



MEMORANDUM

TO: [UNIVERSITY BUDGET COMMITTEE \(UBC\)](#)
FROM: Ana Medic, Academic Senate Secretary
SUBJ: **UNIVERSITY BUDGET COMMITTEE (UBC) – MINUTES**
December 13, 2021, 3:00-5:00 p.m., Via Zoom:
<https://csuchico.zoom.us/j/83875802482?pwd=dFptdk03Rzk3UnhMeWdVR0F3aktxZz09>
Meeting ID: 838 7580 2482
Passcode: 724398

“The charge to the Committee is to meet regularly to review the relationship of academic programs and campus budget; to provide timely participation by faculty and students in budget processes; to propose broad strategies for adjusting the academic programs and budget to one another; and to review the effects of their implementation before adoption by the University.” – [Executive Memorandum 05-017](#)

Chair Paiva called a meeting to order at 3:02 pm.

This meeting will allow for Q&A to be addressed; questions were previously received from campus community (item 4).

1. Approve Minutes of [September 30, 2021](#)

Minutes from September 30, 2021 will be pushed to a next meeting due to a lack of time to review minutes.

2. Approve Agenda

Agenda approved.

3. Opening remarks – Hutchinson & Paiva (3:00)

- [CSU Board of Trustees 2022-23 Budget Request of the State](#)

President Hutchinson:

- a. Commend everyone for a fantastic semester (fall 2021) providing support and safe environment for students, faculty, and staff.
- b. Chico State has managed to engage and implement safe COVID practices, to allow low COVID cases on campus to be manageable, and to maintain in person classes and activities.
- c. Hope to move into winter break with sense of achievement and the opportunity to rest, relax and recharge for next spring 2022 semester.

VP Sherman:

- a. Baseline budget for 2021/22 was \$8.1 million.

- b. CSU asked additional funding of \$716 million from the state for 2022/23 to allow to accommodate 2.5% enrolment increase. This was approved by the Board of Trustees in November 2021.
- c. Rationale is significant state tax growth predicted through 2024/25.
- d. Proposed operative budget request include \$75 million for GI 2025, \$20 million for Basic Need Initiative, \$75 million for CSUCCESS Initiative.
 - i. CSUCCESS Initiative includes technology to students (laptops, tablets), and employee compensation of \$223 million.
- e. Operative budget includes academic facilities & infrastructure needs \$135 million, an increase of 2.5 % in strategic enrolment growth close to \$130 million, mandatory costs \$40.5 million, and SB 169 State University Requirement \$16.8 million. All total \$115.5 million (table and graphic representation in attached presentation).

Question: Is compensation line for faculty pay increase? And if yes, how much? Answer: This includes everyone's pay increase. After negotiation is done, this will be known. Senator clarified that at Statewide level the information was shared from Chancellor's Office there is an ask of 4% compensation increase for staff and faculty. Provost Larson confirmed.

Question: Where can we find information about how much money is in reserve across the system in relation to operating budget request, and how much money is being spent on investments across the system? Answer: operating budget request is a future asking document while reserves and investments can be found on government website.

4. Question & Answer Responses (3:15)

Provost Larson will address questions specific to the academic affairs within her remarks. Tom Rios and Alicia Meyer (Director of Operations for Wildcat services) addressed questions about mental health and the Wildcat center.

Question: What is the current status of the Wellcat services budget? Is that budget solvent and if not, when is it projected to reach that status? Answer: Wellcat services include Counseling center, Health center funded from student fees and Safe Place generally funded. Looking at last 5 years, corrections were made to adjust budget issues, structural deficit and provide fully staffed center. Considering pandemic and expenses (higher rate of pay, desire to work less months per year as medical personnel are currently in high demand, enrollment decline), expenses will be greater than revenues. The greatest portion of the budget goes on salaries.

Question: can you please explain why Wellcat Counseling Center, and WellCare health staff are so chronically understaffed? I understand the student fees for health services were increased recently, and I do not understand why it doesn't translate to increased opportunities for students to see clinicians.

Answer: it relates to statistics of student visits to the health center in last five years, latest with decrease in appointments e.g. in AY 2016/17 there were 29,479 appointments, in 2017/28 drop to

26,704; next year down to 25,173. Pre-pandemic data shows that the health center is having lower number of student appointments. Understaffing issues is a real question we should be aware of.

Question: the student fee increase from few years ago was supposed to allow the university to hire two to three additional counselors, but we have only replaced our numbers. What are the plans to really raise their numbers to meet growing student demand? Answer: In fall 2021, a clinical director at the counseling center took any same day crisis appointments that others couldn't. She has been evaluating current service delivery and how we can serve more students. The link on the agenda shows some of the mental health support programs and services that will be offered next semester. Currently in the process of hiring another counselor.

Comment/question: Was the lower student use of clinic services impacted by pandemic as people were not present on campus? Answer: Health clinic was open during the pandemic. Exception was one day when Governor announced there will be closure. There were in person as well as telehealth services available. This semester, center included appointment reminders for students and option for cancelations that can adjust the schedule for all. In addition, there were same day crisis appointments.

Question/comment: How did a loss of income affected your budget? Is this eligible to HEERF funding and if yes, can this help to keep full services running? Answer: One thing that helped with budget challenge was changing staff schedule and how to pay for benefits for those individuals. They looked for other means of revenue e.g to explore in the future development of a fundraiser to help increase available revenue. Portion of HEERF funds were provided to reimburse the health center and their loss of revenue.

Andy Miller, Interim Chief Information Officer addressed the following questions:

Questions: It takes more than six weeks to receive a computer after placing an order. The waiting time is not due to the chip shortage as other places can provide computers much faster. Why doesn't the university expedite the process? Is there any way to purchase a computer item from other vendors?

Answer: There are two types of computers used on campus: enterprise grade and consumer grade computer. Computers have a three-year enterprise warranty and 12 months consumer warranty. Computers need to get a tag, be reimaged, configured, and placed into a system. This process last longer then purchasing a computer at Best Buy.

President Hutchinson, VP Boura, and VP Sherman addressed the following questions:

Question: what is the President, the Provost, or the admins' plan to improve the budget situation other than the state side support and tuition? Answer: In last six years, budget spending changed, and more effort was used to improve budget situation and lower usage of reserves. Philanthropy played important role to engage benefactors and diversify revenues (alumni, parents, friends, community, corporate and private donations). On June 30 university completed largest comprehensive campaign raising \$106 million (goal was 100 million). Funding includes funds to support campus operations, for renovation projects on campus, endowments to support students' scholarship, faculty work, and help

recruit and retain faculty and staff. The regional continuing ed (RCE) provide increase in cost recovery to the campus by 47% and colleges will use these funds in future. The Chico State Enterprises reported a 15% increase in research dollars expenditure. Finding a way to increase FNA rate that now is around 10%.

Question: why do administrators keep talking about tight budget when obviously it is not? Answer: Few things are done to improve budget. The organizations are looking at their vendor partnerships and an opportunity to establish a strategic partnership with those vendors, such that campus can garner additional benefits to the campus (e.g. banking fees, hotel space renting, supplies for FMS). Campus is not using all state funds or tuition funds to mitigate ongoing expenses. Additional funds come from the additional opportunities for reductions in fees or services or for opportunities for students through internships and scholarships. Systemwide, Procure to Pay is used to purchase equipment. All this provided reduction of costs of several \$100,000. Reserves were used in last two years. HEERF funds are limited and must be used this year. Lack of international students and lower enrollment will make additional effects on how budget will be in next two to five years.

Question: HEERF funding has been generously given to students, but what about faculty and staff?

Answer: 50 % of the money that every campus got was specifically directed by the federal government to be direct aid to students. Other 50 % of HEERF funds are institutional funds with specific set of criteria on how to use them. IRPs are campus ongoing base increases, that would not be appropriate because HEERF funds are one time funds only.

5. Enrollment Update — Ross (3:45)

- [Spring 2022 Applications/Continuing student registration](#)

Enrollment updates for spring and fall 2022 (presentation attached above, see details):

- a. Spring 2022: admissions were down, applications were up but many were not completed.
- b. Intents to enroll are flat year over year.
- c. New domestic undergrad students enrolled numbers are still being processed and are showing enrolment stability.
- d. Percentage of an admitted to the intend to enroll has gone up this cycle.
- e. Percent of intent to enroll to actual enrollment is still work in progress, showing stable enrollment projection for spring 2022.
- f. Winter orientation is a vital part of enrollment management strategy and there will be five sessions. Next virtual session is scheduled for January 6th.
- g. 87% students were registered full time as of December 10th, and others for up to six units.
- h. For several years enrollment was going down, and expectation is this will continue in Spring.
- i. Chico State has noticed that portion of students is registering for all courses during the add/drop Fall 2021 and Spring 2022 period.
- j. Reporting a good registration number of domestic undergraduate students for fall 2022.
- k. Campus has now surpassed the total number of first-time freshmen applications that were received for fall 21.

- l. Transfer students' enrollment is down.
- m. Decisions will be released on November 19th, work with admitted students earlier than before.
- n. The hardship applications (late applications) will open next week.

6. Business and Finance – Sherman (4:00)

- [Capital Projects & Deferred Maintenance Funding Updates](#)

Capital projects update:

- a. Savings accounts and funds from CO provide funds for buildings on campus.
- b. Estimated costs of \$20 million for Butte and Glen Hall updates, have \$9.7 million available.
- c. Updates of FMS yard and the Campus Services Building.
- d. Opportunity to buy additional buildings adjacent to the campus.
- e. Farm store was in plans for several years, looking for a way to gain funds to start this project.
- f. The Dean house is a historic building and in a serious disrepair. Portion of funds were provided from the CO and existing deferred maintenance funds. Waiting on a response from a proposal sent to obtain the California Affordable Student Housing funds.
- g. The Miriam library renewal \$2.6 million for carpeting, lighting and ceiling updates, the solar panels, roofing improvements. Finding ways to reduce the electricity and natural gas costs.

Praises shared for more sustainable projects and lowering energy costs.

7. [Academic Affairs Budget](#) – Larson (4:15)

Provost Larson updates and addressing questions (presentation attached, see details):

- a. Data shared regarding a question on the change of instructional faculty over five years period.
- b. Employment trends in the Academic Affairs reflect three major things: student enrollment decline, budget allocation, and the effect of FERP faculty on overall tenure track faculty.
- c. Overall decline by 5.7% of tenure-tenure track employment (equivalent to 26.2 full time positions).
- d. Decline seen for professors and full professors (-16%), while gains were seen in associate and assistant professor ranks.
- e. The number of lectures with multiyear contracts have increased by 13.9%. However, an overall reduction in the lecture FTE by 4.5%. Stable employment for lecturers (58% of entire lecturer pool). Lecturers on annual contracts depend on student enrollment.
- f. All together since 2016, campus has seen a decline of 5.3%, which equals 39 full time equivalent positions. There was a loss of 8.3% of the full-time equivalent students since 2017-18.
- g. Tuition decline (-13%) was offset with an increase in state support.
- h. Overall, there is 5% decline in budget and 8.2% decline in FTES.
- i. When there is a loss of faculty, it can create a potential increase in class size and remaining faculty workload.
- j. Decrease in student enrollment led to decrease in class size and student faculty ratio (26.5:1).
- k. HEERF funds allowed for smaller class size as a part of achieving closure on equity gap.
- l. Decline of WTUs is recorded.

- m. The number of new faculty searches that campus put forward is predicated at the base level on the salary savings that is available to fund the next year's cohort of incoming tenure track faculty approvals.
- n. The number of searches approved for the fall 2020 (18 faculty) was based on projected loss of 535 WTUs (salary savings \$3.7 million) that offset \$1.48 million. Projected replacement instruction for lecturers was \$421,000. Difference of \$1.87 million represent a base to fund new cohort of tenure track positions for the next year. With average salary of tenure track faculty being \$85,000 then campus can hire new 22 positions.
- o. In fall 2021, 26 faculty searches were approved (previous 22 plus GI2025 funds for 4 more).
- p. Midyear hires will be considered during winter break (emergency hires due to unforeseen resignations).
- q. The employee trends across the Academic Affairs shown increase of the 14.6 full time equivalent for MPP (+9.8%). Increase seen for non-instructional faculty, athletics, library services, WellCat services (+10.8%), staff increase (+1.5% or 11.5 full time equivalent).
- r. General fund budget has been increased in last 5 years. Reduction seen in allocation due to COVID-19 pandemic, and one-time funds applied in 2021. Library had consistent carryover. The final budget for the library is 4.3 million.

Praises for excellent data and information shared.

Questions: When the Board of Trustees approved the budget for the ask for the CSU, during that meeting it has been shared that 72% of CSU's operating budget is really for instructional related costs for faculty, coursework, staff directly associated with it. In the past, CSUC mirrored that with around 70% being allocated to the Academic Affairs. How much of that is being allocated now? What has been that amount proportion of the whole university budget? Answer: This information can be found in the Budget Plan and it has been around 77% (when IRA and IT were part of the Academic Affairs Division).

Question: Did 22 searches account for the instruction that would be done by successful searches and replaced by those of the replacement instruction? Answer: there is a lot more to include in this calculation, especially a change for some faculty and range elevations.

Comment: when observing loss of full professors, it reiterated why the service loads are feeling the way they do.

8. Information Resources – Miller (4:30)

- Canvas Migration

Financial aspect of Canvas migration update:

- a. CSU has \$2 million in new ongoing base funding to support the total migration and canvas licenses over to seven campuses. Funds will be used by Spring 2024.
- b. These base funds will not be used to support faculty stipends for training and learning on the new system.
- c. License for Blackboard is \$175,000 a year while Canvas license will be \$50,000. Chancellor's Office has not made decision yet on who will pay for Canvas license after 2024 migration.

- d. Faculty are asking to have Blackboard in parallel to be able to access class content and materials while transitioning and using Canvas.
- e. Early 2022 will be period to start planning migration to Canvas in consultation with faculty and academic leaders. Faculty support is priority in this process.
- f. Meeting with CO and seven campuses will be held tomorrow.

9. [University Advancement](#) – Boura (4:45)

- Giving Tuesday

VP Boura provided University Advancement updates:

- a. Fundraising always include plans for current and future several years, how to engage more alumni and increase philanthropy.
- b. In January there will be multiple webinars focusing on society, mental health and will include alumni that are experts in this subject matter.
- c. In February talks will be about DDI, NFTs and cryptocurrency, keep alumni engaged and involved across all disciplines.
- d. Advancement Service Office reports over 600 endowments for the campus by benefactors.
- e. The fiscal year started on July 1 2021, and will end on June 30, 2022. As of December 6th, campus raised over \$7 million for the campus, and expectation is to be over \$8 million by the end of a month.
- f. Crowdfunding campaign is changing to maximize revenue stream coming from philanthropy. Instead of couple initiatives, now there will be multiple.
- g. The Back the Cats campaign lasted five days and raised over \$100,000 for athletic program.
- h. The Greek Week focused on basic needs and raised over \$25,000, while the Giving Tuesday raised over \$26,000. 1126 donors gave over \$156,000 to the crowdfunding strategy.
- i. Biggest focus will be on March 2nd, 2022 to engage campus community and raise funds for campus. There will be variety of programs, clubs, colleges, students, faculty, and staff participating in this event. Average donor provides fund to two to four different programs.
- j. Advancement is constantly planning, developing new ideas and solutions on how the next campaigns will be conducted.
- k. Last large campaign raised over \$106 million. Starting new cycle on July 1st campus is planning a new campaign to raise a minimum of \$200 million.
 - i. This year will be assessment phase, assess donors' behavior, enhance the relationship, and maximize the potential of giving in next year through a shared governance process.
 - ii. Following year will be campus and community engagement phase.
 - iii. The next three years will be a quiet phase to raise the largest funds to support operational dollars, to support infrastructure, to grow endowment, and have a sustainable revenue stream.

Praises were shared for an excellent work.

Question: How can faculty contribute to this process? Answer: work done on campus, successful stories we can share and proud faculty, students, alumni are important part of that work. Common response by

alumni is that faculty did change their lives. Yes, advancement will be engaging the faculty, staff, and community every step of the way, reminding benefactors of importance of the higher education and work done on campus.

10. Other (if possible, please submit topics in advance to academicsenate@csuchico.edu)

- a. Encouragement for faculty to participate in FDEV events.
- b. Participate in undergraduate funding research.
- c. Tipping Point will be on January 19th.

11. Announcements

- *Upcoming UBC Meeting: March 4, 2022 – 8:00 am (Via Zoom)*

12. Adjourn at 4:56 pm.

Respectfully submitted,
Ana Medic, Academic Senate Secretary

General Resources for University Budget Information:

State of California, Department of Finance: <http://www.ebudget.ca.gov/>

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/bud/index.shtml>

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

CSU, Chico, Academic Affairs: <http://www.csuchico.edu/vpaa/bar/resource-allocation/index.shtml>