PHASE 1 IDEAS SUMMARY FOR IMPLEMENTATION **DRAFT**

Initial Date: February 17, 2017

Last Revision: March 27, 2017

Overview: Phase 1 reflects changes that can be implemented relatively quickly (some will require process changes)

Action: Immediate - majority to be implemented by 2017-18

	DESCRIPTION	FTE*	2017-18	2018-19	TOTAL
1.0	**New Sources of Funding (New Revenue or Funding Source Changes)**		**281,000**	**125,000**	**406,000**
1.1	Increase international student enrollment (reflects high priority - no revenue currently counted)		-		-
	Description: Growing matriculated international student enrollment is a Strategic Plan outcome. (1.5B) Anticipated Impact: Helps support a diversified, globalized, culturally expanded campus. Tuition impact: 50 non-resident/international FTES generates approximately $790,000 in tuition				
1.2	Increase resident student enrollment (reflects high priority - no revenue currently counted)		-		-
	Description: We are currently well below the CSU resident FTES enrollment target (7,603) that we receive state funding to support. Next year, we may be below the target by around 500 FTES. Anticipated Impact: We need to increase our resident FTES to the CSU target level of 7,603 or we are vulnerable to have our state allocation reduced. Also, 75 resident FTES (~1%) generates approximately $420,000 in tuition.				
1.3	Increase self-support share of management compensation in CEEE and CIP		58,000		58,000
	Description: Shift portion of the costs related to CEEE and CIP management positions to self-support. Both of these positions oversee state and self-support activities. Anticipated Impact: No negative impact anticipated.				
1.4	Partner with local agencies to share/leverage services			75,000	75,000
	Description: Exploring partnership opportunities where we can use our existing capacity to share services with local agencies, which will result in additional revenue to help offset existing costs. Anticipated Impact: No anticipated impact to campus. One-time investment of money and effort needed to support the transition. Will improve coordination of services between HSU and local agencies if adopted.				
1.5	Complete phase in of cost allocation model - service reimbursements from auxiliaries, self-supports		165,000	50,000	215,000
	Description: This item does not reflect a proposed process change. The cost allocation model phase in was already adopted and underway. This line item reflects the anticipated additional funding that will be received as the plan becomes fully phased in for 2017-18. CSU Executive Orders and policy state that the General Fund should be made whole for services provided to auxiliaries and self-supports. Anticipated Impact: Less resources available to self-support entities and auxiliary organizations.				
1.6	Shift .5 FTE to self-support entity to better align expenditures with the areas it supports		58,000		58,000
	Description: A position that is currently fully funded out of the Operating Fund will be split funded (50%/50%) between the Operating Fund and Housing since the duties of the position support both areas. Anticipated Impact: No impact to service delivery. Would result in fewer resources available to Housing to support other activities.				
2.0	**Budget Savings**		**969,000**	**-**	**969,000**
2.1	Academic Affairs central divisional funding (internal reallocation to Univ Contingency)		250,000		250,000
	Description: Funding held centrally within the division will shift from Academic Affairs to the University Contingency. Anticipated Impact: Reduces Academic Affairs flexibility and funding available to support academic priorities. Provides a much needed increase to the University Contingency.				
2.2	Increase deductible for Campus Liability Coverage Program		175,000		175,000
	Description: Increasing the per claim deductible resulted in a reduction in our annual insurance payment; however, there is risk with this decision as future claims now have a higher deductible. Anticipated Impact: No impact to campus. Note: we will need to set aside one-time funding to mitigate risk associated with possible future claims.				
2.3	Modify custodial supply purchases to utilize the new CSU contract		44,000		44,000
	Description: Changing custodial supply purchases to new vendors that are part of the CSU contract to achieve savings. Anticipated Impact: It will require time for Facilities to change processes and given current vacancies, savings may not be realized until the end of 2017. There will be minimal impact to campus. This change may reduce purchasing from local vendors.				
2.4	Realize net benefit savings from January 1, 2017 health rate increase only being .2%, not est. 5.5%		500,000		500,000
	Description: Current year benefit cost increases were less than we planned for, resulting in net benefit savings. Anticipated Impact: Minimal - less flexibility if next year's rates are higher than anticipated.				
2.5	Sustainability initiatives (no amount listed - anticipate reinvestment to advance campus sustainability efforts)		-		-
	Description: Implementation of climate action plan strategies will result in energy savings; however, this initiative will also need much reinvestment to achieve the desired results. Likely future investments in personnel and project specific costs to advance these efforts. Anticipated Impact: It will take a full campus effort to implement the Climate Action Plan and achieve carbon negativity by 2030.				

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3.0	**Service Changes, Operational Redesigns, and Budget Reductions**		**777,000**	**235,000**	**1,012,000**
3.1	Consolidate warehouse, distribution services, mail sorting services; modify mail delivery schedule	-1		100,000	100,000
	Description: Efficiencies can be gained by reconfiguring the existing space to relocate and consolidate the Facilities Management warehouse and savings will also be realized through the retirement of a staff member. In addition, anticipate reducing mail delivery to 2-3 times per week, with exceptions for overnight mail. Given potential project timeline, savings may not be fully achieved until 2019-20. Anticipated Impact: Decreased level of service provided to the campus for mail pickup and delivery. Will take time and effort to revise the mail pickup and delivery program and educate the campus on changes. Will require significant one-time investment by the University (~$350k) in Summer 2018 to complete the project, which will include facilities improvements and extra support staff support for the transition.				
3.2	Eliminate campus Enterprise rental car service currently provided by Facilities Management	-1		60,000	60,000
	Description: Facilities Management currently serves as an intermediary when campus departments rent vehicles from Enterprise, rather than departments renting directly through Enterprise, and the cars are delivered by Enterprise to the campus. It currently requires a full-time employee to coordinate and support this service. Anticipated Impact: Work effort associated with Enterprise vehicle rentals is transferred to the source department. Enterprise vehicle rentals will no longer be available for pick up at Facilities Management; however, Enterprise does offer a free pick up/drop off service during working hours. Anticipate $ savings for departments based on ability to use State contract rates that are significantly lower than HSU contract rates.				
3.3	Eliminate Honors Dinner, shift Outstanding Alumni Award to virtual platform		10,000		10,000
	Description: The Honors Dinner event will be stopped and an alternate virtual platform will be created to celebrate outstanding alumni. Anticipated Impact: May reduce the visibility and impact of this activity, which could slightly reduce the reach of our brand. Will take time and effort to establish a virtual platform.				
3.4	Eliminate temporary librarian position	-1	88,000		88,000
	Description: Cut one temporary librarian position and reduce corresponding services. Anticipated Impact: Reduced services/hours associated with the Research Help Desk and research related trainings for students and faculty.				
3.5	Establish lockbox service for depositing checks	-1		75,000	75,000
	Description: Change process to have majority of checks (e.g. tuition payments) processed directly by the bank via a lock box. This is an approach used by many other campuses and industries. The details and savings still need to be worked though and subject to change pending the outcome of this process review. Anticipated Impact: Time and effort for employees to establish and learn new process. Partial offset of cost savings to pay for lock box. No anticipated impact to students or the campus.				
3.6	Reconfigure EMSA operations		151,000		151,000
	Description: Details of this item are still being worked out. Amount reflects several potential operational changes that need to be evaluated further prior to implementation. Anticipated Impact: Focused on making changes that do not impact recruitment and retention efforts.				
3.7	Reduce custodial service levels to the campus	-2	110,000		110,000
	Description: Eliminate two vacant custodian positions and recalibrate custodial service levels provided to the campus. Anticipated Impact: Time and effort by Facilities/Custodial team to recalibrate service levels. The campus will need to adapt expectations to align with reduced levels of custodial maintenance which will likely result in overall decrease in the level of cleanliness to buildings. Likely reduction in level of service will be in offices and work rooms followed by other spaces.				
3.8	Reduce Humboldt Magazine to 3x/2years		32,000		32,000
	Description: Humboldt Magazine is currently produced 2x per year, so 4x every two years. This change reduces production to 3x every two years, so basically the magazine will be produced every 8 months instead of every 6. Anticipated Impact: Reduces marketing and brand outreach to the greater HSU community that receives the magazine. Brings up the question if there are ways to better coordinate other similar department specific magazines and newsletters that are sent out.				
3.9	Reduce the library collections budget		70,000		70,000
	Description: Reduce the annual investment in online databases that are resources for students, faculty and staff. Anticipated Impact: Students, faculty, and staff will lose access to key resources in certain fields. Could effect faculty recruitment.				
3.1	Eliminate events coordinator position and eliminate support for events other than Commencement	-1	55,000		55,000
	Description: The vacant events coordinator position in Marketing & Communications will be eliminated and therefore the support for other events previously supported by this position will also stop. Anticipated Impact: Reduced support for events on campus.				
3.11	Restructure Office of Research Pre-Award	-1	170,000		170,000

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	Description: The Dean of Research position will not be rehired and the office will be restructured to support this change. Of the net $170k savings, $100k will be repurposed to establish a base faculty start up budget for research related activities. Anticipated Impact: No anticipated negative impact.				
3.12	Shut buildings down during the summer		15,000		15,000
	Description: An evaluation of building use will need to occur and Facilities Management will use a strategy of changing setpoints in occupied buildings to achieve overall savings combined with putting those buildings that could be shutdown into a "warm" shutdown. To achieve these savings, it will be critical that Facilities Management receive information on building schedules. Anticipated Impact: The campus community will need to shift summer building scheduling and use to help the campus achieve these savings, since not all buildings will remain open. In addition, having the campus consistently schedule all building/room activities within the 25Live scheduling program would greatly support this effort. This change supports campus sustainability efforts.				
3.13	Stop printing catalogs		6,000		6,000
	Description: Course catalogs will no longer be printed. Catalogs will continue to be available electronically. Anticipated Impact: The campus community will no longer have access to paper copies of the catalog. This change supports campus sustainability efforts.				
3.14	Streamline Accounts Payable (AP) operations and stop encumbering travel	-1	70,000		70,000
	Description: A position in AP has been repurposed to support Associated Students as part of their transition from University Center to the State providing business operations support. In order for AP to absorb this shift, changes to operations are necessary to maintain current workloads (e.g. following purchasing regulations for low-value commodities, incorporating more procurement card purchases, and eliminating invoices/vouchers/checks for internal chargebacks with self-support and auxiliary entities, such as Dining). In addition, Contracts, Procurement, and AP will be exploring the elimination of purchase orders to encumber travel and other changes to the travel process. Anticipated Impact: The campus has experienced slower invoice processing times in the short term, which will be alleviated as the process changes are implemented. Processing time will speed up in the longer term. While some of the changes are internal to Business Services, most departments will also be impacted by the process changes and through the enforcement of existing policies.				
	Subtotal New Revenue, Savings, and Reductions	**-9**	**2,027,000**	**360,000**	**2,387,000**
4.0	**Internal Reallocations**		**(350,000)**		**(350,000)**
4.1	Increase central contingency (shift from Academic Affairs to Univ Contingency)		(250,000)		(250,000)
	Description: Increases central contingency from $260k to $510k, which is still less than .5% of our budget. Anticipated Impact: Provides a larger contingency to protect against budget uncertainty (reduced enrollment, lower than anticipated funding from the state) and helps us to continue forward with existing plans when changes occur after the budget has been approved.				
4.2	Reallocate portion of research savings to create base faculty start up budget (existing deficit)		(100,000)		(100,000)
	Description: In some instances, we make contractual commitments to provide faculty with research start up budgets; however we have not had base funding set aside to support this important commitment. Anticipated Impact: It is a much needed start to establish a base budget for faculty start up, but it is still not sufficient to cover the full need.				
	TOTAL BASE SAVINGS - PHASE 1		**1,677,000**	**360,000**	**2,037,000**
5.0	**ONE-TIME SAVINGS**		**1,820,000**		
5.1	Sweep benefits savings central (2016-17 savings offsetting 2017-18 budget deficit)		1,600,000		
5.2	Postpone filling President's Chief of Staff (MPP) position		220,000		
	TOTAL BASE & ONE-TIME SAVINGS		**3,497,000**	**360,000**	

*Reflected Phase 1 FTE reductions that will be achieved through attrition

REVISIONS

3/27/2017 Added line numbers for reference.
3.6 Reconfigure EMSA operations: Eliminated predicted FTE changes.
3.9 Reduce the library collections budget: Added data left off of final worksheet.
3.10 Eliminate events coordinator position: Provided detail regarding Marketing and Communications position.