

California State University, Chico
Academic Senate
(530) 898-6201, Zip 020
MEMORANDUM

UNIVERSITY BUDGET COMMITTEE MINUTES

April 28, 2017, 8:00 a.m., K-207/209

University Budget Committee meetings are recorded. Traditionally the written minutes consist of a summary of topics discussed. For more detail, listen to the audio file [here](#). Time stamps for each agenda item are provided in parenthesis for convenience. CSU, Chico is committed to making its resources accessible for all audiences. If you have accessibility-related difficulties with any of these documents, please email oats@csuchico.edu.

Chair Boyd called the meeting to order at 8:04 and observed that this is the last meeting of the Academic Year. (2:46).

1. Approve Minutes of March 2, 2017. (3:12)

http://www.csuchico.edu/fs/ubc/4-28-17/ubc_minutes-3-2-17.pdf

Barbara Fortin offered some edits:

Page 4, section a, paragraph 1: “Columns C and D ~~show that we have met our~~ reflect the target and the President just approved an enrollment planning buffer....”

Page 4, section a, paragraph 2: “...600 non-residential students FTES in 2017-18. ~~the 2016-17 estimated FTES.~~”

“...estimated in column row 42 based on...(~~column~~ row 41).”

Page 4, section a, paragraph 4: “...the year that are ~~checked on~~ regularly considered and corrections and adjustments re.: admitting new undergraduates are continually made until May 1, the Intent to Enroll Deadline. Corrections after this”

Page 4, section a, paragraph 5: “...previous year (~~column~~ row 41) to estimate the future new students (~~column~~ row 14)”.

Page 5, sections a, paragraph 1: “...higher than the ~~estimates~~ funded targets. Barbara Fortin...no more than ~~3%~~ 3.5% over target.”

Page 5, section a, paragraph 3: “...it would be possible to affect Spring 2018 new students, and that there will be great effort expended to keep evaluating the impacts of this program on our enrollment estimations.”

Bell suggested two spelling corrections.

Revised Minutes were approved.

2. Approve Agenda. (4:21)

http://www.csuchico.edu/fs/ubc/4-28-17/ubc_agenda4-28-17.pdf

Agenda was approved.

3. Overview and History of Student Learning Fees, Consolidated Course Fees, Instructionally Related Activities Fees – Discussions Item (Kitchell). (4:35)

http://www.csuchico.edu/fs/ubc/4-28-17/UBC_04.28.17_Student_Fees.pdf

Boyd introduced Jeni Kitchell to give an overview of how student fees are used on our campus and how they are categorized.

[SLIDE ONE] Jeni Kitchell explained that she will give a little history about how we got to these fees, estimates of what these fee amounts are generating, and how we are allocated our fees.

[SLIDE TWO] Background on Student Fees: We are governed by EO 1102 which lists six fee categories and defines the oversight and authority to change the fees.

- Category I: System-wide mandatory tuition and fees This is the category that the Board of Trustees adjusted in March and are fees paid by all students in the CSU.
- Category II: Campus mandatory fees These are specific to each campus and the amounts paid on each campus are different.
- Category III: Course fees At Chico this is a fairly minimum amount and they mostly relate to the nursing program. The fee must be for something specific that the students are receiving from a particular course.
- Category IV: Administrative fees These are established on this campus and include late fees, filing fees and application fees.
- Category V: Self-support fees Continuing Education, housing and parking fees fall in this category.
- Category VI: System-wide voluntary fees This is the latest category created this year and is revenue that stays on campus.

EO1102 requires campuses to establish a Campus Fee Advisory Committee which we have. EM 11-045 defines the membership on this committee that includes students, faculty, and staff who oversee and provide reports on all the fee amounts. Additional information may be found at the University Budget Office website.

Ford asked how a Category II fee is changed. Jeni Kitchell said that there are two ways: through a student vote, or alternative consultation which is a long process to conduct consultation with all the stake holders. After this, the fee must still go to the Chancellor's Office for approval.

[SLIDE 3] In May 2010, after an 14 month alternative consultation process to review and analyse all the Category III fees (Course fees), the Chico community requested to consolidate over 300 individual fees (that sometimes individually were very small amounts) into a Category II mandatory fee. This change was approved as a piece of EO 1049 which created the \$26 consolidated course fee (CCF) that students are paying now and a student learning fee (SLF) that must be utilized for student learning in the classroom. (The actual dollar amounts per year are provided in the slide).

Hassenzahl wondered if there had been an audit to determine what fraction of the consolidated course fee was actually expended in the colleges. He said that Natural Science was only getting back a fraction of its actual expenses from the CCF, and he was unclear if that was true across

the University. Jeni Kitchell said she would discuss the supplement to CCFs made this year below. She also said that many times expenses keep rising as for example, the seat license for software can go up continuously, but we don't have the authority to change the fee. She noted that our needs have shifted since the evaluation was made (starting in 2008). Hassenzahl thought a University-wide audit would be useful now that we are seven years into the changed process.

[SLIDE 4] This slide shows the specifics of Student Learning Fees, what can be expended and what they can not be used for.

[SLIDE 5] outlines the campus distribution of SLFs by a campus process that is reviewed annually by the Campus Fee Advisory Committee and the President. The campus created guidelines for evaluating requests for the funds and their distribution. This year the fund generated about \$1,050,000. The 33% financial aid set aside comes off of this amount first (\$350,000). This year Carryover amounts to \$125,000 and whatever remains of this specific fund is always carried over to be outboarded in the awards cycle next time. The awards allocated for this year 16/17 were \$825,000.

Hassenzahl asked if the carryover was from money not expended or money not committed, and Jeni Kitchell answered that it was both. The Revenue Estimate is done fairly early and there is always an excess after the actuals are calculated since we try to be conservative and there are always some unspent awards as well.

[SLIDE 6] <http://www.csuchico.edu/slf/> is the website with all the pertinent information to apply for awards as well as information about the past awards. We are very close in the process to making the awards for next year.

[SLIDE 7] Depicts the Consolidated Course Fees which amount to \$26 per student per semester. The spending guidelines are included on this slide and the awards for the current year are shown. For 2016/17 the current revenue is estimated to be \$465,000 and awards to the colleges are as follows:

College	%	2016-17 Allocation
COLLEGE OF AGRICULTURE	6%	\$ 26,919
BEHAVIORAL & SOCIAL	6%	\$ 26,074
COLLEGE OF BUSINESS	12%	\$ 57,497
COMMUNICATION &	15%	\$ 70,835
ENGINEERING COMP SCI &	16%	\$ 75,596

HUMANITIES & FINE ARTS	17%	\$ 80,651
NATURALS SCIENCES	27%	\$ 127,428
Grand Total	100%	\$ 465,000

These funds are allocated by the Provost. The amounts were determined by looking at the revenue originally generated within each college (since these were the original fees and the thought was that this was the need would be). A three year average was taken and amounts were assigned accordingly.

[SLIDE 8] Beginning in 2016-17, an additional \$200,000 will be allocated by the Provost from the Service Learning Fee to supplement CCF disbursements. (This year's supplement is posted on this slide). This supplement will give Chico the option to backfill needs that can not be met by the CCF that cannot be changed. Former Interim Provost Ward worked with the Deans to ask how the CCFs were falling short and these amounts are the results.

[SLIDE 9] A third campus mandatory fee is the Intructionally Related Activities Fee (IRA). This fee is \$280 per academic year that increases annually, with a 7.3% financial aide set-aside. For 2016/17, the estimated fee revenue from this source is \$4.3M, and \$3M will go to athletics and sports programs and the rest to IRA approved programs (out-of-classroom activities integrally related to the formal instructional offerings).

[SLIDE 10] There are over 50 approved IRA programs distributed through the colleges at varying levels of funding. Spending guideline and a link to the approved programs is found at <http://www.csuchico.edu/ira>.

It was asked if beside the \$3M they get initially, does Athletics receive an additional \$390,000 and RECS \$88,047? Jeni Kitchell answered that this is true based on historical practice. An audience member asked what this Athletics money actually buys us? Kitchell said that this money is those departments' sole source of funding (it buys equipment, travel, etc.).

4. Primer and Overview of Organization Model of Research and Sponsored Programs (RESP) and Associated Money Flow within the Research Foundation (RF) – Discussion Item (Larson/ Kelley/ Bourne). (24:09)
http://www.csuchico.edu/fs/ubc/4-28-17/2017-04-28_ UnivBudgComm-Res_Admin-rf_presentation.pdf

Boyd introduced Kevin Kelley, Interim Associate Vice President for Research and Sponsored Programs and Jessica Bourne, Executive Director of the Research Foundation. Provost Larson then explained the intention of this overview was to address the confusion about what RESP and RF do and how they work together.

[SLIDE 2] Kevin Kelley began with a description of the organization of research administration under the Provost and Academic Affairs. He noted the large array of instigators of research who RESP and RF help through the increasingly complicated requirements and audits required

by granting agencies, the University and the federal government. RESP supports management of grants from the beginning of the grant application process through the implementation.

This effort is collaborative with HR and the rest of the University and represents a blend as a state agency on the RESP side that cooperates with RF that is a 501 (c)3 auxiliary organization. RF serves to separate the the environmental health and safety concerns and risks from the rest of the University. RF is a public non-profit whose goals are aligned with the University. It handles and shoulders the risks and intricate financial responsibilities that really require specialists. All of the post award management is done by RF.

These funds are returned to faculty through internal research grants and other programs to develop reseach, creative activity and sponsored programs. These programs (called RISCA) have become a line item at the Board of Trustees and the Chancellor's Office that demonstrates their official support of research at the system level.

[SLIDE 3] Jessica Bourne emphasized that RF is an Academic Affairs based auxiliary that handles many complex tasks including support of research with heavy University involvement in its management.

[SLIDE 5] The Research Foundation has everything that is not philanthropic money. It manages a General fund that should be called the Operating fund that is more nimble than state accounts and has allowed for the purchase of facilities, equipment and property.

[SLIDE 6] The Foundation has promoted Enterprise activities like the University Farm, NSPR/KCHO radio station and ecological properties like the Butte Creek Ecological Reserve and Eagle Lake field station. The Board of the Foundation also controls funds to promote scholarship and other education related activity.

[SLIDE 7] It especially manages Sponsored Programs, which comprises about 75% of its activity in terms of dollars. The Campus Programs Fund includes everything else and the RF serves like a bank for all these activities (like RCE, ARD, UPE, Upward bound and licensing revenue).

[SLIDE 8] shows a pie chart of spending during the 2016 fiscal year.

[SLIDE 9] demonstrates the interaction of RF funds. The RF charges an 8% fee from direct expenses to provide its services (grants and contracts management, campus programs, accounting, human resources, etc.). Examples of programs include athletic camps, which might have \$10,000 to spend in August and an 8% fee on that amount will cover RF administrative costs. RCE is an exeption because they are the only entity in which fees are charged on revenue as it comes in as opposed to when it goes out to pay for the program.

Funding provided by philanthropic dollars goes in to RF first and the attempt is to maintain lower fees so as not to overburden giving in this way. These will be charged 5% going in and 2.5% going out.

[SLIDE 9] shows how funds can move between the auxiliary funds. Board allocations will fund things like incentivizing faculty so that they pursue additional activities. The physical plant must be maintained and those expenses come from the General/Operating fund.

[SLIDE 10] depicts some of the large transactions made within the Foundation by the 501 (c)3 entities (Research Foundation, University Foundation and Associated Students). The University Foundation pays for accounting, HR and financial services. The Associated Students pay facilities use and other charges.

[SLIDE 11] The biggest area of dollars flowing to RF comes from indirect cost recovery (IDCR). IDCR comes from grants and contracts. The slide shows an example of a federal grant for \$1M for the direct costs of a project. The INCR for a federal grant right now is 41.5%. Therefore, the total grant would be \$1,415,000. The direct costs covered by the grant is expended by the Principle Investigator (PI) from the Sponsored Programs Fund and INCR is taken for all the support this requires. The INCR money is then given to the General/Operating fund.

[SLIDE 12] shows how money flows from Contract Funding. If the contract amount was \$500,000 and only \$400,000 was expended in Direct expenses, the RF would recover the indirect costs (this rate can be negotiated for different amounts by the PI). In the example, the rate is 20% (\$80,000) which would then go to the General/Operating fund. The balance of the unspent money, the residuals (\$20,000) would go to the RF Board Designated Fund.

Kevin Kelley added that the CUs and the CSU have negotiated that the indirect cost will be charged at the rate of 20-30% (which typically comes out as about 25%).

[SLIDE 13] shows the net assets of RF from 2012. These include funds but also property. Most of the assets are currently cash, but the plant and equipment can not be turned into cash readily. Hutchinson asked what the reduction rate was for the physical plant and Jessica Bourne answered that it depended on what would be given in transfers (generally back to campus).

Bell noted that R1 institutions have more grant and research money and benefit from an economy of scale in calculating their indirect cost rates, whereas in the CSU indirect cost rates must be higher. He wondered how much bigger we would have to get to benefit in this way?

Kevin Kelley replied that since we are a CSU, we do a lot of Department of Education grants. The HSI stem grant is an example. Working with other CSUs, we were able to get a 15% rate for cost recovery, but we had to work hard and we expend much effort on such activity all the time. We are dedicated to serving our constituency which often has restrictions on cost recovery.

Student stipends and equipment purchases are not counted in calculating indirect costs either. We are also expending effort on leading grants, which is great for future expansion, but we have to utilize subcontractors under our PIs. There is heavy federal legislation restricting cost recovery in such circumstances. Thus our service mission determines the kind of work we do. Still, the average cost recovery around the CSU is 11-13% which we are able to take. At the UCs it's in the 20 percentile, generally, as they have the same kind of mission we do. The

prestige of building programs and making our campus special is hard to estimate in cost recovery terms.

Boyd wanted to know if the F and A rate is written into an applicant's original grant proposal, or if it is already assumed part of the grant. The answer was that this rate factors into the many requirements for RESP to offer or help support these possibilities.

It was asked if a significant amount (like \$400,000) might be used to develop a professional development or incentive program to help younger faculty set goals and make progress toward their careers. Such a program might help the colleges specifically.

Kevin Kelley explained that RESP reaches out to new faculty at orientation and breakfasts and offers travel grants to travel to conferences. RESP knows if these faculty don't start research within their first three years, they typically don't seek grants or moneys afterward. Kelley also pointed out that RESP and RF have undergone great transitions in the last few years and is animated to try new things. They will reconsider the F and A system to reevaluate returns to campus.

The next Research Foundation Board meeting will be May 15.

5. CSU Budget Update (Kitchell). (1:09:06)

http://www.csuchico.edu/fs/ubc/4-28-17/UBC_04.28.17_CSU%20Budget%20Update.pdf

[SLIDE 1] Jeni Kitchell introduced her discussion of the 2017-18 Support Budget, the Tuition Increase, and Next Steps.

[SLIDE 2] She reminded the committee that the Chancellor's Office had requested total expenditures of \$343.7M for 2017-18 and that by January the Governor had only offered \$157.2M, which taken with the estimated tuition revenue of 18.8M, still left a \$167.7M shortfall.

[SLIDE 3] In March, the Board of Trustees approved a Tuition increase effective for Fall 2017. The undergraduate full-time student rate changed by \$270.00 a year which generated an additional \$77.5M in tuition and fee revenue.

[SLIDE 4] On May 24, the Chancellor's Office released their preliminary allocation for each campus based on the \$157M additional funds from the governor and the tuition increase (coded memo B 2017-03). The gross new revenue for Chico will be \$11,501,000 and our anticipated costs will absorb all this added money.

Bell asked if the \$5,576,000 for compensation (for current contracts) will cover all the previous years also. Jeni Kitchell said that the one time money the Chancellor paid to the campuses to help pay for compensation increases is made whole here, but the 1% increase for faculty and staff is not and will not be covered.

Sistrunk asked if faculty hiring was supported by the augmented Graduation Initiative funds (of \$2,916,000). Larson said that her office will present preliminary plans to the

Deans in PAC and in May and June early decisions will begin to take shape about the funds that include faculty hiring. It would be wonderful to have these decisions around the first of the school year.

[SLIDE 5] depicts the next efforts that must be undertaken to finalize the budget. There is ongoing advocacy from many stakeholders to impact the Governor's May revisions to the budget to get more funds allocated to the system. The budget is finalized in June and, typically, in July we will find out the final numbers. Through May and June at Chico, all of the divisions will be looking at their budgets and making preliminary decisions about 2017-18.

6. Department of Finance Visit – Discussion Item (Hutchinson/Larson)). (1:18:51)

[SLIDE 5] Hutchinson explained that the California Department of Finance that helps advise the Governor will send representatives on May 8 to discuss a list of topics. Small groups are currently preparing to make presentations about the Graduations Initiative, Placements, Remediation, our Budget Model, Enrollment Management, Online and Online hybrid classes, Development and Discontinuation of Graduate and Undergraduate Programs, and a little about our Teach Preparations Programs.

Brooke Banks reported that she has been working with a contact from the Chancellor's Office for the last month to make sure we know what the Governor's Office will want to hear about. The groups making the presentations will convene today to work on the presentations and next week the President and Brooke Banks will meet again with the Chancellor's Office. Representatives from the Department of Finance will visit from 10:00-3:00 on the 8th. For the most part, presentations are very tight: they will take about 20 minutes each with about 10 for questions.

Hutchinson said she is excited to have the opportunity to put the University's best foot forward to demonstrate the high quality institution that we are and to educate the legislators who are making decisions about our allocations that we are delivering an affordable, high quality education for all of our students and that we are doing it on a shoe-string budget.

Brooke Banks added that the representatives will have a 30 minute meeting with the faculty and with the students

7. Graduation Initiative 2025 Budget Status (Larson/Calandrella/Loker). (1:22:38)

Bill Loker said he will focus on the short term actions we have taken this year with the \$1.3M allocated. He reiterated that what was done this year should not be a template for what we do going forward with base funding that continues to be provided for the Graduation Initiative. We were in a "hurry-up" mode and since the money was one time, certain decisions were off the table (like faculty and staff hiring).

We planned short and long term spending for the funds and the first allotment arrived in November. The Graduation Initiative team, made up of faculty and staff from Academic and Student Affairs has been meeting since 2007 in various combinations of folks who have come

and gone. Bill Loker wanted to acknowledge Barbara Fortin's leadership and Drew Calandrella and Pedro Douglass' support over the years. For the current spending plans, people were utilized from the Graduation Initiative team and others with financial experience.

The \$1.3M was invested in ways that the committee believed would bring the most immediate return to demonstrate that, with additional money, we could raise our graduation rates. It is difficult to use one-time money to raise 4 and 6 year graduation rates.

Supplemental Instruction was expanded since it had a proven track-record of enhancing student success. It can serve to reduce the stresses felt in "bottle-neck" courses that many students must take but they cannot find a place. Christine Connerly in the Student Learning Center has managed to serve three times the amount of students as she had last year. All the data suggest that supplemental instruction raises the GPA of students who take advantage of it.

Money has been spent on faculty to create expanded U-Courses that focus on first year students (this has been shown to enhance retention and reduce D,F,W rates in courses). Peer mentors for these courses have also been added.

The largest allocation (\$418,000) was to the colleges to expand the number of sections available specifically for seniors on the cusp of graduation. The Registrar identified students close to graduation so that we could try to move them to an earlier graduation by determining what courses they needed and consulting with the Deans and Departments to provide these. More sections were added as was lab equipment and student assistants.

Resources were spent on Enrollment Management including academic advising, evaluation, and investment in data systems that add to our ability to track and identify students to help them graduate in a timely manner. The money was spent on a financial aid system that allows financial aid packages to be distributed more quickly. 46% of our students utilize financial aid.

\$331,000 direct aid was given to students to facilitate their ability to enroll in Winter Intercession and Summer session courses. Winter Intercession was expanded by about 1/3 the number and the 805 students identified as close to graduation were offered \$500.00 grants to help them defray the expenses of these classes. RCE also has another fund they are using to offer more financial aid to students. Graduation fees will be waived for these students as well.

The effort to reduce or eliminate the achievement gap between a variety of student groups was augmented by specifically targeting minority male student success. \$45,000 was allocated by Student Affairs and the CCLC reached out to some 30 students.

Support was expanded for virtual orientation, language labs for non-native language learners, and a BBL pilot that provides analytics to help 14 faculty track student success to see if this might serve as an early warning system in the future. Money will be spent on developmental math education computer program to move EOP students more quickly into general education math courses and reduce remediation.

The allocations amount is more than \$1.3M because the Chancellor's Office had allocated money that was not directly earmarked for the Graduation Initiative purposes. Some of this money has been allocated but has not yet been spent as money will have to be carried forward to complete our plans fully.

Robert Jones asked what studies show about why students at Chico don't get through in a timely manner. Bill Loker said that the answer to this question was extensive and would take a while to address adequately. He said that when students fail courses, that slows them down. There are issues at Chico about providing a welcoming environment for students who come from far away. There are many challenges for students during the first year of college and we tend to place them in large classes and lavish attention of older students farther along. There is much we can do to make the University a more student ready.

Boyd noted that we will need to vacate the room at 10:00 and there was time for only one more question.

Ford asked what the latest the budget news suggested, and Bill Loker said the new information implies that our base funding will allow us to continue to extend our efforts to promote student graduation and a student ready model of the University.

Hutchinson wanted to commend Bill Loker and the Graduation Initiative team's hard work.

8. Faculty Participation in Budget Cycle – Discussion Item (Boyd/Hutchinson/Larson). (1:41:14)

Boyd reminded the committee that it has been a theme this year to think about how we can use UBC to create recommendations about budget concerns that are timely and can be utilized in a shared approach to making decisions about the budget that we are able to do. One of the biggest challenges is to accommodate how the budget flows from the state and Chancellor's Office, since many of the final decisions about where allocations should go occur when faculty are not on contract in the summer months. The intention has been to watch one budget cycle this year as our new administration gets oriented and to start to implement more input next year.

Hutchinson reiterated that the intention of this year was to figure out ways to get student, faculty and staff voices into the discussion about budget priorities. The UBC was established years ago to align our internal budget cycle with the State and Calstate budget cycle. Since the committee is a Senate committee it particularly has faculty, student and staff representation with Deans and the Cabinet involved as well. She has been encouraged by the attendance and participation which must be part of this process.

Looking again at [SLIDE 5] we know that in April much effort is being extended as people converge on Sacramento to make a pitch to the Governor for funding the CSU as he considers a May revise. This is an active and important time in the state and at Chico State. In May the Governor's revisions are released and by the end of July, we hope to have our allocation. The fiscal year runs from July 1 to June 30. It's important to remember that we may receive our allocation in July, but we don't get the money until a month or two later. These new moneys are for the following year.

Looking at July through October we know that the Governor is preparing his budget to release in January and that the Calstate is preparing its ask to the state because the Board of Trustees will approve their ask in November. While this is going on, each campus must think about what its strategic priorities are.

When the UBC meets in the first quarter or the Fall, that is the time we need to have conversations about what the state and Calstate are thinking about and also our own strategic priorities. We need to begin to get people to weigh in on what we perceive the priorities to be and how we are aligning all of our thoughts about where we want to be with our strategic plan.

In January, the Governor releases his budget but that does not mean we stop thinking about what priorities we have in place or what we wish to have for the next year. It is true that historically the difference between the Governor's January budget and the May revise are not that great.

To make it local, Hutchinson thinks it is very important that UBC serve as that representative body where people meet with senior administrators to have conversations about priorities. This needs to happen in the Fall while Calstate is gearing up for what our asks are (since we should always be thinking about what our priorities should be and what the impacts of outside decisions will be). This should persist even when the Governor releases his budget in January. By May we have a pretty good idea of what we are going to get and recommendations from this committee and other campus input will then be taken to Cabinet as we get together in June and July to make the final call about the direction we will go.

Every division all have internal processes to engage in consultation around priorities and resource allocation. Hutchinson will be talking to Cabinet about how to do this and to raise as much consultation as we possibly can.

Bell thought it would help a lot for the first meeting in the Fall if a balance report about what happened in the previous year was given. Hutchinsn agreed wholeheartedly.

Boyd asked if anyone had any other helpful thoughts.

Hutchinson said tht we will work harder to align our strategic priorities with our strategic plan. She thought the WASC review will give us a perfect opportunity to examine ourselves. The institutional reposrt will lay the foundation for the next stage of thinking about our strategic priorities planning. We should remain mindful of this as we work harder to hold ourselves accountable in ways that align with the University mission and the strategic priorities.

Sistrunk thought it would be useful to foreground the timeline in plain terms in which all the divisions declare they are working collaboratively to establish their priorities and decide on spending. Hutchinson thought UBC would be a god forum for VPs to bring their divisional processes and priorities forward in order to help inform the campus.

Boyd thanked everyone and promised we would keep talking about improving how UBC functions.

9. Other. (1:53:12)

Robert Jones, Associate Professor in Philosophy, said he came as a messenger to let people know what is being discussed in HFA. On Monday, our Dean sent a letter to all the faculty that all professional development money allocated by Academic Affairs was now frozen. The Dean said that there was a 12.1% decrease in funding for HFA this year and that even with these cuts, he projected a deficit of \$1.2M for the college. This will be the first time that HFA has ended the year with a deficit since he became the Dean in 2013.

Two ideas about why this is happening are being discussed by faculty and staff 1) a previous Dean over spent and the college is now being punished, or 2) The model for funding GE, and HFA does a massive amount of GE instruction, is anachronistic and does not adequately pay for GE courses. Tenured and Tenure-track faculty in HFA teach a lot of the GE courses and this might not be understood. It seems like the interim Provost's budget model does not match what is happening on the ground. Robert Jones said that since he has been a faculty member as an Associate Professor at Chico State in 2008, he has only taught two courses that were not general education courses. We are the workhorses of GE and we are not being funded for GE. There must be greater communication between those controlling the purse strings and what's happening at the ground level. This has affected morale, the perpetual underfunding of HFA perpetuates the demoralizing working environment that persisted under the Hoffmann, Zingg and Elrod administration. There is no funding for the teacher-scholar model.

Larson agreed that greater communication needs to be happening with the faculty of HFA. She is very concerned about what happened in 2016-17. She said that Jeff Bell is helping as we begin to diagnose what happened to the college. Larson said it does not seem that the problems are caused by the GE model, but the the classes in the majors. She has had at least 4 meetings with Dean Knight, and she thought they were close to having a good understanding. She said he would love to come and speak with the faculty with the data to help understand what happened this year and help set the stage for 2017-18, so that we recognize the constraints and not repeat the same mistakes. She said there are constraints.

Larson said she would figure out this afternoon when she might be able to come to HFA and discuss.

10. Announcements. (1:59: 47)

None.

11. Adjourn. (1:59:50)

Meeting adjourned at 10:00 a.m.

Respectfully submitted,
Tim Sistrunk, Secretary

General Resources for Background:

State of California, Department of Finance:

http://www.dof.ca.gov/HTML/BUD_DOCS/Bud_link.htm

State of California. Legislative Analyst's Office: <http://www.lao.ca.gov/>

CSU System: <http://www.calstate.edu/budget/>

CSU, Chico: <http://www.csuchico.edu/vpaa/planning/resourceallocation/index.shtml>

CSU, Chico: <http://www.csuchico.edu/bud/budgetplans/index.shtml>

OpenGov: <https://csuchicoca.opengov.com>