administrative Affairs - HSU

Unit Reductions 03-04

Department	Original Base Budget 03-04	Budget Reduction	Revised 03/04 Budget	% Reduction
Common Mangement Systems	\$1,688,000	-\$430,000	\$1,258,000	-25.5%
Contracts, Procurement & RM	679,292	-133,174	546,071	-19.6%
Fiscal Affairs	1,841,369	-248,298	1,593,071	-13.5%
Human Resources	467,757	-62,035	405,722	-13.3%
Physical Services	7,013,691	-1,367,967	5,645,724	-19.5%

Administrative Affairs - HSU

Position Reductions 03-04

Department	Total Positions in 02/03	Positions Laid Off	Positions Shifted to Non-GFS or Temp	Temp Help & Other Positions Not Renewed	Total Positions in 03/04
Contracts, Procurement & RM	11.25	-	2.00	0.50	8.75
Fiscal Affairs	30.00	-	1.25	1.00	27.75
Human Resources	6.00	-	-	1.00	5.00
Physical Services	101.75	4.00	5.00	9.00	83.75
CMS	2.00	-	-	1.00	1.00
VP - Administrative Affairs	2.00	-	-	-	2.00
Total	153.00	4.00	8.25	12.50	128.25

Physical Services

- Two retirements not rehired
 - Grounds Manager & Building Service Engineer
- Four Custodians laid off and Shift differential eliminated result in a reduced service and presence in buildings
- Seven temporary positions in Custodial, Grounds and Administration were terminated, resulting in extended task frequency in Custodial and Grounds appearance deterioration

Physical Services (cont.)

- Five positions temporarily shifted from General Fund to Chargeback accounting, resulting in less maintenance as employees are doing chargeback work instead of maintenance.

Fiscal Affairs

- Two and one half positions not funded resulting in reduced office/open hours in the Cashiers Office and Financial Aid Accounting.
- Severe impacts on CMS implementation
- Accounts receivable follow-up performed by financial Aid Accounting has been minimized.
- Elimination of nearly all O.E. budget has eliminated funds for staff training and equipment

Contracts, Procurement & Risk Management

- Severe impacts on CMS implementation
- Increased processing time for purchases
- Moving services to the campus have been reduced
- O.E. reductions have severely reduced travel, training & equipment replacement

Human Resources

- Staff reduced by one position
- No funds for staff training and development or equipment/computer replacement
- Reduced ability to utilize CMS effectively
- Eliminates travel except for mandatory trips
- Extends response time to HR questions and problem solutions

Common Management Systems

- Staff reduced by one position (the only support staff for the Director)
 - A key resource for training coordination, website enhancement, and application testing
- Delay for one to two years the implementation of PeopleSoft Student Administration application

Common Management Systems (cont.)

- Increased reliance on contractors with a probable impact on campus knowledge transfer
- Reduced travel and training funds
- Due to fiscal and staff resource shortages in ITS, an inability to implement a PeopleSoft portal behind a general campus portal which will delay the ability to utilize certain self service features in the PeopleSoft HR application

Process for 2003-04 Budget Reductions

- Unit Directors developed budget reduction scenarios from 5% to 25%
- Unit directors determined potential impacts at each level of reduction
- Group evaluated the impacts and helped determine priority of reductions
- Final reductions determined
- Similar process is in progress for 2004-05 with reduction scenarios from 5% to as high as 30% for some units

President's Division

President's Division Reduction Impact

- Base budget = \$2,573,443 for Community Relations, Advancement, Graphic Services, University Budget, Diversity and Compliance, Outreach (KHSU, Natural History Museum, 1st Street Gallery), President
- 10% reduction for 2004/05= \$317,660
- Could be accommodated by reducing O&E, eliminating part-time help, eliminating at least one full time position, reducing time base for individuals and perhaps an entire unit

Bond Measures

Bond Measures

- Proposition 55 – Kindergarten-University Public Education Facilities Bond Act of 2004
- Proposition 56 – State Budget, Related Taxes, and Reserve
- Proposition 57 - The Economic Recovery Bond Act
- Proposition 58 - The California Balanced Budget Act

<http://smartvoter.org/2004/03/02/ca/state/prop>

CFA Initiative to Save the CSU

How to make
your voice heard

What Can You Do?

- Reevaluate the scope of services we offer to students and staff
- Reevaluate the mission and goals within divisions and departments looking for efficiencies in the way we do our work
- Vote
- Write your legislator



In the News

View this PowerPoint presentation at:

<http://www.humboldt.edu/~budget/Pages/News>