

2003/2004 Academic Senate

**MINUTES
December 8, 2003**

I. The meeting was called to order at 2:05 p.m. and attendance was taken. Thirty-six Senators were present.

Ex Officio:

Present: Nellen, McNeil, Sabalius,
Crowley, Brent, Van Selst
Absent: Shokouh

CASA Representatives:

Present: David
Absent: Gonzales, Palakurthi

Administrative Representatives:

Present: Lee, Rascoe, Kassing
Absent: Goodman

COB Representatives:

Present: Campsey, El-Shaieb, Donoho

Deans:

Present: Breivik, Gorney-Moreno,
Andrew, Meyers

ED Represent:

Present: Lessow-Hurley, Katz

Students:

Present: None
Absent: Tran, Gadamsetty, Sherman,
Torres, Paat, Lam

ENG Representatives:

Present: Pour, Choo, Singh

H&A Representatives:

Present: Van Hooff, Desalvo
Absent: Heisch, Vanniarajan

Alumni Representative:

Absent: Guerra

SCI Representatives:

Present: Hyde, Veregge, Bros, Kellum, Branz

Emeritus Representative:

Present: Buzanski

SOS Representatives:

Present: Baba, Von Till, Ogaz

Honorary Senators (Non-Voting):

Present: Norton

SW Representative:

Present: Coach

General Unit Representatives:

Present: Thames
Absent: Liu, Yi

II. Approval of Academic Senate Minutes –

The Senate minutes of November 24, 2003 were approved with three amendments. Senator Breivik asked that the first line of the University Library Board Action Items (VI. B.) be changed to read, "there was a significant increase in the number of items checked out by University personnel in October of this year as compared to October of last year." And, Senator Breivik asked that the second line of the University Library Board Action Items (VI. B.) be removed entirely. Senator Rascoe noted that she was in attendance at the last meeting and asked that IX. E. be changed to reflect this.

III. Communications

A. From the Chair of the Senate –

Chair Nellen said, "First, three people have contacted the Senate office expressing interest in the vacant College of Humanities and the Arts Senate seats, and this is great. When we meet again we may have those seats filled. Next, the Senate office is going to have an open house on Wednesday, February 18, 2004, from 10 a.m. to 2 p.m., please stop by and have snacks. We will be sending a flyer out to Senators to remind them in February." Chair Nellen stated, "Last Thursday and Friday 16 people from the campus, including 6 Senators, participated in a CSU Conference on 'Student Success for Facilitating Transfer and Degree Completion.' The conference was based on an earlier task force report adopted by the Board of Trustees on recommendations to help students more efficiently earn their Baccalaureate degree. Provost Goodman was a member of that task force. The goal of the conference was to showcase strategies that result in more effective and efficient degree completion for both transfer and freshmen, and SJSU showcased both our MUSE program and our articulation process that we have with De Anza Community College. The conference was also to provide opportunities for discussion and reflection on student progress to degree, to develop an awareness of resources throughout and within the CSU system, and to provide a basis for future CSU policy options. We heard about and discussed many different ideas that other campuses are using that involved technology, advising, innovative teaching and learning models, and policies to help students identify their path of study, complete it, and avoid taking classes beyond what is needed to complete their degree. On average, a CSU student takes at least 5 classes that they do not need. At first that may not seem like much, but when you look at a whole system, that actually (according to Vice Chancellor Spence) comes up to a cost of about \$100,000,000, and that takes up the space of maybe 20,000 additional students. This certainly is something the CSU is looking at very seriously on how we can improve the ability for students to more efficiently complete their Baccalaureate degree. We will need to report back to the CSU on what we are doing to help our students not take these 5 (or what I believe is more than 5 at this campus according to AVP Cooper) extra classes. There are a variety of reasons why this happens. It might just be poor planning, or because of a change in major, or the student couldn't get the class they needed but had to take one because of financial aid, etc. We need to look at how we can make that process more efficient for our students. There were a variety of ideas discussed. Some of the ideas the SJSU group discussed were requiring transfer students to declare a major, having the first 30 units a student takes be required for any major to prevent the overlap, improving advising for GE and in the major, requiring students to have taken the WST in order to qualify for junior status, and requiring students that fail the WST to take a course the next semester designed to help them pass the WST. The Student Success Committee and the Curriculum and Research Committee will be looking at these ideas and working with AVP Bob Cooper on what we can be doing to improve student's efficiency toward degree here."

Chair Nellen said, "The BAC is looking at promoting some models for course delivery that might reduce the cost of instruction without diminishing quality of instruction and without increasing faculty workload. We hope to share these models with the community and get additional ideas that we might be able to share with the Colleges, especially considering the

fact that we are facing significant budget cuts. The BAC is also looking at the CSU Long Beach model and the BAC hopes to hear from Interim President Crowley on this in early February."

Chair Nellen announced that Senators would be hearing presentations on the university budget and some of the Division budgets later in today's meeting. Chair Nellen asked Senators to "realize that's not the entire flow of funds throughout the university. We have several auxiliaries that have a significant flow of funds, and one thing the BAC added to its agenda this year is to find out how the auxiliaries work and their connection to university operations. The BAC will be hearing from Spartan Shops, Associated Students, Continuing Education, and the Foundation as a start in the spring semester."

Chair Nellen said, "Next, I want to say a few things about general education. This topic comes up in a variety of ways and we need to understand general education. For example, some of the changes we might make to improve a student's being more efficient in getting their Baccalaureate degree will certainly involve general education and its delivery on this campus. Also, BOGS, the Curriculum and Research Committee, and the UG Studies office on this campus have begun to work on a plan for the required review in 2005 of our GE Guidelines to make sure we are ready for that. Their recommendations will be coming before the Senate. We will also be having a presentation on GE by UG Studies at the next Senate meeting in February." Chair Nellen then gave the Senate a short GE quiz.

Chair Nellen announced that "we will stop at 3:15 p.m. or 3:30 p.m. to have cake and cider. Senators will also have the opportunity to purchase books for the Library at this time."

B. From the President of the University –

Interim President Crowley said he was a little reluctant to make any communications because in the last communications that he made to the Senate, he said that we would have no mid-year budget reductions, which was followed the next day by the Governor's announcement that we could have a mid-year budget reduction. Interim President Crowley apologized for having to leave early. He said that our Senate meetings tend to correspond with either the Trustee meetings, or the Executive Council meetings starting the following day in Long Beach, so he has to leave early to catch his plane. Interim President Crowley said, "As the Chair indicated, this is to follow-up on the report that I gave in October that dealt with the earlier charge from the Senate to provide a report on the state of Intercollegiate Athletics at this institution, following upon the report by the NCAA on the institution's request for continuing recertification of its athletics programs." Interim President Crowley asked if anyone had questions about the report he gave in October.

Questions:

There were no questions on the Athletics report. Interim President Crowley then said he would take any other questions that Senators might have for him.

Senator Norton asked if Interim President Crowley "had any further information about the situation in Sacramento, and where the Governor is going with the budget?" Interim President Crowley said, "We have one possible enrollment problem, which is that we may not, almost certainly will not, reach our goal of coming within 1 to 1 1/2% of our target enrollment figure. If we are above this figure we will have to pay a price. This will be a challenge for us. In addition, there appears to be the likelihood of a mid-year budget reduction in the neighborhood of \$24 million, but \$4 to \$5 million of that would be taken up by the enrollment shortfall, so we'd be really looking at something like \$19 to \$20 million. SJSU's share of that would be about 7%. It also appears, though it is not yet confirmed, that the earlier announcement regarding part of that reduction going specifically to outreach programs may well not obtain and that the entirety of that budget reduction would be unallocated. This means that that \$19 to \$20 million would be unallocated and we would simply be faced with about 7% of that to deal with, and we could do that through one-time funds. But, that reduction would become part of the base for the subsequent year, when would likely be looking at something far more serious."

Senator Choo asked, "Is there any new information about the Presidential Search?" Interim President Crowley said, "The only new information is that the search is being extended, and that one of the members of the Advisory Committee, Joe Natoli, will be leaving this month. Someone on the Advisory Committee will replace Joe Natoli. Otherwise the search remains the same, and the objective now is to have a president selected at the March meeting of the Board of Trustees. There is a likelihood that the person selected will not arrive until June or July, so you would be stuck with me until then."

Senator Katz said, "Last year there was an Ad Hoc Task Force that represented minorities, and one of their recommendations was to possibly have faculty searches begin earlier, i.e. be approved by May and get started by the early fall so that the chances of actively recruiting minorities, and getting a better pool of candidates might be advanced. Many times our searches aren't approved until November/December, and then we don't advertise until November or December. I'm wondering what your view of this recommendation might be, and whether there might be any way to move it forward?"

Interim President Crowley said, "My reaction would be favorable, because that's pretty much the Academic Calendar. However, whether the timeline can be moved is a question I don't know enough about to answer. I suspect it's tied to budget deliberations and public debt from Sacramento, and that tends to go on long past the beginning of the fiscal year."

Senator Veregge asked, "Is there a likelihood that searches that are currently underway will be terminated due to mid-year reductions?" Interim President Crowley said, "We haven't had that discussion at the level of the President's staff, however, as far as what we know about mid-year reductions right now, there wouldn't be any reason based on that to not continue to search and fill those positions."

Senator Von Till asked, "Do you know what kind of outreach they are doing to increase the pool of applicants for the President's position?" Interim President Crowley said, "I know that the Chancellor has taken it upon himself to expend a substantial amount of energy to expand

that pool."

Senator Singh asked, "How can we make people know that this is a good university across the country?" Interim President Crowley said, "I think the problem really is a misunderstanding of the institution and its core. There certainly is ample understanding that there are some very good programs at this institution. There is nothing wrong with wanting to become the preeminent College of Engineering. The question would be how to seize upon all those moving parts out there and get them operating in sync. This is not so much the campus reputation around the country, as it is a lack of understanding of what we stand for as an integrated, collaborative, organized, well-planned, priority-setting institution. This is missing, and that is a correction that I believe the institution has to make in order to go from where it stands, to realize a promise of what could happen if we could do a better job of setting priorities, coordinating, and doing some planning."

Senator David said, "You mention planning and to my knowledge we have no strategic plan. I think that is very unusual, in your work at other institutions have you come across another university without a strategic plan?" Interim President Crowley said, "I think they are out there, planning was pretty much against the law in Nevada when I took over as President. We planned anyway, but we didn't do a very good job of it in the 1980's. Finally we got it right in the 1990's. I think when the new President arrives here, one of the first things he is going to want to do is initiate a strategic plan process. There is a lot of planning going on around campus that I hear about, but they really can't go very far without a strategic plan."

Senator Donoho said, "We need to educate ourselves about how the Strategic Planning Process should work. We will be discussing this at the Senate retreat in the Spring."

Senator Van Hooff asked, "Are we typical of other CSU campuses in the area of strategic planning, or are we worse?" Interim President Crowley said, "I don't know enough to say. However, when I was at Long Beach, I got to see their transparent budget process. The strategic plan feeds into their budget process."

IV. Executive Committee Report –

**A. Executive Committee Minutes –
November 24, 2003 – No questions.**

**Budget Advisory Committee Minutes –
December 1, 2003 – No questions.**

B. Consent Calendar – Approved as is.

C. Executive Committee Action Items: None.

V. Unfinished Business -

Senator Buzanski presented *AS 1222, Sense of the Senate Resolution, Protection of Campus Trees (Final Reading)*. The Senate voted and AS 1222 was approved with one

abstention.

VI. Policy Committee and University Library Board Action Items. In rotation.

A. University Library Board –

Chair Branz announced that the Library had its 1 millionth visitor this week. They got a nice gift certificate. Chair Branz said that he wanted to remind everyone that although usage has increased, the number of staff members hasn't. Chair Branz also wanted to let new Senators know that the Library policy was completely revamped last semester and you can find it on the Senate web site.

Professional Standards Committee–

Chair Katz announced that they did have a Senate Forum on the RTP standards. Members of the RTP committee were also invited by Vice Provost Bill Nance to come to a 1 hour meeting with the Deans to discuss what the Deans liked and disliked about the policy. The Deans suggested that they needed more time to write their letters, and another idea is that faculty are told to do things for improvement, but there aren't any consequences if they don't do them.

C. Curriculum and Research Committee–

Chair Lessow-Hurley said that the Curriculum and Research Committee recently approved a BS in Software Engineering. The committee also hopes to bring a MUSE policy to the Senate in the Spring. And, the committee has entered into a conversation with AVP Cooper on the GE Guidelines.

D. Organization and Government Committee –

Chair Veregge said she has nothing new to report.

E. Budget Advisory Committee –

Chair Nellen said she has nothing additional to report.

F. Instruction and Student Affairs Committee –

Chair Pour said that the committee is continuing to work on the Office Hours policy.

VII. Special Committee Reports – None

VIII. New Business –

A. University Budget Presentation:

VP of Finance and Administration, Don Kassing, gave a presentation on the University Budget. VP Kassing said that "this budget document was prepared by Cynthia Haliasz" in his office. VP Kassing said, "In the back of the budget report is a survey for your use. We welcome any feedback you may have on how the report was prepared. On page V there are a couple of key points that I'd like to highlight. The primary focus is on the general fund or that part of the budget that is a function of appropriation from the legislature and student fees. That is the primary source that we use in delivering instruction at the university. We also experience every year some one-time allocations. It varies from year-to-year. The budget report does not do very

much year-to-year comparison, because it is very difficult to do. On page 1, you get an overview of the CSU Budget. This shows you what the state and CSU goes through when they try and put a budget together. The intent is that they are finished by the end of June. This state has a hard time doing that.

On page 4, you can see what we go through to try and put together the SJSU budget. This begins in the fall with work done by the BAC and the President's Office, and then typically in February we solicit budget requests from the campus. We then make a determination on whether we are going to try and fund them. We work the budget year on what we would label a marginal revenue/marginal cost approach. We don't zero base the budget. In other words we don't go into a department's base budget and tear that apart. We work at the top. On page 5 shows you the actual process and how the budget is allocated.

Page 6 is one of the more important pages in the document if you are trying to get a sense of the whole university. SJSU generates almost \$380 million. That makes us a pretty good-sized operation. SJSU is the 5th largest comprehensive university in the United States. The general fund state appropriation, and student fees together are about \$213 million. Once they make this investment, it triggers a whole set of other things that start happening. For example, we have International and Extended Studies, which is a \$13 million operation, and our housing operation is \$9 million. The lottery funds are also allocated based upon how much you and I are gambling. Our parking funds are \$26 million, and the Student Health Center is about \$5.4 million. All of these units are revenue funds that are self-supporting. There is no state money in these activities. They occur because we are here. In the center of that table is the State and Federal Financial Aid that is distributed by the university and is almost \$23 million. Below that are the 4 auxiliary corporations the university has created including: Spartan Shops, the Student Union, Foundation, and Associated Students. These 4 operations generate \$379 million."

Senator Sabalius asked why the "Athletics Director was included on pages 4 and 5 in the April decision-making, when no Deans are included." VP Kassing said, "Athletics is included here because it is a separate budget function. The VPs and the President make the decisions. The Athletics Director does not really participate in these discussions, he is just a spectator. What we tend to do is have these discussions at the President's Retreat which includes the President's staff, and the Athletics Director is there because he reports directly to the President.

On page 7 you see the one comparison year-to year that we make. For instance, this chart shows a general fund appropriation decline from 2002/2003 at \$155 million, to 2003/2004 at \$144 million. This is almost an \$11 million decline. Line 6 shows student fees. We had an increase in student fees from 2002/2003 to 2003/2004 of about \$18 million. If you drop down to line 8, we finish that calculation at about \$7.4 million ahead. Lines 10 through 17 give a comparison of enrollment from last year to this year. In 2002/2003 we had a target enrollment of 21,628, and we had an actual enrollment of 22,376 students. We think we are going to be somewhere around 21,800 to 22,000 this year. On line 20, there is \$830,000 is one-time money. Line 22 is the retirement contribution that the state makes for you and I. Line 24 and 25 are new enrollment money. Lines 20 through 25 show \$15,000,667 in new money.

On line 28 they start to take money away from us. We had a drop in financial aid. Line 29, 30, and 31 were the different budget cuts that were made as the budget moved through the legislature last spring. The sum of lines 28 through 31 is \$26 million in cuts.

On Page 8 there is a history of the one-time allocations made to the university. On page 9 and 10 the Budget Priorities are listed. Pages 11 and 12 show what we actually ended up doing. On page 11 at the top of the page on line 2, we have identified previous and continually obligations that we have. An example is the increase in our health premium costs. The state usually absorbs this, but for the last two years they haven't and we have. Line 3 is the insurances pool that we belong to along with other CSU's. Line 4 is the last installment on our CMS project. Line 5 is a whole set of costs associated with the Library relocation. Over 500 workstations had to be relocated. For example, included in this cost are the modulars that Procurement Services is in, and the Student Services Center. Line 14 is the actual Martin Luther King Jr. Library. Some of these costs include our portion of the security for the building, etc. Line 17 and 18 are provisions in the Collective Bargaining Agreement we have to honor. Line 21 and 22 include costs to improve our network security. We have had an extraordinary amount of attacks on our firewall, but it has held up. Line 26 is the sum of these decisions/recommendations. We added \$3.8 million of requests in base money, and \$4.4 million in one-time funds. On page 12 we'll show you how we did this.

On line 2, where footnote A is, we started out with a budget of \$7.4 million to the good, but once the state gave us that money, they took out \$4.6 for the contributions to the retirement fund they made for us, then they took money for the space that the new library is occupying, and they took 1/3 of the student fees for financial aid money. So we started out with \$7.4 million to the good, but before we even did anything we had \$11 million in draw down on that money. On the one time side, we had some extra fee revenue from last year when enrollment was up that we held on to that amounted to about \$2.8 million. So we finish up this whole exercise on line 31 at \$5 million in the hole on revenue, we add to that \$6.8 million in one-time funds, and then we add to that \$133, so line 33 is the same as line 26 on the preceding page. On page 13 it shows how we did the budget cuts.

On page 15, you can see my division and what we spend on salaries, benefits, and operating expenses, which is about \$30 million for the Administration and Finance Division. We have also included budget information this year about the new housing village and CMS. There is also a report about lottery funds and how they are distributed. Pages 31, 32, and 33 are some analysis tables about student fees. There is also a quick summary of the Foundation on page 36.

You should have in front of you a copy of the Administration and Finance Division's budget that is \$25 million. This does not include benefits that are held centrally. Our portion of the general fund budget cut of \$8.8 million was about 17%. We have cut \$1.5 million from vacant positions, operating costs/supplies, etc.

On page 18 you can see the Athletics budget. Lines 6 and 17 are a comparison I want to show you. In 2002/2003, Athletics had a revenue of \$12.4 million and spent \$12.8 million. We agreed to loan them the difference, but they have to pay that back within 3 years. This year they were only able to predict revenue of about \$11.8 million, which meant they had to have their

expenses in line. What I wanted to point out to you is that that is about \$1 million less in budget, so they have went through some pretty dramatic cuts. In addition to that, when we raised our fees 10% last spring and 30% in the fall, that raised the value of the scholarship and they had to absorb that because no state money can be used for scholarships."

Questions:

Senator Veregge asked where does the grant money get held. VP Kassing said it is held by the Foundation.

Senator Singh asked whether "construction costs were included in the budget." VP Kassing said "no that that was a bond/loan issue." VP Kassing said, "There are two types of financing methods that we use for our construction. The first method is to use general obligation bonds that are paid for by the state and include the new Library, they don't show up on our books anywhere. The other method, such as what we used for the new housing village, is to use revenue bonds, where we go out into the market and sell bonds and we will be paying this off over the next 30 years."

Senator Sabalius said, "The pie chart on page 14 shows that Athletics received 3.2% from the general fund, and if I recall correctly, didn't either the Senate or the President decide that Athletics shouldn't get any more than 2 or 2.4% of the general fund money." VP Kassing said, "There has been no increase in Athletics base budget other than those required by contract. When Bob Caret was here he talked about trying to keep the Athletics budget at 2 – 2.4% of the general fund, but we haven't been able to do it." Senator Sabalius said, "This budget shows that every division has taken a 5 1/2% cut except Athletics." VP Kassing said that "Athletics had a mid-year cut of about 1.4% from the general fund, however, they reduced their expenditures by over \$1 million which is about a 11% cut." Senator Sabalius said, "When my department loses students, the university doesn't step in to make up the difference in lost revenue to the department, and yet this is what we do with Athletics when they continually lose revenue each year. I don't see that they are treated with the same scrutiny that the rest of the university is."

Senator Buzanski asked if he "was correct that the state now only supports about 2/3rds of our costs when it used to be close to 100%?" VP Kassing said yes.

B. Student Affairs Budget Presentation:

VP Rascoe gave a presentation on the Student Affairs Division budget. VP Rascoe said that "the handout shows the division structure, and a breakdown of the individual departments. If you look at the difference between the first and last pages, you will see the effect of cutting one AVP and what we did to reorganize. Basically we have all the general fund units reporting to one AVP, and all the auxiliaries are reporting to the other AVP. The functions are pretty much the same. On the 3rd page it shows our primary function. The 4th page shows how the funds are allocated within the Division. One note for your information is that the budget cuts hit our division primarily in the operating expenses area. The departments with small operating funds had to go to cutting salaries. This year the division by using one-time funds was able to backfill the cuts. We have some departments that are very understaffed and we are going to have to look at how we deliver services in the spring."

C. Academic Affairs Budget Presentation:

AVP Sandy Dewitz gave a presentation on the Academic Affairs Division Budget. AVP Dewitz said that what she had given Senators was a portion of the total Budget Binder for Academic Affairs, and if anyone wanted a copy of the entire binder she would get it for them. AVP Dewitz said, "The first section gives an overview of what happened to our budget. For instance, we lost \$750,000 for each additional FTES we are supposed to teach this year. What I need to emphasize is that of the \$8.8 million shortfall this year, Academic Affairs was responsible for \$6.624 million of that. What you will see on page 3 is our base budget that includes the instruction program that all of you are in. Academic Affairs is all the faculty salaries and all of the O&E for instruction, IPAR, and what we allocate for the Academic Senate, etc. We reduced our O&E budget by almost \$6 million. This is explained on page 5. We used one-time assets and got a reprieve for one year. What baffles me is when I hear Deans and Chairs talk about the devastating budget cuts they got this year, when then didn't get any budget cuts. The only budget cut that instruction programs got are summarized on page 5. While we didn't cut instruction, we didn't increase their funding either. We are going to miss our FTES target by probably 400 or 500. This means the state will be taking money away. This was a surprise. We thought we would have so much demand. We aren't sure exactly what the problem was. On table 9.1, I want you to look at the number in the bottom right hand side of the page. \$3,809,636 is how much more money we allocated out to instruction programs than we had. We covered this from the Provost's Division reserve. At the Provost's meeting tomorrow, I am supposed to present a budget strategy. There are number of ways I could do this such as, suggest an across the board cut of 5%. I ran a number of budget scenarios. I would like to see us cut as few FTEF as possible while also absorbing our cuts. So this means we have to figure out how to be more efficient without using just our operating funds to cover the losses."

Questions:

Senator Singh said that it "doesn't appear from Table 9.1 that the amount of support staff is equal to the number of people they support throughout the university. Rather than cut O&E, why not cut some of the excess support staff?" Chair Nellen said that "this detail is what the BAC and Interim President Crowley would like to see in a more transparent budget; exactly why so many people are needed in a department and other data such as how many labs are involved etc."

Senator Veregge said, "If it looks like we aren't going to make our enrollment target, should we hire more TAs to help increase enrollment?" AVP Dewitz said, "No, because we have limited division reserves and almost no O&E, so if anyone out there goes over target we have no way of covering it."

IX. State of the University Announcements. Questions. In rotation.

- A. Associated Students President – moved to the next meeting due to lack of time.**
- B. Statewide Academic Senators – moved to the next meeting due to lack of time.**
- C. Provost – moved to the next meeting due to lack of time.**
- D. Vice President for Administration – moved to the next meeting due to lack of time.**
- E. Vice President for Student Affairs – moved to the next meeting due to lack of time.**

X. Adjournment – The meeting adjourned at 5:10 p.m.