

2020-2021 Academic Senate

MINUTES
October 26, 2020

I. The meeting was called to order at 2:00 p.m. and roll call was taken by the Senate Administrator. Fifty-One Senators were present.

Ex Officio: Present: Van Selst, Curry, Rodan, Delgadillo, Mathur Absent: None	CHHS Representatives: Present: Grosvenor, Sen, Smith, Dudley Absent: None
Administrative Representatives: Present: Day, Faas, Del Casino, Wong(Lau), Papazian Absent: None	COB Representatives: Present: Rao, Khavul Absent: None
Deans / AVPs: Present: Lattimer, Ehrman, d'Alarcao, Shillington Absent: None	COED Representatives: Present: Marachi Absent: None
Students: Present: Kaur, Quock, Walker, Chuang, Gomez Absent: Jimenez	ENGR Representatives: Present: Sullivan-Green, Saldamli, Okamoto Absent: None
Alumni Representative: Absent: Walters	H&A Representatives: Present: Kitajima, McKee, Khan, Frazier, Taylor, Thompson, Riley Absent: None
Emeritus Representative: Present: McClory	COS Representatives: Present: Cargill, French, White, Maciejewski Absent: None
Honorary Representative: Present: Lessow-Hurley	COSS Representatives: Present: Peter, Hart, Sasikumar, Wilson Absent: Raman
General Unit Representatives: Present: Masegian, Monday, Lee, Yang, Higgins Absent: None	

II. Land Acknowledgement: Senator Yang recited the Indigenous People’s Land Acknowledgement.

III. Approval of Academic Senate Minutes–None

IV. Communications and Questions –

A. From the Chair of the Senate:

Chair Mathur announced the meeting was strictly to hear the budget reports and no other Senate business would be conducted today.

This meeting will be recorded for purposes of transcribing the minutes. Only the Senate Administrator and Chair Mathur will have access to it.

Be sure that your full name is shown in your participant listing. Use the chat window for communication. Please ensure you mute when not speaking. If you are having bandwidth issues, please consider stopping your video. Type SL into chat if you have a question, please wait until the end of their presentations. Wait until the senate chair calls on you. Do not post your questions in the chat unless requested. If you are a visitor and have a question please send it to your Senator in the Chat to present it. Please note that the Chair can see private chats in the chat feature.

VP Faas will give the first report on the University Budget. Provost Del Casino will give the second report on the Academic Affairs Budget.

B. From the President: No report.

V. Executive Committee Report:

A. Minutes of the Executive Committee: No minutes.

B. Consent Calendar: No consent calendar.

C. Executive Committee Action Items: None.

VI. Unfinished Business: None.

VII. Policy Committee and University Library Board Action Items (In rotation)

A. Professional Standards Committee (PS):

B. Organization and Government Committee (O&G): None.

C. University Library Board (ULB): None.

D. Curriculum and Research Committee: None.

E. Instruction and Student Affairs Committee (I&SA):

VIII. Special Committee Reports:

a. University Budget Report by VP Faas:

VP Faas commented that he wished we only had a \$10 million problem and millions of dollars in endowments like Harvard does. They can go 400 years using their endowments to pay budget shortfalls.

In the Northeast, high school graduations are down and enrollments in colleges are down. That's not a big surprise, since there are educational budget issues, particularly in the Northeast. The things we are going to talk about today are quite a bit different, and we are in a much different space than our peers in the Northeast.

We have strong enrollment and we have strong demand. We also have great vision moving forward. We are trying to make sure that during the next two to three year period, we are going to be able to do the things we said we were going to do and to exit this time of COVID-19 in a good to strong perspective. We want to really do a good job of meeting our goals of *Transformation 2030* as we go forward.

We have any number of things that have impacted us and set the context for this year. Obviously the virus is at the center of all this. Then there is the past governor, Governor Brown, who set aside his rainy day fund, which has been a blessing in a lot of ways. For all the grief everyone gave Governor Brown for setting aside this rainy day fund, clearly it wasn't enough. What we have seen in the federal government is one wave of CARES funding.

We are seeing lots of issues around the campus like VISA issues trying to get our foreign students here. Our international enrollment is down. Then there is the idea of Zoom classes and the impacts of Zoom on the whole campus.

The state is having all kinds of budget cuts. In the past few years we have been blessed that the state has given us some level of funding, until this past year when we received a \$300 million drop CSU-wide. What we haven't seen are tuition increases for the last five or six years and we've also had average unit load increase. The good news in all of this is students are taking more classes, which is good for them in terms of graduation and good for their preparation.

Throughout this process *Transformation 2030* has been the driving force.

This year the single biggest driver of our deficit has been housing. There are only 850 students living in housing on campus versus the 4,200 that we have the capacity for.

This recession will be going on for a number of years. The governor and chancellor have said two to three and maybe even four years that we will be financially impacted by COVID-19. Trustee Sabalius is probably the only person in this room that thinks the state is going to give us more money next year. The best case scenario is that we get the same funding we got this year next year. The governor is going to give the first tip of his hand on January 10, 2021. This is when the first look at the State budget message comes out. We will see what that looks like. We will also see what impact the election has in the next couple of weeks. We will also see if there will be any kind of stimulus package.

The view by Sacramento and many unions is that the campuses have large reserves. Sacramento and the chancellor have said we should be using our reserves. The CSUEU has written the chancellor as well about making sure those reserve usages are being followed. They were concerned about layoffs on campus. We at SJSU are NOT currently looking at layoffs. Quite a few of the other campuses are doing layoffs. Layoffs can be done locally, but furloughs can only be done at the CSU system level. The chancellor has said no furloughs are planned for this year. However, campuses have the ability to do layoffs.

The reality is that each campus is completely different from each other whether that be enrollment, or reserves, county help, Athletics, etc. For instance, Fresno and San Diego are taking a beating, because their Athletic departments bring in a substantial amount of revenue and they don't have fans in the stands.

Then there is the impact of leadership. President Papazian has helped us with the *Transformation 2030* plan. Not all campuses have those guideposts. When you have enrollment, a level of reserves, and the leadership that we have, there is a path to get through this downfall we are in and that is what we are going to talk about today.

There is a comparison chart of tuition and we are 40% lower than the average of comparable institutions. We are at \$7,000 average and the Chancellor's Office sets tuition. The only reason that has gone up over the years is fees. We don't get more revenue when there are no tuition fee increases. We have gotten a little bit more revenue when it has come from state budget increases, but when the state revenue goes down and tuition is flat, we still have our jobs to do and additional workload including teaching on Zoom, learning on Zoom, and doing business on Zoom. There is no reduction in spending. Students have asked for a reduction in tuition, but that is a Chancellor's Office decision. It is not a local decision. Half of our revenue comes from the state, and half of our revenue comes from tuition. We do not want layoffs, and we want to continue the academic mission that we have. There are only so many places we can get revenue, and there are limited outside sources to create a third way of getting revenue.

We talked about *Transformation 2030* and our priorities including student success, strategic investing in the academic enterprise, and health and safety. We have been doing a pretty good job of this through the past six or seven months. At SJSU, we have had 52 COVID-19 cases out of 40,000 people. That is pretty amazing.

The state and the chancellor continue to do one-year budgets. What we have been doing at SJSU are three-year budgets every year. This allows us to look ahead to the impact of our decisions for the next several years. If you make a

short-term decision without looking ahead at the impact a few years out, it is a recipe for disaster.

At the top of our list of priorities in academic affairs is tenure and tenure-track faculty hiring and start-up. The Provost has been adamant about continuing faculty hiring at a time when many other campuses are freezing faculty hiring. The cabinet continues to support him in this. Other priorities include increasing advisers, increasing research, and improving our graduation rates. All of these things are happening, but we have a \$92 million problem.

How did we get to this \$92 million problem? There was a reduction of \$20.6 million between state reductions and mandatory cost increases. Then there were impacts on enrollment (\$16 million). Our total enrollment numbers look great, but when you peel back the layers our non-resident revenues are down close to \$10 million. However, the average unit load has been going up. There are a lot of mixes that have been happening.

Then there are the COVID impacts including cleaning and the cost of PPE. The chancellor's office and the county also told us we could only have one student per room in housing. When you normally have 4,200 students with two per room that cuts occupancy and revenue in half. There are substantial costs related to COVID in housing, parking, and dining areas (\$43.7 million)

Next, there is the investment in faculty including; recruiting faculty, start-up packages, research, and new programs and positions (\$12 million). This is how we get to the \$92 million.

The number one area we looked to in order to cover the \$92 million shortfall was our reserves. We have a \$400 million general fund budget, with a \$700 million all enterprises and auxiliaries budget. If you do the math, we have about 3 months of reserves we can use, or \$115 million. That is not a whole lot of reserves. We are looking to use 50%-60% of these reserves this year. That will help us get through this year. We are looking at how we can get through this without doing cuts, while continuing to fund the areas that are investments we have counted on for *Transformation 2030*.

For transparency, we are reported as having \$161 million in reserves on the CSU transparency portal. The auxiliaries don't show up there. It is just the general fund and enterprises. Again, we are planning to use 50% to 60% of the reserves this year, and additional reserves the next year and the following year. The idea is that this will get us through the next couple of years. However, if the state comes out and says that we will have another 10%-15% reduction.... while we have been creative thus far, but we are going to have to be even more creative. Based on all the knowledge we have today, we believe by using reserves we can close the gap this year and the following years.

We received \$31 million in federal aid that came to the campus as part of the CARES Act. It came in three ways. It came in as student grants, institutional, and institutions serving minorities. There was \$2 million for institutions serving minorities. Of the \$14.4 million for student aid, that money went right out to students from Student Affairs in May last year. Those funds never touched our budgets. It went right to students. Of the balance of \$16 million, \$10 million went to housing, meal plan, and parking refunds that happened last year. About \$2.5 million went to academic support such as lab boxes and kits that were sent out to students. Some of the funds also went to teaching online and summer institutes, laptops, and also safety measures.

So what is the solution? We have shown everyone the \$16 million in federal funds that is there. We've talked about the \$59 million in reserves (some of that comes from Student Union and Research Foundation reserves). We've reduced budgets in the divisions. We've instituted a staff and MPP hiring freeze (that doesn't include faculty). There is a travel freeze. Lastly, we have some program deferrals. That is how we solved our \$92 million problem this year.

Sixty-one percent of our budget goes to Academic Affairs. That number has slightly been down over the last several years as some of those funds have been transferred to the research and innovation division. The President's Office budget has been going up a little year-after-year and that is because some of the strategic communications work came out of Advancement and went into the President's Office. More or less all the other divisions have remained the same [Academic Affairs-60.9%, Office of the President-3.5%, Research and Innovation-1.3%, Information and Technology-6.2%, University Advancement-2.7%, Intercollegiate Athletics-2.9%, Student Affairs-6.5%, Administration and Finance-10.5%, University-Wide-5.6%].

When you look at our Operating Fund of \$419 million versus our total funds of \$662 million, there are areas where we are expending a lot. For instance, in housing we are expending \$34 million. That is essentially a \$14 million drop year-over-year. That is a \$24 million loss of net, because we usually have a \$50 million housing revenue budget. Parking also dropped \$3 million. Athletics is down \$1.3 million year-over-year. Research is also down some. Associated Students is down a little, and Spartan Shops is down quite a bit due to a lack of food services on campus (about \$5 million).

This is how our budget breaks down. About 52% goes to salaries. Benefits are up 1% this year and are 24% of our budget. This means 76% of our budget is fixed in salary and benefits. When you talk about layoffs and other campuses doing that, what they are looking at is reducing that 3/4th of their budget. We are not doing that. We are opting to solve our problems by going into the reserves and cutting other expenses. It does not make any sense to cut our budget when we have as robust an enrollment as we have. Operating Expenses and Equipment are 11%, and Student Aid is 10% of our budget. All relatively flat

year-after-year. We have cut down the operating expenses and equipment budget by cutting budgets and limiting travel.

One of the questions that came up last year was what is the breakdown of salaries by group? Faculty salaries are 53% of our budget. Department Chair salaries are 2%. Support Staff salaries are 31%. Executive, Management and Supervisory salaries are 13%, and Student Assistant salaries are 1% of our budget.

Questions:

Q: Several years ago, because California tuition was so low, it is my understanding we were leaving a lot of money on the table vis-à-vis financial aid. Even if we maxed tuition we would actually be able to increase the revenue from federal sources, is that still true?

A: Honestly, this is the first I've heard of that. I will look into and report back at the next Senate meeting.

Q: Thank you for the presentation and stewardship through this rough time. I think you may have partly answered my question about why the President's Office budget was up with the move of Strategic Communications moved under the President's Office. However, the President's budget used to be around 1% and now it is up to 3.5%. Is all of that from Strategic Communications?

A: Yes, I believe so along with a couple of new positions that were brought in.

Q: Won't next years' budget be much worse as the state begins to really feel the pinch of the lack of revenue? It always seems to take a year for the state to begin to feel the effects of a recession. We could be going into next year with possibly a rough time for the state, and having used up 60% of our reserves, so how can you work your magic next year?

A: We will continue to work it and yes it is some level of magic. The good news that we have seen in the past week or so is that the state revenues are pretty strong. You are seeing state revenues still being reasonably good year-over-year. I think in two years it could very well get worse. What we are anticipating is that the housing problems that we are seeing this year will improve next year. If we can get up to the 50-75% mark in housing next year, then we can return to some level of normalcy. That is the biggest driver of our deficit, so being able to bring folks into housing next fall will greatly improve our position. We are also hoping for a vaccine sometime in the second half of summer and then we get back to having more on campus classes.

Q: Can you speak to what President Papazian was talking about last week about an early exit plan and what that would look like? Also, in light of those things that are happening in higher education that Senator Peter highlighted in the article he sent out this morning, are program and departments being considered to be cut at SJSU?

A: The Provost will determine what actions will be taken at SJSU. However, when you have as strong of a demand as we have here in California, and in San José specifically, of students wanting to be here and to learn from this group, it is completely different from what they are experiencing elsewhere, like the Northeast. It would be crazy for us to be exiting programs when you have a high level of demand. Now, if there wasn't demand for certain courses or programs, then that is up to the Provost. There are always corrections that you do whether you are in a recession or not. At the moment, I do not see a change in the departments other than what we would do on a normal basis. There are no areas we are looking to trim back or cut as a result of this. As for the Early Exit Program, we are working on an Early Exit Program. It should be announced in the next couple of weeks formally. It would be an option for people with a certain amount of years in the system at a certain age. If faculty are going to take early retirement, then we are looking to backfill those positions. However, if staff are looking at early retirement, then those positions would be frozen. If it is a critical position you backfill, but if it can wait then you wait. That's what we have been doing this year. Lots of people are working two and three jobs this year. That is how we are saving some of this money. I do not think we will have a windfall profit from the Early Exit Program, but it is a good option to put on the table for faculty and staff and it has potential to position us in a better way.

Q: You mentioned layoffs a couple of times and said other campuses are doing this, but we are not. My question is how are you defining layoffs? When you look at part-time lecturers, they are never laid off. Their contracts are just not renewed. Are you including lecturer rehiring or were you just including full-time lecturers?

A: [VP Faas] We are not doing anything different than what we have done in the past when it comes to faculty. We are continuing to hire faculty. There is no targeting of lecturers, or trying to reduce lecturers. [Provost] To answer your question though, layoffs do not include part-time lecturers, because they are not on three-year contracts.

Q: On the online SJSU Budget Report, page 9-Office of the President, it indicates that it cost \$1.4 million for the website project. Since this project probably started last year or the year before, did SJSU spend \$1.4 million each year? Is there any way the cost could be reduced in the future?

A: No, this is a new project (one time funds). We have been trying to do this for many years. Our websites are not consistent and informative. They leave a lot to be desired. As the number one transformational university in the country, we have more people looking at us and we are looking to continue to be a growth institution so we have to spend this money to get our websites moved into the 20th century as they are very archaic. We went out and sourced this and got competitive prices. This was the most competitive price we could get.

Q: What avenues are available for us to continue to prioritize hiring and some other initiatives that were highlighted in the three-year budget initiative?

A: I'm (VP Faas) not going anywhere. Provost Del Casino isn't going anywhere either. The Co-Chair of the Budget Advisory Committee, Senator and Vice Chair of the Senate, Alison McKee, isn't going anywhere as well so this is our plan. That's why you do a Strategic Plan and put down your priorities and what is important to you. The easy part is executing against that plan. It is hard to find the resources to execute sometimes. I (VP Faas) know where we are going. Now we just have to find the resources to make that happen. Even in the hardest of years that this institution has had, we have not strayed off that path. We are doing the things the *Transformation 2030* Plan said we would do.

Q: Can I please have some clarification on what is a contingency fund for a one-time of \$4 million found on page 10 of the report?

A: I don't know. Let me see if I can find out that answer and I'll get back to you. Subsequently replied that this is for Spring melt issues.

Q: I saw pictures of the new football stands on the website, were those stands paid for with private donations? Was there any part of funding that came from the general fund?

A: We removed everything on the east side of the stadium so you can see the soccer field. Those pictures must have been from somewhere else. It is completely leveled.

Q: There is something going up there right?

A: We are looking for the Board of Trustees to approve the Spartan Athletic Complex. They are meeting on November 17, 2020. We have donor dollars we have raised over the last 15 years are going to build that building. Either donor dollars or Athletics' revenue will be used.

Q: Can you comment on the Alquist Building and its status?

A: Absolutely, we have five different studies go out to construction firms to see how tall a building we can build, to see what kind of soil is underneath that building, to see what the cost would be to demo that building, and see what other buildings around that building we might need to acquire or partner with. Each of these five studies have happened over the past 6 months and have all come back very positive. We continue to be in a very good place. We are looking to continue to work with the city. Senator Beall is one of our main champions. He terms out in November. This is in the top two or three of my (VP Faas) personal goals is to make sure this happens on campus. I can't think of anything that would be more important and have a more long term effect than affordable housing for our faculty, staff, and graduate students. What a difference it would make for our student population if we had more faculty that could afford to live nearby.

Q: There was an announcement from your team that said the Strategic Sourcing Team saved \$4.3 million last year, can you go into a little detail about that and how that money is being repurposed?

A: My purchasing team goes through and looks at how you better source items and do bulk buys. As part of this COVID effort, we bought all the PPE centrally and saved a lot of money. This is same for our maintenance supplies. It is driven out of the Chancellor's Office. We participate in some of the bulk buys. I can't say that \$1 million in savings went to this division or that division, but \$4.3 million less has to be spent in this area.

Q: At Fresno State, the Athletics Department cut three sports to save money. Is there any discussion of that happening at SJSU to save money?

A: We have 22 Division I sports at SJSU. We will continue to have 22 Division I sports at SJSU. If we look to cut a program, we still have X number of athletes on scholarship and we have to honor those scholarships. We have coaches with salaries that we have to pay. These are all committed. In the short term, there are no savings and a lot more bad will going on. Students would start wondering what sport is next on the chopping block. Possibly in the long run Fresno may save because they won't have to pay those scholarships, but in the short term they did not save money.

Q: Do we get to take advantage of the centralized purchasing contracts coming out of the chancellor's office?

A: We work with the head of purchasing at the chancellor's office. I (VP Faas) meet with him monthly, but Kathleen and Sarah work with him hand-in-hand. We talk about this every month.

Q: Can you quantify the degree to which we have saved through central purchasing?

A: I can have Kathleen and Sarah get some information for you.

b. Academic Affairs Budget Report by Provost Del Casino:

It has been an interesting 15 months for Provost Del Casino. A good relationship with the Chief Financial Officer is key for a provost. Provost Del Casino has an outstanding partner with VP Faas. Sami Monsur, Heidi Wong, and the Office of Budgets and Planning have also done an amazing job on transitioning since Sr. Vice Provost Provost Kemnitz left. The Academic Affairs Leadership Team has been outstanding. In addition, the faculty and staff have done an incredible amount of work during this COVID-19 pandemic. One of the goals in this budget has been to try and protect as much of that work as possible. When VP Faas says we took \$60 million of our reserves, you will see what that has really meant to the Academic Affairs budget as we go through it.

There was a lot of consternation over the centralization of the budget when we first changed it. In this point in time, when we've got the right reserves in the right place to manage the budget, you see the value. We've been able to save millions of dollars in procurement and work across divisions almost seamlessly. You see the value of being able to work collectively. Many campus provosts don't have the pleasure of working with such a great group of people.

We have slight declines overall relative to base funding and one-time funding based on enrollment. Relatively speaking, these are nominal and we are over-enrolled in total. We actually didn't hit target because of our non-resident decreases. As we have heard often these numbers are great, but there are also more California resident students and not non-resident students. The non-resident impact on our budget has been significant this year. That being said, the overall enrollments are central and the nice thing about this is that we have funded every one of these seats at the same rate we have always funded them. So we have not taken a hit relative to the overall slight decline in the instructional budget.

So where did we see some decreases? We had a \$2.3 million reduction in the enrollment funding base. We had a \$1.73 million one-time operational fund budget reduction, and we had a \$1.16 million one-time student assistant funding reduction. These are the major hits to the division. When you add them up and then take them against the overall, it's not that big of a budget cut. It is about 3 1/2%. What is interesting about this as well is that you can cut your way completely through a crisis, or you can rely on your Strategic Plan to invest simultaneously. Instead of stopping and freezing everything, we've continued to build. We have some permanent investments that have come in this year to keep us moving in certain areas, and some one-time funding that has allowed us to do some of the core things we wanted to. Just as a reminder, we did not call off one tenure or tenure-track faculty search. We successfully completed 67 searches. We will go over the faculty hiring and diversity numbers at the end. There is no doubt that we've been able to do some of these things as a result of the creativity, such as in procurement, across the campus.

Let's look at the division budget overall. Our target FTES is pretty consistent. We don't know quite where we are yet until after spring. Right now, the college target FTES is down 284 from the 2019-2020 target of 25,966 and the college surplus FTES is down 383 from the 2019-2020 surplus FTES of 1,211. We have had relatively consistent course enrollment. However, we have had a movement of the dollars around the campus and those movements have impacted certain programs. Let me start by saying these are just the base dollars. There is about \$4 million in surplus teaching. For instance, both Education and Engineering have had a loss in base, but an increase in surplus. There are more dollars coming back in there. The other thing I (Provost Del Casino) want to point out is that we took VP Faas' idea about centralization seriously and we put reserves against the cuts in base budget. We had about \$1 million worth of reserves that we took and paid out centrally in advance of the cuts to the colleges on enrollment. We haven't seen a reduction overall in our workforce numbers as a result of this strategy.

The next slide is the distribution of the base budget which is about \$198 million. You will see in VP Faas' report that this is \$268 million, because VP

Faas includes benefits, etc. Our slide is just base with salary. There is \$155.1 million in the Operating Fund, \$3.1 million in RSCA, \$32.7 million in PaCE Revenue, \$5.5 million in SSETF, and \$1.9 million in Lottery funds. There are questions around the lottery funds and we will have a discussion about it today and hopefully for the last time.

There is about a \$5 million drop from the actuals last year of \$163 million to \$158 million (for 2020-2021). One change in the breakdown from last year to this year is the change in MPPs. Overall the percent of academic salaries has remained the same. There is a slight drop in student assistants from 2% or \$3.72 million last year to .2% or \$.35 million this year. The MPP increases are actually the conversion of several faculty Associate Dean positions to MPP positions. There were a number of research associate deans that didn't have MPP positions, but were doing 12 month work. We also added one additional MPP into the Graduate College for student success, and then there was the conversion of a MPP position that had been a faculty position in the Art Gallery. When you add this up there are some new MPP positions, but they are not new roles. We also have an increase in support staff positions from 14% or \$23.10 million last year, to 16% or \$24.52 million this year. This is interesting given the chill. This shows you how Academic Affairs has been treated relative to the chill, which is to try and make investments back into advising and other critical areas as people have left. Obviously, the student assistant cuts are deep and the Operating Fund cuts are not insignificant either. However, we made up for a portion of those cuts. They would have been deeper if we had not put some one-time funds into operation. We had about \$850,000 in carryover that came from some cost recovery that we put back in the budget, or the Operating Fund budget cuts would have been about double what they are. We tried to minimize the effect. The other funds were sitting in PaCE and different areas and that is the difference between \$198 million and \$158 million.

For the Student Success, Excellence and Technology Fee (SSETF), a chunk of the money, \$1.86 million, went into course support this year. About \$3 million was spent on student success areas, such as \$793,000 on One-Time Advising/Tutoring, \$505,000 on Writing Support, \$450,000 on Technology, \$1.25 million on Student Success/Advising and instructionally-related programs.

c. Questions:

Q: Historically in a budget crisis, we have tended to protect instructional faculty at the cost of other types of student support, particularly in transfer crossing and automation of degree programs. It sounds like we've done a good job of making sure those needs are looked after. With the new CSU requirement around Ethnic Studies, is that going to be handled at the college level or is there going to be central planning around that rather large redistribution of FTES?

A: Yes, we have tried to protect as much as we can. To be clear, this budget doesn't include surplus and RSCA funding, so we have another \$4 million invested in faculty. Regarding Ethnic Studies, we have to start with the Ethnic Studies faculty. I have met with Ethnic Studies faculty to look at the best way to implement this. They are coming up with different ideas. As far as the redistribution that comes from that, the Provost believes the CSU will go after state dollars to underwrite this program. We don't know exactly what that will mean. Also, it depends on whether it stays a lower division requirement and we offload some of the requirement to the CCC. The law says everyone needs to meet the requirement by 2024-2025, but that doesn't mean everyone has to meet it next year. Our plan is to incrementally grow Ethnic Studies faculty to meet the need over time. We don't know exactly what the enrollment impacts will be. The only way to do this is to follow the enrollment impact. If it ends up in General Education, Category F, with a reduction in Category D, there will be some natural movement in the budget from an enrollment perspective. If A1 is really hit, there is another piece. We don't know right now. We do need to hire Ethnic Studies faculty. We are looking at hiring tenure and tenure-track faculty. What we don't want to do is say we need 70 sections, let's go out and hire 70 lecturers. That wouldn't be taking advantage of an amazing opportunity to invest in our faculty. What are we going to see over time? You are probably going to see some shifts, but our goal is sustained incremental growth over the next 3 to 4 years in Ethnic Studies faculty. This will allow Ethnic Studies to absorb the additional faculty and allow us to manage the distribution of dollars over time. If you talk to other provosts, at other colleges, that might not be the way they are going. They may move 70 lines, but that isn't the healthy way to grow a program.

Q: I had one additional question that has to do with the footnote on funding. What department does this pertain to?

A: That is the movement of Justice Studies from Health and Human Sciences to Social Sciences.

Q: Given repeated concerns from Senators over many years that lottery funds are by law are meant to be used to supplement funding and not as substitute funding, it does appear, at least in the library acquisition budget, that lottery funds make up the majority of the acquisitions budget. Also, the acquisitions budget needs permanent dedicated funding. Can you speak to this?

A: Well the lottery is about as permanent as you get these days. The one thing people do in a crisis is blow their money on lottery tickets, which is a horrible way for us to collect any dollars to do anything. It is the most regressive political thing we can do. I (Provost Del Casino) am not a big fan of the lottery in general. The effect is we get money. The argument of whether it supplements or not is virtually impossible to answer. Here is why. When the money first came to the system, it was kept as a distinct body of dollars. The CSU moved it into the operational budget in 2010-2011. At this point the money was put into Academic Affairs and we were asked what we

wanted to do with it and we said use it for the acquisitions budget, which meant \$1.9 million was moved. It augmented other programs on the campus at that time. The problem is that for the next three years the CSU took massive budget cuts at the same time those dollars were moved. So, did it augment against cuts that might have happened? Maybe. Is this supplanting? Maybe. It depends on your interpretation. The truth is forensically it is almost impossible to tell because of the way the money got comingled into the CSU budget based on the CSU Executive Order. The intent was not to supplant as far as I can tell going back through the budget books to 2006-2007. The idea was to take the dollars and make this other money more flexible. However, the budget cuts happened at the same time. Did that money then go away somewhere? It is really hard to say. It makes up about 2/3rds of the acquisitions budget, which was augmented by 5% last year, and I (Provost Del Casino) added another \$50,000 over that 5% this year. So there has been two years of growth in the acquisitions budget anchored by this \$1.9 million. If we want to do something else with it, then we have to find \$2 million with which to replace it. That is not very easy right now. It would have to come out of the operational fund. Then the question is what do you do with the \$1.9 million of lottery funds? It is not outside the rules to use it for acquisitions. There is nothing in the law that says you cannot use it for library acquisitions. It is my (Provost Del Casino) understanding that we are within the scope of the law and using the funds appropriately. If the lottery funds disappear over time that will become a big fundamental problem we will have to deal with. San Diego State has about \$3.8 or \$3.9 million in acquisitions. We are just around \$3 million. The goal is to continue to invest. Before the pandemic, VP Faas and the Provost were hoping to get 3% to 5% in each year.

The fact that we got \$50,000 additional dollars in this year was a good thing. We lost some other money, but made it up. We kept that budget whole in relation to the goal. The Provost does not think that will ever be a completely satisfying answer to the Senate, but that is the best forensics and history of the lottery he can do.

Q: It is tough forensically speaking. The nervousness is that we are pushing towards more RSCA and therefore we need quite a bit more in acquisitions, but it sounds like you are thinking about it.

A: This is a conversation I (Provost Del Casino) need to have with the VPRI. If we can add say 15% to 20% for expenditures, should we put library costs into grants, or do we go for the indirect costs? That is not a conversation we have had. Let's say we can move from \$59 million to \$118 million in the next 10 years. You don't need to double the size of the research foundation so what do you do with the indirect, especially if you go after the federal dollars? That is where you start making some of those creative decisions for increasing the base budget of acquisitions. The publishers increase their cost 5%-6% every year. It is insane. We just interviewed a number of library

deans and all of them know that it is a completely unsustainable model. We can't keep up with these costs and keep our catalog the way it is. Every year the acquisitions team has to determine what we should and shouldn't buy even after putting more money into it. We can't go backward. It would work against the Strategic Plan which has to be the anchor of our budget.

Q: I was under the impression that a considerable amount of the SSETF fees went to Athletics and it doesn't appear in the slides?

A: That's because this is the Academic Affairs budget and we don't pay for that.

Q: I just thought it would be helpful to put the Academic Affairs chunk of the SSETF fees into comparison with the Athletics chunk, so students could see how little Academic Affairs gets of the fees?

A: It's not actually the SSETF fees, it is the IRA fee. Athletics gets about \$8 million that was voted on at some point by the students, whereas Academic Affairs get \$1.46 million. There is no supplanting rule there. We could probably change the \$8 million, but it wouldn't change any base budgets this year.

Q: I'm trying to understand the PaCE Revenue. It was my understanding some of that was swept earlier? If so, is that going to happen again?

A: This is the base budget for this year. There are additional funds that are in reserves. There was over \$20 million in reserves. What was redirected and not swept, but repurposed to use in Academic Affairs was \$4 million of that \$20 million in reserves. Moving forward, we want to look at the appropriate amount of reserves to hold in PaCE. The Provost has moved that from 120 days to 90 days of reserves. That will be the new base revenue. That doesn't include what was encumbered. For this year, everyone was put down to 25%. The only funds that were repurposed were between the 25% and 100%. That is where the \$4 million came from. What we have not done yet, and will do, is rejigger the tax rate. Why have people been sitting on \$18-\$19 million? They can't spend it effectively, because there are limits to what can be done with it. We are looking at rejiggering the tax rate and collecting more at the level of the Provost and redistributing that back out as cost recovery dollars, which provides more flexibility for strategic investment at the local level. I (Provost Del Casino) don't want to keep the money, I just want it used more effectively.

Q: I'm curious about an earlier slide that had a line item from Braven. Can you go into more detail about that?

A: Yes. Braven has been paid for out of the College of Science operational budget since it started. With the centralization of the budget, and because Braven does not just serve students in Science, the President asked us to take it on centrally.

Q: Is it just student scholarships, or is it other things?

A: It is the whole cost of the program. It is whatever the cost per student.

Q: You have faculty start-up listed under one-time funding. Why is that given faculty start-up is going to be a recurring thing?

A: It is in base funding long term, but this year we moved it out to cover some of budget shortfall and covered it with one-time dollars. Our goal is that it will be base funded. It was base funded right up until the whole budget fell apart. Some of the repurposing of dollars will cover faculty start-up and university RSCA supplement. We created a new line item in college budgets for start-up dollars. This money isn't counted at the end of the year. It stays in those accounts and is spent down at the discretion of the college and the people that are assigned those dollars.

C: [Provost] I just got some answers. Braven is \$200,000. We needed some special scholarship for graduate education and that is \$95,000 out of the Graduate College.

Q: I'm very interested in the idea of using indirects to cover the cost of Library acquisitions. Back when I was chair of the ULB we recommended that but it was shutdown rather rapidly. It makes complete sense. Could you expand a little more on your thinking there?

A: It is one level complicated. The advantage of the centralized budget is you don't have to deal quite so rigidly in colors of money. The crutch is eventually we have to get an investment. Our challenge with our indirects is that if you look at it we are not that great in federal funding. We don't have a very high indirect rate on the campus right now. The NASA Ames program has the largest piece of the pie. You would think Moss Landing would bring in a lot of indirects, but they get in a lot of localized dollars. As we grow, we have to grow the total indirect pie simultaneously. We have to creatively go after the federal grants that give the 48 1/2% we are owed. If we do that, the cost of the research should not keep up with all those dollars. One place this could go is into acquisitions. Other places this could go is for faculty startups. The question really is who manages that budget. Is it managed centrally, or by the Provost Office, or the VPRI? These are things that the VPRI and the Provost have not had a conversation about, because we don't have those funds right now. The VPRI is in a building mode and getting his office up and running. The Provost and VPRI haven't had that larger conversation about what it would look like if they got to \$110 million in grants and upped our indirect rate by 4% to 5%. That is a strategy that we have to take on simultaneously, or we decide that the Department of Education money, the money that comes to us indirect is what we are going to stick with. This means we will have to find a different pot of money to fund library acquisitions. This is a little bit of an unanswered question just because we don't know how the dollars will come into us moving forward. I hope at some point we can negotiate an uptick in our indirect rate. A lot of people try to get around the indirect rate which is a mistake, because the federal government is used to paying this and wants to pay it. They don't have an issue with it. We often think, I'll take a lower indirect rate to make our program cheaper,

that's not how the NSF and others think. Philosophically speaking, all those things should be on the table. We have to build the university comprehensively to address the larger research enterprises, which is beyond grants and contracts. Let's be very clear.

Q: Given that there are coaches that are unit 3, are their salaries included in the Academic Affairs budget or are they separated out?

A: They are in the Athletics' Budget.

One of the things we did last year was a breakdown of hiring, tenure and tenure-track hiring for the most part. We do have some information on lecturer faculty, but we focused on tenure and tenure-track faculty distribution.

This should probably have been a part of the budget presentation. I apologize. We have made increases to investment in RSCA. This is beyond the university-required and contractually-required RSCA investments. We moved from .8 million in 2018 to \$3.9 million in Fall 2020. There was no cut to the RSCA budget this year in relation to where we wanted to go in terms of the goal of meeting that cohort. Actually, the Provost has a goal of basing a lot of this energy into promotion and into post-tenure review. Eventually we won't have a separate system of RSCA. It will just be this is what it is like to be a faculty member kind of thing.

The other thing that we have done is that we did create investments in start-ups. What is important is that in 2019-2020 that money \$1.83 million came out of the colleges. In 2020-2021, that \$2.16 million came out centrally. We hired 67 new faculty this year and we have 64 searches approved for this coming year. We estimated that if we hired all those, we would spend \$2.6 million.

We have a projected slight uptick in density to 52.6% from last year. However, not that much movement still, not even back to where we were in 2015. This is not without trying. When Joan left, she had authorized 55 lines, by the time I (Provost Del Casino) was done, we had authorized 91 lines. We got 67. We had a reduction of 54 faculty last year, so we are only up 13 people. This is why the President, VP Faas, and I (Provost Del Casino) say we have to hire this year. Not hiring puts us back in a very negative way. We remain behind our peers in tenure density. We have to tackle this two ways. We have to hire and retain faculty.

I (Provost Del Casino) have some data that I will share with the Senate at another point about why faculty left. It is a mix. Not surprisingly some left due to the cost of living and some left for private sector jobs. We are looking into this. I (Provost Del Casino) am very committed to this.

We have the new programs in Professional and Global Education. We will see an increase there. A portion of the Social Science lines are dedicated to interdisciplinary positions in Ethnic Studies. Some are directly in departments and some are across colleges. This is a great discussion for us to have Dean Jacobs talk to the Senate about what they are doing there, including a new position they are hiring for a Professor in Native American Studies.

The next slide tells you where the people that left went. Of the total, 33% retired or went into FERP. We had 15 resignations in 2020-2021 vs. 12 in 2019-2020. We had nine people that moved into MPP positions such as Magdalena Barrera. All those Associate Deans that were in faculty positions that were discussed early are in this group of nine people. This reduces our tenure density. The 15 resignations and the fact that they have gone up is a very important thing for us to pay attention to and think about. It is half of the total loss. That isn't good, but some of it we can't do anything about. The fact is that some people get a job in industry and that is where they want to be. However, some of these we could do something about if we did a better job of programming.

The next slide is an overall distribution of our faculty by the three core areas. This is last year's data since it comes from the system-level. This gives you a sense of the trouble we've had growing full-time faculty. We have had some slight upticks in full-time lecturers. I (Provost Del Casino) am excited about this because it is an investment in people for the long term. However, obviously we continue to have a very large part-time lecturer community.

The other side of faculty hiring is diversification. This is where we stand today and it is not radically different from last year. The shift in demographic of tenure and tenure-track faculty takes time. A comparison of our faculty to student diversification shows we have 50.6% white faculty to 15.7% white student population on the main campus. Provost Del Casino does not believe this includes CPG, but will check on that. There has been an increase in the Other/Unknown category of faculty to 18.9% vs. 20.8% for Other/Unknown students. We don't know exactly what is in this category. This is totally understandable and complicated. We are looking at opening up these categories. This category is important.

The next slide is the overall headcount of lecturers compared to tenure/tenure-track faculty. They kind of mimic each other. For instance, White lecturers are almost double the White tenure/tenure-track faculty (637 lecturer – 348 T/TT Fall 2019), Asian (219 Lecturer-154 T/TT), African-American (32 Lecturer-26 T/TT), American-Indian (12 Lecturer-5 T/TT), Other/Unknown (258 Lecturer-109 T/TT).

In 2020-2021, we hired the most diverse group we have hired over the last five years. We hired 39% White faculty this year compared to 2015 when we

hired 55%-60% White faculty. We've definitely had a change. This is complicated by the inability to list oneself as a mixed race. Then in gender diversification, we are slightly more female than male with one person not specifying that category (35 female to 31 male, 1 unspecified). If you add these four to the previous 26, we are at 30 tenure/tenure-track faculty that self-identified as African American. What looks like a strong gain in non-white faculty hires is complicated by the non-specified category.

There have been good years where we've gained in diversification, followed by bad years. This suggests to me (Provost Del Casino) that there was good intention, but there wasn't a strategy. When you have this up and down movement, you don't have a strategy for recruiting a diverse faculty. There is more work to do here. However, there are positive signs relative to where we want to go. It is also very concentrated. When this is broken down by colleges, you see concentrations of diverse candidates in different colleges.

Questions:

Q: Do you have the diversity breakdown in hiring by college that you spoke about?

A: Not in front of me. I need to aggregate that. We will work on that. This is from my personal conversations with Deans.

Q: I was looking at other colleges at how some have consolidated their departments and programs to save funds. I'm wondering what the reason is for SJSU not to do that?

A: Great question. In order to effect permanent financial change, merging a couple of departments will not get you there. If you want to find money, you have to do it in scale. You have to say, "Maybe we have too many colleges. Maybe instead of 8, we only need 5. A better place to go may be that we had 392 classes this Fall that had under 15 people in them. I (Provost Del Casino) did not go through and tell the Deans to cut those classes, because I wanted the Deans to have the flexibility to support people and more importantly to say there was a reason they needed those classes. However, for some of those classes it was clear that there were sections that had 2, 3, or 4 people. There are a lot of other places that hit budget-wise before you get to program changes. When I (Provost Del Casino) was at Long Beach in 2000 and the budget fell South, we had a Liberal Arts College. I did the Math and if we had converted 23 departments into five schools, we would have saved \$1 million. That is money. Unless you go to that scale, it isn't worth the political pain. Also, sometimes the departments that are the most valuable are the smallest. They meet the social justice mission. It is sometimes hard to get really large programs in Ethnic and Native American Studies. I think this is exactly where we should invest right now. This is not because of one 3-unit class but because it is critically important to what we have learned, which is that there are over 800 self-identified Native American Students on this campus that have never been picked up in our institutional

data because we always ask to identify the top field first. Those kind of things are really important. It is hard to generate really effective savings without doing it in a big way. I'm up for that big conversation if it makes intellectual sense. What you find out is that these small department consolidations don't result in the big savings.

IX. State of the University Announcements:

A. Vice President for Administration and Finance: None

B. Vice President for Student Affairs (VPSA): None

C. Chief Diversity Officer: None

D. Faculty Trustee: None

E. Statewide Academic Senators: None

F. Provost: None

G. Associated Students President: None

X. Adjournment: The meeting adjourned at 4:00 p.m.