



CALIFORNIA STATE UNIVERSITY, FULLERTON

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Department of Mathematics

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Date: May 22, 2014

To: Dr. Mildred García
President

From: Dr. Paul DeLand
Chair, Planning, Resource and Budget Committee (PRBC)

Subject: PRBC Recommendations for AY 2014-15

The Planning, Resource and Budget Committee responsibilities are highlighted in Academic Senate Bylaws and University Policy Statement 100.201, updated versions of which are both in the approval process. These responsibilities will continue to include reviewing budget reports, assessing previous year budget allocations, analyzing and reviewing resource implications of new programs and changes in existing academic programs, and reviewing and evaluating division budget requests. PRBC responsibilities also include providing recommendations for University budget requests for approval within the scope of available resources and strategic goals and mission of the University, communicating preliminary recommendations for campus review and comment, and making final prioritized recommendations to the President.

After several years of stringent budget constraints and an unstable state economy, 2013-14 has been a turnaround year in which the state budget began to move in a positive direction. The state of California has recommitted to investment in higher education with the expectation that general fund appropriations for the California State University Systems will grow from \$2.3 billion dollars this year to \$2.7 billion dollars in 2016-17. Cal State Fullerton will benefit from this support, but a careful and prudent utilization of our resources will be required. The following is a detailed summary of the 2014-15 budget setting.

FY 2014-15 Budget Outlook

The Governor proposed \$142.2 million in increased funding for CSU for 2014-15. This amount represents the second of the multiyear budget plan established for the three higher education segments through 2016-17. The allocation is \$95.4 million less than the CSU budget request of \$237.6 million and therefore presents significant budgetary challenges as the campuses, including Fullerton, attempt to address instructional needs

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associated with enrollment increases, various mandatory cost increases, salary increases for staff and faculty, deferred maintenance, and other requirements.

In addition to the CSU's \$142.2 million budget increase, the Governor's budget proposal includes the following notable components:

- Shift of debt service payments into CSU budget to retain \$198 million General Obligation Bond and \$99 million lease revenue bond;
- A policy change to the Cal Grant program to stabilize financial support for students;
- CalPERS annual retirement rate adjustments freeze to the CSU 2013-14 pensionable payroll; and
- Awards for innovation in higher education.

PRBC has reviewed the amounts that would be available for Cal State Fullerton based on the Governor's current proposal as presented by the campus CFO. Barring any significant changes in the May revised budget as well as in the final budget enactment from the legislative process over the summer months, Fullerton is expected to realize \$11.265 million in baseline operating funds as shown on Table I. This amount represents Fullerton's share of the Governor's \$142.2 million proposal combined with additional income from local adjustments such as tuition fee revenues, also shown on Table I.

From the above \$11.265 million, the campus needs to set aside baseline funds for mandatory cost increases. In addition, prior budget allocation decisions called for conversions of one-time funds to baseline in 2014-15. After accounting for these requirements, roughly \$2.8 million in baseline funding would be available for 2014-15 as shown on Table II A and Table II B.

The campus is expected to over enroll next year which will generate additional student and non-resident tuition fee revenues on a one-time basis totaling \$10.364 million. After applying existing commitments against these funds, \$2.4 million in one-time funds are expected to be available for allocation in 2014-15 as shown on Table III.

In summary, \$2.8 million and \$2.4 million in baseline and one-time funds, respectively, would be available for 2014-15. From these amounts, the campus will need to fund university priorities and divisional funding requests contained in the campus strategic plan as well as infrastructure needs, divisional structural deficits, and other core requirements. In addition, the budget process would need to consider possible additional funding requirements associated with damage costs due to the recent earthquake.

One significant change for CSU Fullerton in FY 2014-15 is the successful passage of the student success initiative fee effective fall 2014. This new fee will bring additional resources designed to support student retention and graduation efforts such as added course sections of high demand courses, expanded library hours and academic advising, and support for learning communities and supplemental instruction. The student success initiative fee enhances the quality of the campus environment, and supplements core and critical needs of the campus beyond the basic levels ensured by state and tuition funding. The PRBC recommendations will not include this fee as there will be a separate process for reporting and accounting of these fees via the Student Fee Advisory Committee (SFAC).

The PRBC Planning Process and Recommendations

2013-14 marks the first implementation year for our 5-year strategic plan with eleven task forces working toward understanding precisely what actions are necessary to achieve plan objectives. The proposed FY 2014-15 recommendations presented here are based on member prioritization of strategic plan objectives and subsequent task force recommendations presented by the Provost on behalf of the Cabinet and task force members.

- The President's commitment to hiring 133 high quality and diverse faculty during the 2014-15 and 2015-16 academic years is commendable. The PRBC recommends that the University continue to invest in this plan and encourages colleges to continuously update their multi-year hiring plans in accordance with the University's mission and strategic goals and objectives.
- Cognizant of some of the challenges faculty search committees and prospective faculty have faced with the "Brassring" platform for employment applications, the PRBC recommends that the University invest in a robust, user-friendly on-line recruitment platform that can replace the current platform that was originally intended for the recruitment of staff.
- Recognizing that some disciplines face significant challenges given the small pools of high quality and diverse faculty from which they draw candidates, the PRBC recommends that the University establish a funding mechanism to encourage the development and implementation of "active-recruiting" plans.
- The PRBC supports the Provost's proposal to lead the various stakeholders represented on the President's Advisory Board in the development of an Academic Master Plan. The plan should be completed on or before the end of the 2015-16 academic year and provide answers to the following fundamental questions: What will we teach? Who will teach? Who will we teach? How will we teach? How many students will we teach? Answers to these questions will guide our enrollment

management plans and provide a basis upon which to establish measurable targets for our tenure-track and contingent faculty hiring plans.

- The PRBC supports the Provost's proposal to lead the Council of Deans and the Division of Human Resources, Diversity and Inclusion in the development of a plan to improve the professional experience of our contingent faculty. The plan should be completed during the 2014-15 academic year and consider, among other elements, the results of the University's 2014 Climate Survey.
- The PRBC recommends alignment of budget allocations to practices demonstrated to support student success:
 - Examine High Impact Practice (HIP) participation baseline. Begin assessment of HIP outcomes and develop plan for HIP expansion.
 - Expand efforts to support student success through integration of best practices and pilot assessment of related outcomes in bottleneck, gateway and low-success-rate academic courses and programs.
- PRBC recommends development of structures, allocation of resources, and training necessary to support assessment of student learning. Resources may include assigned time for college-based assessment coordinators.
- PRBC recommends development of structures, allocation of resources, and training necessary to support mandatory student advisement. Graduation advisors have been hired for each college. Next steps include training in the use of integrated advisement tools and development of a cross-unit advisement coordination strategy.
- Examine co-curricular participation baseline through use of the Titan Student Involvement Center. Begin co-curricular program expansion and use of co-curricular transcripts.
- PRBC recommends the allocation of resources necessary to support the areas of need identified by the WASC Interim Report Steering Committee, including funding for a Director of Writing, a position viewed as essential by the WASC review team.

In addition to the funding and operational priorities previously listed above, the PRBC recommends that the University strategically address any existing divisional structural deficits that may exist – including in the areas of faculty and staff professional development as previously mentioned. In doing so, the University should carefully balance the needs of existing, proven programs with the development of new ones. The PRBC strongly recommends that the University continue to work with the Chancellor's

Office to address the historical and counter-productive inequities that have led to Cal State Fullerton's students being funded at a significantly lower rate than students on all other CSU campuses.

Attachments (2)

Attachment 1—2014-15 Budget Outlook Information

Attachment 2—CSUF Reaching Higher – Prioritized Investment Options for 2014-15

Cc: Sean Walker, Academic Senate Chair

Ann Camp, Chief of Staff to President García

Jose Cruz, Provost and VPAA

Danny Kim, VPFA and CFO

Bob Mead, 2014-15 PRBC Chair