

HUMBOLDT STATE UNIVERSITY

University Resources and Planning Committee

Date: February 24, 2017
TO: President Rossbacher, Humboldt State University
FROM: University Resources & Planning Committee (URPC)
RE: URPC follow-up letter to the President regarding 5% reduction planning

As the advisory body of the University Senate on budgetary issues, the URPC offers the following commentary on the President's Cabinet's two-phase approach to reduce HSU general fund budget expenditures by 5%. This 5% reduction is necessary to ensure HSU operates with a balanced budget and ceases the unsustainable practice of deficit spending. After reviewing and discussing this proposal, which consists of a detailed set of Phase 1 recommendations for implementation during 2017-18 and 2018-19, and a second set of Phase 2 concepts that require further campus dialogue, we acknowledge and recommend the following:

- We appreciate Cabinet's overarching priority to recommend strategic reductions that minimize any negative impact to HSU students. In addition, we echo Cabinet's sentiment that in order to achieve sustainable organizational change, budget reductions will be accompanied by decreases in services and activities. Cabinet's recommendations begin the difficult, but essential, work of identifying what we will stop doing; this will continue to be a focal point as we work through the details of Phase 2.
- We approve the Phase 1 proposals and recommend the campus move forward with implementation. Upon your approval, the URPC, in conjunction with the Vice Presidents, will share Phase 1 plans with the campus community in the coming weeks. Effective implementation of these recommendations will require coordination across the campus. The URPC also recognizes that most campus stakeholders will likely be impacted in one way or another by these changes. Consequently, we believe broad and direct communication will be essential in providing support for the areas making these changes so that the outlined savings can be achieved.
- In acknowledgement of the need to make progress in addressing the budget deficit, we tentatively accept the Phase 2 concepts as proposed, with the condition that a broad consultative process be used to develop specific strategies and

options for Phase 2. It will be important to keep the campus, URPC, and Senate informed as this process evolves; communication will be key. The Phase 2 concepts reflect ideas that will result in considerable campus change and we agree with Cabinet's desire for members of the University community to have a voice in helping determine the specific changes that will occur. In addition, we request that a detailed Phase 2 implementation plan be completed and presented by the Vice Presidents to the URPC by October 31, 2017, with status updates provided to the committee between now and then.

We appreciate Cabinet's thoughtful consideration of balancing the need to achieve immediate savings from Phase 1 with the need to meaningfully engage the campus in identifying solutions to the concepts in Phase 2. Addressing the deficit will require difficult decisions and it will take the entire University community working collectively together to implement the changes and successfully reshape our financial structure.

In summary, URPC recommends the immediate implementation of Phase 1 for the 2017-2018 fiscal year. URPC also recommends that Cabinet immediately initiate a broad consultative process to develop specific strategies and options for Phase 2 budget reductions. It is anticipated that these actions will be incorporated into the budget development underway.