

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

**UNIVERSITY BUDGET COMMITTEE MINUTES**  
September 27, 2019, 8:00-10:00, 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](mailto:oats@csuchico.edu).*

Ferrari called the last meeting of the academic year to order at 8:00 and welcomed new members Paiva, Underwood, Allen, Decker and Guthrie. [0:12-0:46]

**1. Approve Minutes [May 13, 2019](#).** [0:46-1:06]  
Minutes were approved.

**2. [Approve Agenda](#).** [1:06-1:32]  
Hutchinson was not available, and she will be replaced by Ferrari and Jeni Kitchell, Associate Vice President, University Budget Office to address item 3.

Amended Agenda was approved.

**3. [UBC Overview and Budget Cycle Review](#) –Ferrari/Kitchell** [1:32-10:44]  
[Slide 2] Ferrari began by reviewing the [University Budget Committee charge](#). She highlighted the participation of faculty and students as a wonderful opportunity for the community to participate in questions about budget and budget allocations. She could not think of a more important role.

[Slide 3] She also reminded everyone of the committee's [specific functions](#) to make recommendations on budget decisions during the process, consult prior to these decisions, and recommend changes in budget formulation and allocation procedures.

[Slide 4] Kitchell described the [state budget cycle](#) beginning in July and August for the 20—21 year. The CSU Board of Trustees just met this week to start these preliminary discussions that start so far in advance. She noted that the CSU makes its request for the 20-21 year after lots of preparation in November. After the Governor submits his budget in January many hearings and conversations in Sacramento carry on (including the Legislative Analyst's budget analysis) before the Governor comes out with a May revision (usually around May 10).

These conversations include the CSU budget but also the many questions about how the state's economy and revenues are trending. The state adopts its final budget usually by June 30 and then the CSU begins to finalize their budget.

[Slide 5] Depicts how Chico fits into this cycle and captures some of the meetings we have to gain community input. In July and August Chico starts to prepare its campus budget allocations for the current year. UBC meets in September to review 19-20 budget planning and looks back at the 18-19 expenditures (the 18-19 budget to actuals).

Looking toward the future the system starts to get an idea of what it will ask for in November and Chico will look at what it potentially means for Chico. (We will look at enrollment growth dollars, where we think we will land on GI allocations and requests for that base funding). These conversations will continue into March.

After the Governor releases his budget in January by March we have been receiving preliminary changes to allocations from system-wide so we need to remain vigilant so we know what we are actually receiving. This is very early information but in late February or March, we will share the information we are receiving in UBC.

Finally, in May or April, if there are any final revisions to the 20-21 budget, these will be discussed in UBC. Does this impact our preliminary planning, and we will continue to get input into what our 20-21 budget actually looks like.

Sistrunk asked if there is any part of the year our auxiliaries report and what is UBC's role in planning the auxiliary budgets? Kitchell said there is a piece of the auxiliaries included in our budget plan at a very high level but that is not included today. We could talk about that potentially at the next meeting and ask them to come to give us more information. The auxiliaries' financial statements are incorporated in the annual reporting at a system-wide level and their actuals get incorporated at that point.

Larson noted that one could attend the meetings of the Enterprise board to get their financial reports. Kitchell added that this information for all three auxiliaries is online on their websites.

[Slide 6] Ferrari remarked that at our next UBC meeting in December we will be talking about how to spend lots of money and on February 27 and May 11 as well. Mark your calendars!

#### **4. Enrollment Update and Discussion of Link between Enrollment and Budget – Fortin/Kitchell [10:45-57:16]**

Kitchell said that she and Barbara Fortin, Associate Vice President for Enrollment Management have been working closely together the last 18 months to make sure enrollment and budget are closely in sync.

[Slide 2] To illustrate, Kitchell discussed tuition and non-resident fees that make up over 40% of our budget and resident and non-resident enrollment impact these fees we receive. We use our enrollment estimate to develop our budget plan which establishes the spending authority across the campus for the entire year. We must establish our enrollment estimate at the beginning of the budget cycle to know how much we are spending.

For 19-20 the funded resident Full-time Equivalent Student (FTES) target received from the Chancellor's Office was 15,560. Our non-resident enrollment has been declining (both international and domestic students). See box comparative fluctuating figures of our annualized FTES from 13-14 to 18-19.

[Side 3] Provides some brief definitions of types of targets. This year the Resident Funded Target was received from the Chancellor's Office in July. The number represents how much state funding we will receive that year.

The Enrollment Planning Target is established through the enrollment process and this is established in Spring for the next academic year. Last year we were addressing this enrollment planning number in March or April for this year. This number includes resident and non-resident as well as graduate students. Historically we have land 1-3% above the funded target to create a buffer.

The Budget Planning Target is established when we are finalizing our campus budget plan in July and August for the current year.

Annualized Actual is really what happened - it records what revenue we actually received.

[Slide 4] Fortin discussed how the budget cycle coincides with enrollment planning. The months with red description emphasize the critical months when enrollment planning be must be a focus. The first indicator, for example, is in November when we must seed the enrollment plan. When the budget was finalized in June we received our final enrollment target for this budget cycle.

Larson thought in the light of our experience last year in February our funded target was not going to be enough money to move into 19-20 without a serious cut to our budget, that we should update the language in February to say "funded target plus budgeted target".

Fortin noted that we received an additional .5% to our funded target than was indicated earlier in the cycle last year (which we discussed in UBC). Kitchell pointed out that the increase we received in June was really late to have an impact. Boura noted that everything that happened last academic year was impacted by the Campfire.

[Slide 5] This charts the average of our actuals relative to our funded target over the past five years. Our average has been 2.26% over target.

[Slide 6] specifies the enrollment planning process that is as consultative and timely as possible. Fortin thought the ongoing assessment of markets (ie. community college policies, attracting transfer students, Western region, etc.) and impacts will have to become a more mindful as time goes on. Boura noted that our attempts to get students out earlier will have impacts as well.

Sistrunk noted that all our efforts to reach out to students to make sure they knew we would accommodate them were undermined by bringing armed boarder-patrol agents onto campus for a career fair. Not to be cold blooded, but we need to understand the financial impacts of that type

of insensitive behavior that impacts our reputation since we are supposed to be a Hispanic-serving institution.

[Slide 7] The final target was received in July and here are the details that reveal our overall plan.

[Slide 8] Kitchell said she would put numbers with the targets and actuals and how they are impacting our state funding and tuition and fees.

[Slide 9] Our overall operating fund is \$248.6M (which comes from state support and the tuition and fee dollars). This graph shows the percentages.

{Slide 10} shows the collaboration of Enrollment with the Campus Budget Plan. This shows what the state component is. Last year it was around \$126M, this year it is about \$140M. After the Campfire President Hutchinson asked the Chancellor to “hold us harmless”. This means the system will not take any of our funds back from us relative to our enrollment targets. We can be assured that this \$140M will remain in Chico base funding.

Ford asked if other campuses in past years had had money taken away for shortfalls. Kitchell answered “no”. Ford thought the “hold harmless” was actually the status quo of the policy of the CO. He hoped this designation would be negotiated to extend to the lost tuition we had because some students failed to show up.

[Slide 11] Kitchell wanted to step back to show the numbers of actuals versus budgeted. For 2018-19 this shows that we budgeted an enrollment of 16,130 for annualized FTES for \$98M and our annualized FTES actual was 16,061 which was short for 69 FTES and the actual fees and tuition the students paid was \$97M for a shortfall of \$817,948 for last year based on our spending plan.

[Slide 12] looks forward into 19-20 for the budget plan we are budgeting total FTES at 15,615 that reduces our budget over prior years. This is a total reduction of \$3.8M. from last year.

[Slide 13] shows the Enrollment planning target Fortin discussed. The 2019-20 resident FTES of 15,400 was the number we were planning for in the Spring. This is why we budgeted conservatively even though we expected our actuals to land around \$95M for an excess of \$878,963. This is still a pretty small window to plan around.

Larson noted that we were always coming in above target and would roll over some \$900,000 (one time dollars spread out). She said that when there was a shortfall in 18-19 which caused surprise because Academic Affairs was habituated to the surplus.

[Slide 14] Fortin explained how enrollment planning conducted ongoing assessment and here is a projection for the 19-20 academic year cycle.

[Slide 15] shows how we are coming in relative to Fall enrollment as of this passed Monday. This is after census and will continue to be cleaned up until October 14<sup>th</sup>. In regard to headcount

we are down 454/2.5%. This shows we must remain vigilant to readjust throughout the year to accommodate the trending down of FTES.

[Slide16] Enrollment of New Students continues to trend downward though we cannot dissect what the actual impacts are and the relative reasons for this. Some data shows that the number one barriers students are identifying is Cost and relocating to Chico.

Paiva said she understood that international enrollment is just down nation-wide, but how do we compare to other CSUs for enrollment loses of domestic students. Fortin did not know. She knew that targets varied considerably.

Jeff Bell noted that the Fall figures showing that our first-time freshman are actually up seems a little deceptive as that was not really our target. Fortin said we had to reset the model when we realized our first-time freshman yields were coming in low last Spring. The model was reset as too ambitious.

[Slide 17] So, we reset the entire model when we realized we would not achieve the higher goals for Fall. We are experiencing an additional headcount reduction of 175 (Overall, preliminary headcount shortage, we came out 86 students short for our new student goal and 89 short for continuing students). We are coming in slightly ahead for the FTES goals. Fortin thought we should try to affect the continuation rate for Fall 19 to Spring 20.

[Slide 18] provides a lot of data about the Fall enrollment forecast. We are coming in 6% under our funded target, but we are coming in okay because we budgeted conservatively (for estimated FTES).

Wyrick wondered if we box ourselves in by thinking of a budgeting target as opposed to trying to simply get more students. What happens when we make a conservative target that sets the limit on what we can make. Fortin agreed whole-heartedly. She said that in her seven years we have only been above the goal of enrolling more new students than we estimate once.

Ford observed that our budgeting process is based on headcount not the FTES. It is important to recognize that the FTES to Headcount ratio has a tremendous impact on the budget. In the last year we went up 1% in that ratio so that we will have fewer students for the same number of classes. For UBC conversation, headcount is the key number, not FTES.

Boura said he assumed that these numbers are set on a committee estimation of the market considering what is possible. We are just trying to enhance the possibility of getting more resources to the campus.

Allen asked about enrollment of credential and graduate students and whether there was any insight into why enrollments was down. Fortin did not know relative to credential students in particular. She said Graduate studies and credential people had aspirational goals on our campus. She heard anecdotally that graduate students were more impacted by the difficulties of finding housing after the Campfire in Chico.

Ahmed hoped that enrollment management could educate us all more about some of the reasons graduate students in particular are down.

Jeff Trailer thought as a matter of process it might be helpful to distinguish between targets and projections. We are trying to project a high probability outcome that can be adjusted. But using the term target, drives behavior that impacts the actual to target. If the target is lower it triggers lowering goals syndrome which is an endless feedback loop into decline.

Larson thought the enrollment trends we are sensing portend a different future for us and thinking about graduate programs and credentialing we might be able to have impact on enrollment. We just received \$3M from the department of education to build a pipeline from undergraduate to graduate education for our underserved students. We have some new possibilities growing in these areas.

[Slide 19] This adumbrates the Spring 2020 enrollment plan. Admissions are sadly down and we are trying to accommodate anyone's special circumstances. Butte College applications are up this year.

##### 5. [Review of 2018-19 - Kitchell](#) [57:16-1:05:35]

- **Budget to Actual**
- **Reserve Balances**

Ferrari called on Kitchell to review our previous Budget to Actual report for 2018-19 and hold questions until the end.

[Slide 2] Kitchell said she will discuss the campus plan and what happened until of June 2019.

[Slide 3] This shows what was distributed to each division and the centrally managed from the campus base. The total was \$238.5M

[Slide 4] Throughout the year there are one time changes as money comes in and shifts around. Sometimes we actually get revenue. We get distributions from the Chancellor, so our funding actually increased \$2.5M

[Slide 5] We also spent money and the expenditures add up. This shows how these landed over each area. As a quick note, OpenGov is continually updated and there are quite a few years of trending to examine. You can also see the details of the \$239M spent if you want to drill down by category or whatever is out there.

[Slide 6] There were still encumbrances (purchase orders) that were still out as of June 30 (\$2.25M)

[Slides 7- 8] What we spent net was -\$429M. The \$429M came out and the balance available was \$39.6. This is how the expenditures flowed to the bottom line.

[Slide 9] This shows our other operating fund reserves. On June 30, 2019 the encumbrances are out of the budget. There are many other funds and these are the balances. Sometimes the Chancellor's Office will give us a special grant.

[Slide 10] This shows other reserves that other divisions can sometimes have available for themselves. The Campus Partner Funds, IRA, Financial Aide, Health Facilities, and Lottery.

Boyd wondered about the IRA dollars get partitioned. This is \$900,000 in Academic Affairs reflects the amount left over in each of the colleges for their programs in IRA. At an IRA board level there are about \$400,000 held in reserves for the board. The other .5M is spread among the colleges. The Student Affairs component is the Athletic Program. University Advancement is University Public Engagement.

[Slide 11] shows self-support program reserves for Regional and Continuing Education, Parking, Housing and Student Unions. These are fee funded programs that all have a "sister sweat" of funds for an Operating Fund (where normal activities are happening), Maintenance and Repair and Capital Improvements.

## 6. [Review of 2019-20](#) – Vice Presidents [1:05:35-1:22:53]

- **Final Campus Budget Allocation Plan**

[Slide 2] This gives the timeline of the steps taken up to July 1 when the Chancellor's Office sent its final budget allocations. Chico received its allocations on July 19, and then finalized their Campus Budget Plan on September 9 (there are live links in this slide to the CO allocations and the [Campus Budget Plan](#). Kitchell mentioned the contrasts between the 2018-19 operating fund and the 2019-20 allocations. State Support grew \$14M, though tuition fees dropped some \$3M. The total budgeted revenues rose about \$10.1M.

[Slide 3] The CO is pretty specific about the budget items they fund which helps us distribute those dollars. We based our numbers on 15, 250 Resident and 365 Non-Residential student fees for a total annualized FTES of 15,615. Ford is right that it is not just FTES but the headcount of the mix of students drives the dollars. We have mechanisms to use priority numbers to adjust those rates and to account for some part-time students as well.

She read through the list and asked for questions if anyone had them. She noted especially that about 30% of the costs are to cover retirement. Enrollment Growth (for the resident target 15, 250) a growth of state dollars: \$2.4M and a reduction for tuition and non-resident fees \$3.8M.

[Slide 4] shows all the details of how each of the components is being distributed across the divisions which makes up the budget for each area.

Kitchell talked about the budget plan for the Centrally Managed budget specifically about Operations and Maintenance of new facilities. This is the new space money and \$728,000 went into the centrally managed plan. Part of this is for facilities (the 110,000 feet we have online).

We are also setting aside \$125,000 a year for a security infrastructure. This s to solve the problem of building new building and putting cameras, locking mechanisms and the like into

them and not having the money to maintain them. This will assure that we have the proper technology and can refresh it.

Business and Finance will set aside \$475,000 to add custodians and grounds folks. \$125,000 will go into Academic Affairs and give them the ability to continue to invest in these things.

We had to contribute \$7M to the Science Building project. We had to contribute \$9M to the Butte Hall Renovation, in order to keep saving and build up reserves for things like that we took \$125,000 out of the \$1.3M and will continue to set aside for funding new projects. Mike Guzzi added that there is another \$3M associated with the old Science Building remodel. We are on top of the list at the CSU to get our entire utilities structure renovated, all the chilled water lines and steam lines and the other systems on the verge of breaking are another \$86M. What come with that is another \$6M that we must invest as well.

[Slide 5] blows up the Centrally Managed budget plan. Of the \$49M almost \$25M goes to student financial aid and the other components you can see as well.

[Slide 6] Kitchell handed over the conversation to Larson to talk about 2019-20 GI 2025 and Enrollment funds. Larson said Academic Affairs and Student Affairs have been cooperating in thinking about how to spend these dollars. All of them come with specific restrictions from the CO. Both of the divisions brought forward their priorities and talked about how they could leverage their efforts for these common goals.

The Base money was reduced this year to \$45M and \$30M is one-time money. The chart shows the GI Base recurring moneys (\$1.631M) and GI One-time (\$1.235M) and Enrollment One-time money (\$1.469M)

Ferrari asked about the GI Base money called Foster Youth Advisor \$82,000. How is this prioritized over other services? Does the Dream Center have an SSP? What is the number of students these services must help?

Parsons-Ellis said that all the staff of certain areas solicit requests from their perspective areas and the leadership team prioritizes them. She said the Dream Center had a director and two advisors. The foster youth program is high priority. The veterans have always been served by one person. Tribal Relations does not have an SSP for the students just a director for more high level work.

Larson added that the GI committee awards the GI funds. It includes faculty and members of Student Affairs.

Ford asked if we were to convert some of our full-time lecturers to tenure-track, would this count according to the CO. Larson thought this was a very complicated question. She is happy to share the response she made to the CO on September 25 related to our plans for hiring this year and our campus' ability to hit net new. Wyrick wanted to know if there was a separate process for determining which hires were GI2025 funded. Larson said at the end of the day it all come into the one blender. All tenure-track hires are student success hires.



## **Division Updates**

### **University Advancement** [1:22:53-1:28:50]

Ferrari called on Boura to report. He said University Advancement is the smallest division that we have on campus but we are quite loud. We are a support system for the University and we share all their successes. We deal with print and social media and public relations to preserve the positive image of the University. We engage many alumni in California and across the country and world. We offer advice about how to invest in the University and to promote the arts and culture as well.

For our 2019-20 budget we intend to use Capital Campaign reserves. In 2012 the University designated \$5M in one time funds to Advancement and from that we turned to our campaign. We have created some \$6,019,267 from the reserves to create our operating fund to support the division and continue to drive the fund-raising effort. We use \$742,825 from the Capital campaign to reach our goal by 2021 is \$100M

He covered the slides that depict how much they have raised in 2019. The number of donors, where they have come from and who they are. He noted that many donors gave to Chico in the aftermath of the Campfire. This number will decline.

We are at \$81M in the campaign and Boura believes we will go over \$100M by 2021.

Ford asked if Advancement gave to KCHO. Boura said about \$4,000 was given to the station for an this is ongoing all year.

### **Student Affairs** [1:28:50-1:31:25]

Ferrari asked Ellis-Parsons to discuss Student Affairs. She note that Student Affairs budget is pretty simple. They get a little over \$19M.

[Slide 1] The majority of that allocation goes to salary and benefits. This slide shows the Base Budget with all the departments, salaries and benefits, work Study and other expenses. They have a little overhead to pay the bills and the rest is direct services to students. For example, under its other expenses include note takers, converting materials into alternate forms, hiring interpreters, driving the carts around and many other things.

[Slide 2] this shows the one time dollars the division has. These include GI dollars, negotiated enrollment dollars, and then their own reserves. AVPs drill down to their directors to request funds based on assessment and data about the students being served and considerations of impact. Then ideas are prioritized. Almost all of the departments get some one-time money.

She is most happy to add infrastructure for the foster youth program, a new articulation expert to help with some of the transfers, some of the partnering that has been done with Academic Affairs, adding a new advisor to help roll out the program. Two new counselors were hired and we are in the process of hiring another Safe Place advocate.

### **Business & Finance** [1:21:35-1:34:15]

Kitchell spoke on behalf of Vice President Sherman. Business and Finance has begun a process of going through each one of their areas to determine their needs and give people an opportunity to request funds, and determine the capacity to actually allocate dollars.

[Slide 1] shows the base allocations of the division in a similar way to what was just shared about Student Affairs. Salaries and Benefits make up the majority of expenses. These are all the major departments of the division. The total base is about \$30M and the division does receive some cost recovery dollars from the other divisions on campus. This is used to fund positions that are necessary to provide the services.

[Slide 2] shows the one-time budget allocations of the division. These come from their reserves. The division has student assistant funding for help with scanning and information technology. There is travel and training approved. Every year FMS get \$1M to continue chipping away at their large maintenance list. We also give FMS about \$100,000 to keep investing in their equipment.

The University Police uses the \$250,000 to update cameras across campus. These need to be replaced because the infrastructure of the security system is outdated (the technology, where it is stored, for how long, and the police communication center all need major investment.

The last investment is in energy projects (\$715,000). Mike Guzzi and his team are really working to create systems that are more sustainable and have significant energy savings.

#### [Academic Affairs](#) [1:34:15-2:06:54]

Larson asked Kitchell to hand out a paper entitled CSU, Chico academic Affairs GF Planned Sources and Uses 2019-20

[Slide 2] is a comparison of 2018-19 Final (Actuals) and Planned 2019-20 Sources and Uses. At the end of the last academic year the reserves had moved up a little bit. (The paper copy of this data has slightly different numbers partly because we have the practice of rolling surplus from one year into the next. These go back to the colleges to spur innovation. Our budget is complex because our division is so large with seven colleges.

The single sheet allows easy comparison of the complexities. The prior year baseline of \$137,000,244 must be adjusted by all the mandated expenses in the division. These include such expenses as the minimum wage increase and compensation and benefits. We are also seeing tuition change. The total base is \$143,220,964.

In order to project a balanced budget in 19-20 (which is part of our efforts to change from being deficit spenders to a division operating in a balanced budget situation). We returned 90% of the surplus back to the units that generated them and kept 10% at the larger division to help achieve a balanced budget scenario. The intent of allowing the colleges to keep their surpluses is so that they will invest in strategic priorities that will help them. Taking one-time money to build a lab is a very good use of funds even if the process can be improved.

We start estimating these surpluses in January so that they the college need not be dilatory completing their project. Mike Guzzi asked that the divisions give his project teams as much time as possible to complete the work. Sometimes the time is needed to reassess and reset savings.

The paper sheet had estimated uses to get to a balanced budget (on the top right hand side). If all this is rolled up we end with a base of \$141,803,251. This can result in the Central/Off-the-top Sources of \$4M. We are asking for departments to think about how they design the workload for their instructors. We hope they will increase the workload from .6 to .8. This is a challenging ask, but if paid attention to, will change our benefits profile.

[Slide 4] presents the ABC model about how to distribute funds to the colleges. It is a long-standing activities based model that has worked for quite a while. Very good changes were made to it a year ago. It is an FTES model that includes faculty development. It supplements the \$71M by adding in the compensation which were the GSIs at \$2.2M. The model is not a line management model (that happens at the college level). \$660,000 is added as “AA hold harmless funds”. We try to add to the \$71M to try to mitigate the tuition shortfall.

In the end we are distributing GSI moneys so that we are distributing \$74M.

The bottom of the page compared the 18-19 distribution and the 19-20 planning. This makes everyone look fairly well in this kind of presentation of the budget. Either folks have gone up or at least stayed steady. The problem may be that flexibility is being lost by over reliance on GSI funds. These are a pass-through and will not remain to create flexibility in the future.

[Slide 5] shows the impacts on the colleges. 6-% of the dollars are based on FTES.

[Slide 9] shows the actual benefit savings of moving Lecturers from .4 to .6 and onward. Wyrick pointed out that the more Lecturers are vested and involved the more they contribute to non-instructional activity. He thought Pac of the Provost’s office should start thinking about how to fund this activity that is already going on. Larson said she is perfectly fine if deans are providing AWTU to Lecturers for significant service.

Larson said that HFA and Business had both gotten into trouble because of choices they made. Wyrick said another option might be to fund some sort of central fund for Lecturer pay rather than just shoving it on to the colleges. Larson said in the sources and uses column, the College of Business is getting another \$300,000 and HFA got an additional \$700,000. Wyrick wondered what kind of incentive the colleges had to do this? Maybe reduce the ABC model? This conversation touches on the use of AWTU which has unfairness problems in other areas as well.

Paiva noted that transitioning from the circumstances where we have uncompensated Lecturers doing tenure track service would actually be a cost savings over time. This is true because so much labor is being left to the tenure-track who are already overworked. Larson said that if we reduced the benefit burden the money could go back into instruction. There is actually money available to capture as we get smarter.

[Slide 10] Larson noted that in 18-19 we approved 24 positions to hire over the course of the year. 5 of these failed. We did welcome 19 faculty to the campus this year. This week we approved hiring 29 faculty. 4 of these will be GI 2025 hires. There were 17 resignations. There were quite a few early career faculty that left us last year. A few left because of the Campfire, but more left to pursue scholarship. 15 faculty ended their FERP and 27 started it.

These changes provided us with around \$3.9M. But, there are unfunded mandates in the CBA! (like the release time for new faculty over their first two years). Promotions are costly. Searches are costly. The start-up costs of some fields is very high and we are not competitive. She is holding 7 positions aside to use if needed. She has learned that there are always emergencies that arise.

Paiva wanted to note the difference between promoting a new Lecturer and one who has been around a long time and proven their worth and commitment to the community. Larson wanted to have people compete with competitive searches.

Ford said that there is discussion in the ASCSU to promote people without a national search. He also noted that doing the math about the people who FERPed means that that was 21 positions and resignations for a total of 38 lost this year and 36 planned to hire, in the best case scenario we will lose at least a minimum of two faculty if all hires are successful. Larson said this has been happening here. We should build failure into the budget because we know some will fail. Larson said we have about 97% of our budget spent on salary.

Sistrunk wondered if we could separate the salary and benefits numbers of MPPs and faculty since the faculty are always blamed and we know MPP numbers continue to grow. Larson said those numbers could be found but we are running an extremely lean organization. There are dollars to capture. We should look at redundancy and go through a two year process of looking at curriculum and other inefficiencies. She will give one time dollars to learn about LEAN organization.

**7. Other [2:06:54-2:06:55]]**

None.

**8. Announcements (2:06:55-2:07:00]**

None.

**9. Adjourn [2:07:01]**

Meeting adjourned at 10:08 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](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>**

Upcoming Meeting: Friday, December 13, 2019 – 8:00-10:00 am (KNDL 207)