



MEMORANDUM

TO: [UNIVERSITY BUDGET COMMITTEE \(UBC\)](#)
FROM: Ana Medic, Academic Senate Secretary
SUBJ: **UNIVERSITY BUDGET COMMITTEE (UBC) – MINUTES**
May 16, 2022, 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 3:06 pm.

1. Approve Minutes of [March 4, 2022](#)

On page 2 instead of “meant” change to “melt”.

Minutes from March 4th approved as amended.

2. Approve Agenda

Agenda approved.

3. [Opening remarks](#) – Hutchinson & Paiva (3:05)

President Hutchinson:

- a. Commencement week, graduation celebrations. Encourage everyone to attend commencements.
- b. The CFA has asked to provide communication updating faculty on the distribution of the salary provisions as agreed to in the collective bargaining agreement.
- c. Thanking Tom Rios for stepping into a role of Interim Vice President for Student Affairs, and work well done in past year.
- d. In February, during the State of the University address conversation mentioned the four funding categories that make up campus budget.
- e. Challenge will be in the future as we see enrollment dropping; seen nationwide. In 2018 there were 17,000 students, now dropped 16% (Chico State).
- f. Enrollment is not only responsibility of enrollment management team, but everyone on campus. Encouragement to look for innovative ways to offer courses and increase student enrollment.
- g. Enrollment seen over the course of a student's time across their entire university career.
- h. Enrollment funnel represents the beginning of this path and includes recruitment, admissions, marketing, orientation, financial aid. After that focus should be on retention and graduation.

- i. More students leaving, less students coming in to take those seats means enrollment decline.
- j. GI 2025 Advisory team provided a report at the Academic Senate demonstrating good progress on the set goals, decreasing DFW rate, increasing pass rate.
- k. Encouragement to be more engaged in conversation about student enrollment and be student centered, connecting marketing and the four pillars affordability, strength of academics, campus life and career readiness.

4. State Budget Process and Update (Sherman)

VP Sherman:

- a. Campus budget comes from two sources: state funds, and student tuitions & fees.
- b. State has excess budget, however, estimate is that will change by 2026.
- c. May Governor's budget revise will come out on Friday the 13th.
- d. Included broad budget requirements:
 - i. Governor made a five-year commitment to the higher education. The CSU and the UC will receive a 5% increase in base general fund resources every year, for the next five years.
 - ii. There are requirements (check presentation slide for details). To increase undergraduate enrollment by more than 22,000 full time equivalent students over the next several years.
 - iii. Transfer students from the community colleges should comprise a significant share, to eliminate equity gaps, decreasing non tuition costs, increasing lower cost options, collaborate across higher education on a variety of issues e.g. housing, food insecurity, and transportation.
 - iv. Integrated admissions platform to support admissions, and to improve data sharing to support the transfer students moving between institutions.
 - v. STEM field, education, technology, healthcare, climate action, and social work are all called out in the governor's budget as well as high quality online course offerings.
- e. Specifics to the CSU:
 - i. Support for specific capital and infrastructure investment.
 - ii. \$75 million to support equipment and facilities for the four CSU University farms.
 - iii. The increase for Cal Grant middle class scholarships.
- f. The Legislative Analyst's Office (LAO) summary on governor's budget revise:
 - i. Governor accepted LAO recommendation in revised budget.
 - ii. LAO acknowledges that the CSU system has a greater fiscal challenge, because the governor's proposal falls short of covering projected operating costs increases. The UC system includes a tuition increase, the CSU system does not.
 - iii. The legislature has the authority to set funding levels, and how much is the CSU will receive.
 - iv. Increase of a base funds will benefit Chico State.
 - v. Extending the time for the enrollment targets. It may not be realistic to get to 22,000 FTES.

- vi. To provide more funding for maintenance backlogs.
- vii. Legislature should provide more funds to the CSU; more will be known in late June.
- g. Current budget includes \$211 million for base increases that are ongoing. \$163 million for pension obligations and retiree health care. \$93 million for food and students in foster care.
- h. Campus is in the middle of completing third quarter budget reviews.
- i. The legislative reconciliation with the governor will occur prior to June 30th.
- j. Three-year budget plan for Chico State, revenue gaps, and determine reserve drawdown plan.

Comment: support shared toward using funds for the intersegmental education and climate change.

5. Enrollment Update — Ross

- Orientation Update

Jerry Ross provided update on enrollment and orientation:

- a. May 1 deadline for intends to enroll for the domestic undergraduate was extended to June 1st.
- b. Trending up in freshmen (+7%), down in transfer students (-7%).
- c. Last three years compared (see attached document for details).
- d. Currently 12% down year-to-year continuing student registration. Geofencing advertising done to try to reach students promote early advising and registration.
- e. Analysis to determine patterns and increase registration of students before summer orientation.
- f. Summer orientation managed by the Sean Ryan's team. Doing work to try to get students to sign up and participate in orientation.
- g. Part of strategic goals to improve enrollment include where students are coming from, where they go if not enrolled to Chico State, and are there enough college ready students in north service area.
- h. There are more students from bay area, north and Sacramento area compared to LA area.
- i. Although there are investments in recruiters, there are less students from LA area.
- j. Misconception that students are coming from LA area and if not enrolled to Chico State they will go to San Diego area.
- k. Students that are admitted but not enrolled to Chico State go to Sacramento State University then to Cal Poly, San Jose, UC Davis and then San Diego area.

Question: What are cultural measures e.g. recruiting students to HSI? Answer: Campus have an intentional strategy to enroll and serve our Latinx students. In admissions, created an Equity and Diversity Initiatives coordinator position to help guide efforts to be more culturally competent enrolling undergraduate students. Diversify workforce, staff, inclusive marketing communications efforts to reach different audiences.

Question: President mentioned earlier campus is graduating more students than enrolling. How does this gap look like this year? Answer: There were 2,731 applications for graduation this semester. In Spring 2021, there were 2,735. Expectation that 95% will graduate out of all applications for graduation. There is a 13% decrease enrollment at community colleges across the state, and 25% at Butte College.

Question: Is there a distribution data before pandemic period? Can we expect that those patterns to continue after pandemic? Urban areas had increase versus rural not much. Answer: There are no significant variations before and after pandemic.

6. Enrollment Continuum Discussion

Six breakout room were open for further discussion led by Debra Larson, Ann Sherman, Jerry Ross, Brooke Banks, Jennifer Mays, and Stacey Corona.

Google [documents](#) with additional comments shared by each group.

7. [Academic Affairs](#) – Larson

Provost Larson:

- a. Projection for upcoming year campus budget shared.
- b. Peak enrollment was in AY 2017-18, while projection for AY2022-23 is expecting 22% reduction in FTES and AY2024-25 to be 30% reduction.
- c. Model used to project three-year period at a time. AY 2019-20 to projected AY2022-23 showed 19% loss in full-time headcount. Changes seen per college (see attached document for details).
- d. Early version of a predicting model shared. Graphs represent options if campus continue doing current practices versus start changing and implementing innovative measures.
- e. Graph 3: if campus continue to experience a 5% annual growth in upcoming students, start increasing year over year 5%, and improve retention, decrease will continue, but will be lower.
- f. Each incoming class is lower; therefore, impact will be there in next four to five years until campus sees the change and potential increase of student enrollment.
- g. Academic Affairs Division change of enrollment will have impact, \$10.5 million deficit.
- h. Estimated tuition revenue reduction of \$7.1 million. Projections were made based on the previous governor's January budget proposal. More can be changed until June.
- i. Additional budget impact will add compensations after bargaining agreement as Division will self-support salary increases (prediction to add close to \$1 million in salary increases).
- j. At Division, in-range progressions, reclassifications, and adjustments due to compression that occurred due to the minimum wage increases were done. In addition, there were 9% faculty promotions and will be funded through division's allocation.
- k. Corrections will include range progressions and reclassification of faculty and staff and will be added to previous projected percent until the end of fiscal year.
- l. Business and finance provided quarterly reviews, which allowed campus to revise budget set up at the beginning of a fiscal year. "Actuals column" represents what was used by March 31st.
- m. Last column (percent used) balancing between expenses and budgeted projections, shows campus is operating on around 75%. There will be more expenses in fourth quarter (spring). Division is at 69% of projected budget.
- n. Ability to project what the year-end division balance will be. There is a healthy reserve and will help 2022-23 projected budget.

- o. Discussed with PAC how to make reductions in expenses. Rely on reserves that can be used in next two years.
- p. Colleges are good in aligning course schedules with the student demand. Revision of curricula that has historically low enrollment. Invest in high potential programs.
- q. In February there was a consideration to include hiring freeze. Reason – investment in the future, there was no hiring freeze. Expecting diverse and strong incoming faculty.
- r. Completed 17 searches, seven of these are nearly completed, and three searches were canceled.

Question: Is it possible to see ABC model to provide more clarity of the allocating funds process?

Answer: Summaries of ABC model are provided at the UBC. Portion of the breakdown sections, and methods used have an example provided at the division's website. Actual cost of instruction per course information will be updated using the 2021-22 actual instructional costs. After this is used to populate the 2022-23 version of the ABC model. Jennifer Mays willing to meet with anyone individually or in a group setting to provide further detailed information on the ABC model.

8. University Advancement – Boura

VP Boura:

- a. Busy end of fiscal year for Advancement office. As of May 11th, campus was supported by benefactors with over \$15 million.
- b. \$9 million were cash donations for different programs across campus. Portion represents multi-year pledge.
- c. Tower Society program – donors that make a minimum of \$1,500 donation to any program on campus. During last campaign, this program generated over \$54 million in cash donations.
- d. This year there are over 7,000 donors out of which 570 donated over \$8.7 million. Compared to last year this was doubled due to ask to provide higher donation per donor to the institution.
- e. Continue to share successful stories of students, faculty, and staff.
- f. Training Gold (graduates of the last decade) to continue to support all the programs that they were involved with when they were on campus.
- g. Continue to provide educational programs to benefactors, and alumni, done and will continue to provide multiple college webinar series over the summer.

Question: Faculty received 4% raise. Will upper management e.g. MPPs receive raise? Answer: no word on this yet, for now no raises for management.

9. Other

No other.

10. Announcements

- a. Student Senator graduating this year shared praise for being part of the Academic Senate and the UBC in last two years. Interesting learning experience on how university mechanism

operates from a perspective of a business student and collaboration with all sections. Hope shared future students will advocate for student success and excellency within Chico State.

- b. Praises shared for student senator's work and ability to be engaged in business and finance efforts. Good luck in future endeavors.
- c. Praise shared for Chair Paiva's great work this academic year.
- d. Encouragement to all to attend commencements and support students.
- e. "Happy Monday"!

11. Adjourn at 4:54 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>