

URPC Balanced Budget Proposal for 2019-2022 - Guiding Measures and Principles

December 23, 2019

In planning for the financial health of the institution, the URPC recognizes that there are two fundamental components that must be addressed in our work: “how” we make decisions and “why” we make those particular decisions in relation to budget planning at Humboldt State University. We have worked to identify and separate these components as “Guiding Measures” and “Guiding Principles”. While this document cannot exhaustively address the complexities of this institution and the work we are engaged in, we believe it points to an underlying framework that can help us to keep on track in addressing the changes and challenges we have before us. It is a primer for us to reference as we move through the process of reduction, realignment, elimination, consolidation, reinvestment, reallocation, and, ultimately, balance in our budget, resources, and what we represent to our students, staff, faculty, and society.

Guiding Measures

The Guiding Measures represent the components and mechanisms through which we will establish our budgetary plan.

Strategic Budgeting: We will continue to embrace the [strategic budgeting](#) principles adopted by the URPC in AY 2015-16.

Scalable Budget Model: We will establish the framework for a transparent, scalable University-to-Division budget model, driven and informed by accepted practices, institutional data, and the Guiding Principles established in this document.

After reviewing a series of potential strategies, the URPC voted to build out a “scalable” University budget model on Friday, September 20th, 2019. We recognize that the time we have is short and the complexities behind the development of a full model daunting. Despite this, we believe we can build a structure that will drive initial decision-making for planning the first year of our three-year budget, while allowing the necessary flexibility for refinement in years two and three.

The model should be scalable at a higher level (division) and not at an individual department/program level, so that a college, for example, would maintain flexibility in terms of how budget is allocated to individual departments within the college. Scalable models can incorporate smoothing (three-year averages, etc.) to minimize single year spikes and drops.

The Integrated Assessment, Planning, and Budget Initiative (IAPB) Process: We will continue to pilot, and, over a five-year period, adopt [the IAPB process](#) as our means of review, assessment, and approval of resource allocations. We will utilize an abridged version of the plan, described below, to assess our plan while we build it.

We recognize that with the compressed timeline for developing our current budget plan, we cannot effectively implement the full process as outlined by the IAPB working group, but we can structure our research, vetting, and assessment practices along the same line of consultation. For

example: once we begin building the budget model, we can ask targeted questions of Units, that then pass to the MBU for review, and then to the Division, and so on.

Communication Plan: We will communicate our intentions and actions to the campus community through multiple means. We will seek input from stakeholders and use that input to further our intentions and actions.

Guiding Principles

These Guiding Principles serve as a recognition that there are components of this University that transcend budgetary concerns and that these components should be prioritized and honored throughout the process of budget reduction or realignment. This includes the mission and values of the State of California and this institution. As we construct a plan for a sustainable budget and budget practices, we will reference this document as a guide for maintaining an articulated sense of who we are, and reaffirming the responsibilities we share for those we immediately serve: students.

Students First: *We will always prioritize the needs of students and their education first. We will support students' academic success and provide courses and services that facilitate their education and graduation.*

Systemic resource realignment should be strategically targeted to have minimal impact on allocations directly relevant to students and their education (including recruitment/access, transfer ease, retention, scholarships, services, programs, and timely completion of degree), and should allow us to seek out and support individuals who want to attend our University and pursue a college education and degree, including those who face cultural, geographical, physical, educational, financial, or personal barriers to enrollment and attendance.

To this end, we will continue to place inclusive academic and programmatic excellence, both at the graduate and undergraduate level, amongst our highest priorities. We will aim to ensure that degree and credential recipients leave HSU with a breadth of understanding, depth of knowledge, and the skills that will allow them both to be responsible citizens in a democracy, and to contribute to the advancement of their fields and professions. Further, we will continue to provide an environment in which undergraduate and graduate scholarship, including research, creative, artistic, and professional activity are valued and supported.

We should ensure students can enroll in the courses they need, when they need them, and, in cases where that is not possible, we should provide viable substitutions for those required courses. Budgetary decisions should not be allowed to subvert the basic curricular expectations of our enrolled students.

Preserve and Value Personnel: *The education of students is intimately linked to the morale and security of staff and faculty. As such, every effort will be made to avoid concerted personnel dismissals. We will instead focus on preserving jobs for existing employees and engaging in thoughtful, evidence-driven approaches to filling positions as vacancies arise, and leveraging reassignment of personnel in line with student needs and growth.*

It is likely that there will be academic program changes based on the contemporary needs of our enrolled and incoming students. Cost factors and student interest will force the consideration of pedagogical adjustments, and we should be prepared to determine the appropriateness of consolidation of departments and/or programs with minimal impact on timely progress to degree. Some programs might have to be reimagined or phased out as new programs are approved. Long term planning that involves program discontinuation, followed by retraining and reassignment of employees, for instance, might be an acceptable budget strategy in some cases. In spite of financial constraints, HSU will continue to strive to attract, retain, and invest in high quality employees who contribute to a diverse and engaging campus community.

Fiscal Stability and Revenue Enhancement: *The budget must be balanced on an annual basis, and be sustainable into future years, through co-equal consideration of contemporary needs and ongoing institutional health.*

Each year on our campus annual revenue changes. In recent history This work can be accomplished through collaboratively working to reimagine resource uses toward increased sustainability (critically assessing how we might creatively use the resources we have towards more impactful ends, in an ongoing manner), through cost savings developed from practical efficiencies that can integrate and streamline our processes, and through driving inefficiencies out of the University's operations. We should be prepared to disinvest from non-critical programs or infrastructures that less readily align with our University's strategic plan and the interests and expectations of our students, thus allowing us to invest in critical programs or infrastructures in areas that will be most immediately impactful to our students. It should also be communicated as often and enthusiastically as possible that obtaining diverse sources of revenue is increasingly desirable and necessary.

During the process of reordering resource allocation based on emerging contexts, we should maintain aspirations towards appropriate growth. We should, with all due transparency regarding our intent and the resources in play, continue to responsibly build reserves, both for the sake of maintaining resources for unforeseen eventualities, and for programmatic and infrastructural investment in the future.

Mission, Vision, and Context: *We will continue to work toward realizing the articulated vision of the University.*

Priority will be placed on identifying and eliminating services and activities that are not in alignment with our core mission. All reductions must be considered in the context of our Strategic Plan, the goals for student success articulated in the Graduation Initiative 2025, and the principles for accreditation established by the Western Association of Colleges and Schools. In keeping with the California State University's mission, the success of the graduates of the academic program in meeting the needs of the people of the state will become increasingly important, especially in terms of serving a budgeted number of students, of encouraging timely graduation, and of the success of the graduates of the academic programs in meeting those evolving needs.

Academic Master Planning and new Strategic Planning are presently being initiated, based on stakeholder priorities, and ongoing resource allocation should align with these plans. As such, any structure we put in place should be adaptable enough to match shifts in priorities presented in those plans.

Transparency, Communication, and Shared Governance: *We need input in order to make informed decisions about resource allocations such that they reflect the values, needs, and avowed intentions of the University community. In order to provide meaningful input, the Campus community must be informed about the issues being considered. Reciprocal participation by all stakeholders is thus advised and requested.*

Clear, consistent communication will be provided to students, faculty and staff, throughout the process, to keep them informed of potential impacts to themselves and their respective units. All stakeholders will be asked to contribute to the decision-making process prior to its completion, and continuously through its enactment. HSU is an institutional ecosystem and the reduction/elimination/disruption of positions/offices/programs/etc. will have ripple effects that may not be obvious or predictable to the persons developing budget plans. As such, stakeholder input (including Associated Students, the Council of Chairs, and the University Senate, and the campus community at large) is critical to proceeding in a transparent way, such that the governance of this University and its resources is equitably shared. During this process, it is essential that all stakeholders know who is making relevant decisions, on what principles those decisions are based, and why they need to be addressed.

All areas will be subject to review and consideration. Recommendations and decisions will be evidence-informed, and subject to ongoing assessment. Campus engagement will occur throughout the process and stakeholders will have opportunities to provide feedback prior to decisions being made.

In developing a new budget model, the number of students on campus will be a primary factor in determining the allocation of resources to academic units, but it should not be the only criterion used for how those funds are allocated within the units themselves. It is recognized that some programs have higher non-personnel operating costs than others, differ widely in their modes of instruction (lecture, laboratory, studio instruction), the level of students taking classes in the program (lower division, upper division, graduate), and the balance of permanent and temporary faculty affecting instruction. Some programs may also be deemed essential to the University, the State, and society, in spite of enrollment trends. To this end, it will be especially important to continue to recognize and reaffirm the value of faculty guidance and input in decision-making and resource allocation in instructional areas of the University.