

DATE: January 27, 2012
TO: William Covino, Provost
FROM: Academic Affairs Budget Advisory Task Force

In April 2011, you worked with the Academic Senate to form the Academic Affairs Budget Advisory Task Force and requested it address the following charge and questions:

Following orientation to the budgets, visions, and reduction strategies under way in units within Academic Affairs, the Task Force will recommend sustainable approaches to closing the estimated base budget between University level A allocation to Academic Affairs and the recurring costs of operating Academic Affairs units, in accord with University, Academic Affairs, and College/School strategic priorities and enrollment targets.

*At issue will be the question of sustainability: What **can** we sustain? What **must** we sustain in order to move forward? (not just survive). How **can** we sustain what we **must**?*

On October 26, 2011, we provided you with an initial projection of the base budget gap based on information provided by each of the Deans and a set of recommendations to close that gap and position the University for the future consistent with the strategic priorities mentioned. We then participated with you in listening sessions in November and December. We met with faculty, staff, students, and community members in every college and in several other venues. In addition, the Academic Senate provided an on-line site to post anonymous comments that were reviewed. Finally, you shared with us a number of written comments you received and asked us to revisit our recommendations and make any changes we deemed necessary.

We have considered all of the feedback mentioned above. Additionally, the Deans of the colleges/schools have provided you with a midyear re-assessment of the budget gap which has been shared with us. Many of the ideas contained in our original report have already been implemented at the School/College level and resulted in almost halving the earlier gap reported by the Deans (the original projection of \$1.7-\$2 million is revised to \$900,000-\$1.2 million). However, the Deans report an almost \$8 million gap between the base budget and their expenditures. This gap is being bridged using an all funds budget strategy (self-support programs, open enrollments, grants and contracts, earnings from endowments, etc.). Given the size of this gap, the \$5 million cut to the University in January 2012, and a possible additional cut of \$11 million in November 2012, we reiterate a number of our recommendations while modifying some and clarifying others.

We retain the following recommendations with clarifications. Parentheticals reference the numbering in our original recommendations.

1. Aggressive enrollment management efforts (original recommendation 2) that include:

- a. Redesigning curricula to be both more effective and fiscally responsible (original recommendation 2a). The university teaches about 3,250 sections of 1,500 courses each semester (not counting supervision courses). A curricular redesign that reduced the need to teach just 1% of these sections would save over \$300,000 per year-at \$5,000 per section.
 - b. Redesigning courses to improve student performance (original recommendation 2b). Some of the feedback suggested this effort would reduce quality. That is not the intent. Reducing failure rates should not be accomplished by ‘dumbing down’ content. Evidence from a redesign of Biology 10, demonstrates a significant reduction in failure rates without reducing content or quality. With a lab redesign, the failure rate fell from 31% to 13% while 200 more students were enrolled. While reducing failure rates by 50% may not be possible in all courses, it can have significant budgetary impacts in large enrollment courses.
 - c. Review the offering frequency of low enrolled courses and increase scheduling efficiency (original recommendation 2c). We identified one department alone that saved over \$100,000 this year.
2. Initiate a training program for chairs and faculty on the fiscal implications of curricular and enrollment management decisions and the use of assigned time. (original recommendation 2d).
 3. Generate greater efficiencies in centrally funded programs and offices that report to you. (original reduction 3). In making this recommendation, we recognize the continuing and ongoing need for faculty development and support of critical initiatives in Academic Affairs. We also note that you have reduced the number of MPP positions by 11.
 4. Centers and Institutes that are not now self-sufficient must become so over the next three years or demonstrate to you why they should continue to operate (original recommendation 4).
 5. Develop and implement a simplified academic affairs budget allocation methodology (original recommendation 5). Such a methodology should provide incentives that reward good fiscal decisions, allowing Schools/Colleges to capture some of the savings (after the gap is closed) for other uses that support their missions.
 6. We continue to call attention to the need for strategies that would reward excellence and encourage student progress (original recommendation 6) by decreasing failure and opening seats for other students. Examples include roadmaps, earlier registration windows for those making progress towards degree, early warning systems, disincentives for students failing to make progress towards their degrees, and incentives for promoting student success.

We have modified the following recommendations.

1. We favor cost reductions in administration over those that impact classroom operation, faculty, and staff. Therefore, mergers between colleges/schools or between departments

should remain under consideration. While the proposal to disperse the College of Science and Mathematics is withdrawn (original recommendation 1a), there can be significant savings associated with a merger of deans' offices. The associated costs and benefits and the size(s) of the resulting college/schools should be taken into account. Shared services across the university, between colleges/schools, and between departments should be given serious consideration and we suggest you engage the appropriate committees of the Academic Senate in this discussion (see below). Additionally, some of our original reorganization proposals remain on the table for sustainability and long term programmatic development.

- a. Move Child and Family Sciences to the Kremen School of Education and Human Development and Fashion Merchandising to the Craig School of Business
 - b. Move Economics to the Craig School of Business.
2. We have revised our proposal for review of undergraduate majors and graduate programs (original recommendation 1d). The original recommendation provided a size range to trigger review. We now recommend that all programs (both undergraduate and graduate) should be carefully reviewed to determine the role they should play on campus. The task force recognized that a small program may meet the needs of our students and community better than other larger programs. All undergraduate programs should be reviewed to consider reduction of majors, options/emphases, and minors. A number of undergraduate programs may be valuable to the campus without continuing to provide a major. As we pointed out before, at the undergraduate level, changes should be mission driven, create a greater synergy and enhance collaboration. Consideration should be given to enrollment history, graduation rate, potential for employment or further graduate study, strategic plan fit, number of faculty (FTE) needed to offer the major, faculty load (SFR/Class Size/ Cost for FTE), and compensating benefits. At the graduate level, consideration should be given to enrollment history, graduation rate, potential for employment or doctoral study, use of Teaching Assistants and Graduate Assistants, strategic plan fit, and number of faculty (FTE) needed.

We make the following new recommendations.

Many of the comments in response to the original report expressed confidence that Deans, department chairs, and faculty could find substantial cost savings through means other than reorganization. Based on that input we recommend that you ask each Dean:

1. To produce a balanced budget for 2012-13.
2. To carefully consider the use of assigned time. In 2010-2011, Deans awarded over 2000 WTUs of non-reimbursed assigned time to faculty (equivalent of up to \$3 million).
3. To consult with their Department Chairs to produce a plan that would make changes that are future focused and would place their school/college in a sustainable fiscal

position. Such a plan should be presented in a college/school forum for faculty input and completed by April 15, 2013. This might be an annual process/deadline.

Finally, relative to proceeding with the recommendations above dealing with reorganization, program review, and a revised allocation methodology, we note that the Academic Policy and Planning (AP&P) is the “deliberative body of the faculty on matters relating to university academic policy including but not limited to undergraduate: curriculum, *degree programs*, graduation requirements, grading standards, *school organization and departmentalization...*” (italics added). Similarly, the Graduate Committee is the deliberative body on matters relating to graduate education and the Academic Senate University Budget Committee is the deliberative body on budget and resource use. We note that the Budget Committee has already started work on a revised allocation methodology. We recommend that you work with the Executive Committee of the Academic Senate to engage these committees in discussing and implementing the recommendations above, and establish deadlines for this activity (e.g. begin work by March 1, 2012, deliver an Interim Report by Dec. 1, 2012, and produce Final Recommendations by February 1, 2013).

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