



San José State
UNIVERSITY

A campus of The California State University

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F03-3

At its meeting of October 27, 2003, the Academic Senate passed the following Policy Recommendation presented by James Brent for the Budget Advisory Committee.

POLICY RESOLUTION PRINCIPLES AND STRATEGIES TO BE OBSERVED AND UTILIZED DURING TIMES OF BUDGET CUTS

- Whereas, due to a downturn in the California economy, SJSU has already experienced reductions in its budget and further reductions seem unavoidable, and
- Whereas, budget cuts invariably raise tensions on campus, and therefore the campus should agree on broad principles and strategies to be utilized in the making of such cuts, and
- Whereas, in Spring 2002, the Academic Senate passed and President Caret signed S02-1, which states, "As soon as possible after the adoption of this policy, the Budget Advisory Committee, collaborating with the president and the vice presidents, shall formulate a resolution outlining a series of budgetary principles and strategies to be utilized in the event that the university general fund budget is cut" and
- Whereas, the Budget Advisory Committee has consulted with the president and the vice presidents on this issue; be it therefore
- Resolved, That the attached principles and strategies be adopted as university policy; be it further
- Resolved, that the strategies suggested below not be considered exhaustive, and that the university may consider other strategies for reducing budgets and increasing revenues; be it further
- Resolved, that the university call upon the state to provide higher levels of funding for the CSU, particularly to increase the percentage of the budget related to instruction.

Principles to Be Observed While Cutting Budgets

When engaged in budget-cutting, SJSU should adhere to the principles laid out in section 1.0 of S02-1, in addition to the following considerations:

- Commitments to students currently enrolled should be fulfilled.
- Programs designed to increase enrollment should be curtailed if state funding is not sufficient to fully pay for such increases.
- All General Fund units should be evaluated for potential budget cuts, taking into consideration their program design, fixed vs. variable costs, and other relevant factors.
- Any decision to make across-the-board cuts versus deep, narrow cuts should be made only after consultation with the BAC and other units across campus.
- When possible and desirable, unfunded mandates from the CSU or the State of California should be cut before funded mandates.
- When possible and desirable, unfunded mandates from the CSU or the State of California should be cut before campus-based initiatives.
- Agreements specifically dealing with the budget situation at hand that are reached by the CSU and its bargaining units must be considered, including the California Legislature's Supplemental Report Language, endorsed by the California Faculty Association and the CSU administration, that would give "priority to funding core classroom instructional needs, student services, and libraries" and would apportion reductions "to mitigate their impact on the quality and availability of [CSU] class offerings, student services and libraries."
- Some level of expenditures must be maintained, such as for continued hiring of tenure-track faculty, student services personnel and Librarians, continuation of student retention programs and maintenance of technology, so that the university is able to function in the near and distant future and program accreditations are not put at risk.

Short-term Budget-cutting Strategies (Temporary steps only – We emphasize that such strategies cannot be pursued for long without endangering the long-term health of the university)

- Impose a partial, rolling hiring freeze
- Re-examine discretionary spending
- Re-examine equipment purchases
- Reduce or eliminate campus-wide initiatives in the context of budget priorities, and on a cost-effective basis
- Re-examine auxiliary contributions and use of resources
- Examine ways of reducing duplication of effort
- Better enforce guidelines regarding low-enrolled courses, and consider offering certain courses less frequently
- Reduce usage of paper by encouraging increased use of existing electronic resources for communication

Longer-term Budget-Cutting Strategies

- Merge departments and schools where appropriate and economies of scale may be achieved
- In consultation with the BAC and relevant parties, re-examine base budgets.
- Increase the proportion of the athletics budget obtained through external sources.
- Institute enrollment strategies that are responsive to changes in demand
- Explore flexible scheduling of facilities

Strategies for Increasing Revenue

- Consider university-, college- and department-based student fees
- Pursue funding opportunities for endowment of faculty positions
- Communicate with the state legislature and Department of Finance about the importance of a graduate fee differential

**ACTION BY UNIVERSITY PRESIDENT: Approved by Interim President
Joe Crowley, 11/06/2003**