

Chair Mortazavi called the special meeting of the Senate to order at 3:35 pm on Wednesday, December 9, 2009, Green and Gold Room (Founders Hall). A quorum was not present. A quorum was present at the time the vote was taken.

Members Present: Ahmed, Bolick-Floss, Cannon, Chapin, Cheyne, Craig, Faulk, Flashman, Goodman, Knox, Larson, Mortazavi, Moyer, Nordstrom, Paynton, Powell, Reiss, Rizzardi, Snyder, Thobaben, Van Duzer, Yarnall.

Members Absent: Altschul, Butler, Gunsalus, Meiggs/Haynes, Richmond, Ryerson-Replogle, Tripp, Verlinden.

Proxies: Knox for Berman, Goodman for Heise.

Guests: Ayoob, Burges, Fulgham, Lindsey, MacConnie and about a dozen additional guests.

Chair Mortazavi welcomed everyone to the special meeting called for the purpose of discussing the Provost's draft proposal of budget reduction strategies for Academic Affairs. Following the Provost's introduction of the proposal, the floor will be open for discussion. After Senators have an opportunity to discuss the issues with the Provost additional comments from guests will be entertained.

Provost Snyder provided some context for the budget reductions. The University has taken a \$10.14 million dollar reduction to its base budget (the money has already been taken out of the budget). The University has been able to accommodate the reduction this year primarily because of furloughs (reducing expenditures). It needs to plan for next year's budget with the same base budget reduction. One of the planning assumptions is that there will not be furloughs next year. The University needs to find a way to live within this new base budget.

Reductions have been allocated to each of the four University divisions as follows (the amounts may not be the exact final numbers, but are close): Academic Affairs – 12.6% reduction, Administrative Affairs – 11.4% reduction, Student Affairs – 10.8% reduction, President's Office – 6.7% reduction, and Advancement – 5.5 % reduction.

In response to comments that Academic Affairs is taking a much larger reduction than the other Divisions, the Provost re-iterated that enrollment is being reduced next year, from 7034 to 6612 resident FTES. When this is costed-out per FTE and subtracted (ca. \$920,000), it means that Academic Affairs is taking an 11% reduction. Everyone is getting about the same reduction.

The Provost reviewed the draft of his five categories of proposed budget reduction strategies:

1. Enrollment Target Reduction – based on estimates
2. Student/Faculty Ratio – SFR increased from 21.64 to 22.99 (between fall 2008 and fall 2009). It is usually a little lower in the spring, but basically the target has been reached.

3. Restricting Tenure-Track Faculty Hires – this has begun this year and would continue through 2012/2013.
4. Reorganization – it is not clear what can be saved at this point, it is only an estimate.
5. Program Elimination or Reduction – this is the area that is most difficult.

The academic prioritization process (involving category four programs) will be completed soon. The Provost prefers not to extend prioritization (for the purpose of program elimination) to programs in other categories without some discussion. Further program elimination needs to be done. If prioritization does not allow the Provost to move into programs in categories 1, 2, or 3, then he has to fall back on the current program elimination process. The current process is a 1 ½ to 2 year process, program by program. Decisions need to be made quickly on how to make reductions for 2010/2011. There is not enough time to use for the lengthy process that is currently in place. The Provost asked for an expedited program elimination process (tied to prioritization or not) that would allow him to identify additional programs to be eliminated by the end of this academic year, for implementation in 2010/2011. The Provost does not want to do this on his own. He would like the Senate to 1) agree to an expedited process and 2) provide assurance that it will follow through and implement the expedited process.

Student Affairs, Administrative Affairs, and the other divisions will not be allowed to phase in their budget reductions; as of next year they will need to live within their budget. The Provost would like to make an argument that Academic Affairs budget reductions need to be phased in. The only way to argue this is by having budget reduction strategies that can't all be accomplished by the next academic year. The only two strategies to which this applies are 1) reducing the percentage of tenure-track faculty (would be phased in over 2-3 years) and 2) program elimination. These are the only two that would allow the Provost to argue for bridge funding to phase in the budget reductions. If the Provost is not able to get this bridge funding, then the entire \$7.2 million dollars will be cut from the budget for the next academic year.

The Provost outlined his options if a viable program elimination process is not established and implemented. The choices he has include: cancel all of the current searches for tenure-track faculty (except those with external funding for half of the position) ; strictly enforce the enrollment minimums without exception ; force all programs on campus to comply with increased SFR averages. He would not be happy making any of these choices, and they are not in the budget reduction strategies that he has recommended, but they are options he will consider if he cannot get the cooperation he needs from the Senate. The Provost needs cooperation in the governance structure to implement program elimination. All of the other choices are within his prerogative to make on his own. However, he would prefer not to do this on his own.

The Provost listed several more options that he could choose from in order to reduce \$1.3 million dollars from the budget, if he and the Senate are unable to come to agreement on a program elimination strategy. He expressed skepticism at this point.

Discussion:

- Have any decisions been made with regard to the prioritization recommendations the Senate has made? No – the Provost stated he will do that shortly.
- It was suggested that the Provost should enforce minimum enrollments and SFR. If there are departments who have not increased SFR, for whatever reason, they need to be encouraged to do so. It is not fair to the departments who already have stepped up and done so.
- If we're reducing enrollment and encouraging students to go to more expensive programs, there is not much cost savings. Is there a strategy for program reduction rather than elimination, i.e., to start to cap the enrollment in high-cost programs? In terms of the \$1.3 million reduction, do we know what the total savings would be by going all the way through the category four programs? If we need to reduce further, could it be done by eliminating one expensive program rather than several smaller ones? Provost: There is an Enrollment Management Task Force that is looking at capping majors. Our long-term physical health requires an enrollment cap on some of the more expensive majors. The task force has been asked to look at optimum enrollments rather than big reductions. The Provost is interested in optimum sizes of majors and capping enrollment, but not in substantially reducing the size of some of the big, expensive programs. The savings from programs in category four will not reach \$1.3 million.
- The Provost was asked to speak more about where the cost savings in program elimination will come from. Are we just trading one for another? Provost: Staff in Institutional Research (IR) office are working on a fairly generic, straightforward program elimination estimate model based on the assumption that no tenure line faculty will be laid off. OE and equipment are not included in the model (OE is too small and equipment budgets are not regularized). We can do program elimination or push the cuts out more broadly. The only real way to reduce the budget is to reduce the number of people. The savings are about the same whichever way you go, either pushed out more broadly or more narrowly focused.
- Is the real issue how to make up for the furloughs next year? Provost: It is more complicated than that. We have somewhere between \$400,000 and \$500,000 a year (lottery or one-time funds) which is basically the equipment budget for the three colleges. That has been suspended for two years. We have cut back on travel, and there are reductions in other one-time expenditures. There are not a lot of base reductions that have been made.
- Is the assumption that furloughs will end a major contributing factor? If they do not end, would that relieve some of the pressure temporarily? Provost: Yes – to a certain extent. But if furloughs are done for one more year, it just pushes the problem out one more year and gives us another year to plan for base budget reductions the following year. We need to make the reductions and move on.

- If Academic Affairs uses a phased budget reduction strategy, where does the bridge funding come from? Provost: HSU has a \$102 million dollar budget. With a budget this big, not every dime is budgeted and budgeting is done conservatively. There will always be 1-3% left in the budget at the end of the year if it has been done carefully. For example, benefits are ca. 32-36% of our expenditures. When the institution is growing, benefits are often short. When the institution is shrinking, there are often more benefits than needed. Benefit money cannot be budgeted on a base budget model. The university will probably end up with \$1.2 million in benefit savings at the end of the year, or \$500-600,000 in Academic Affairs. There may be additional one-time money left that can be carried over. The other Divisions would have to agree to letting Academic Affairs have this money – which is why the Provost needs to be able to argue for a phased budget reduction process.

Chair Mortazavi reminded the Senate that before the meeting is over today at 5 pm, the Senate needs to decide whether or not it is going to collaborate with the Provost on program elimination.

- Does this have to be an 'all or nothing' game? Can we agree on a list of alternatives, or some kind of hybrid scheme?
- In order to be successful, the faculty and the administration need to put their skepticism aside. We should immediately institute minimum enrollments for all classes. To close productive programs because we're not willing to require some special set of programs to raise their enrollment to the minimum standard does not make sense. Part of the argument being made is that we will reduce the number of students by 600, and that the cost of educating those students is being taken off the top and we end up with an 11% rather than a 12.6% reduction in OAA. But the actual projection for next year is not a reduction; it is an increase. Do we now have to cut more out of the base budget to accommodate the extra students? Is there some agreement for all the student fee money to come to us? The Provost is asking the Senate to make economic decisions on the basis of economic criteria that he can't share with us. It's hard to understand why we shouldn't be reducing majors at this time of need. The Provost should just give the Senate a dollar amount and allow it to participate in an expedited process. The Senate can do the analysis and come up with recommendations.

The Provost acknowledged that he has a fundamental disagreement with a number of people around the table. He feels the university is doing too much and that it is necessary to get rid of some of the things currently being done. Maintaining everything that is being done is not the highest priority. Part of the problem is that the timeline is very tight. Classes are put on in early February and students are registered in the middle of the semester. He does not want to put classes on and register students and then go back and make reductions by cutting classes. He expressed skepticism that the Senate could be given a dollar amount, conduct an analysis and come up with recommendations in the short timeframe.

- Many faculty in the College of Arts, Humanities and Social Sciences have expressed to their senate representatives that program elimination should be done, as long as it is not their program. As a college representative, there has been pressure to vote in certain ways.

Based on the information presented, willingness to work with the Provost on an expedited protocol for program elimination. But the details will matter a lot. A question was asked about the office of Advancement and budget strategy IV.e (Increase Self-Support Opportunities). What can Advancement do for self-supported programs?

M/S (Cheyne/Powell) that the Senate Executive Committee and the Office of Academic Affairs immediately form a task force to draft an expedited process for budgetary reductions including, but not limited to, program elimination, said process to be implemented in spring semester 2010 in sufficient time to meet current and projected budgetary exigencies.

Discussion of the motion:

- There is a short timeline and it is important for the Senate to be part of a process that moves in the direction of meeting the serious budget shortfall that we have.
- The motion should include something about the composition of the task force. It was suggested that the task force should include five senators, the University Budget Director, the Vice Provost for Undergraduate Affairs, one student, and two [department] chairs.

It was not accepted as a friendly amendment.

M/S (Powell/Goodman) to amend the motion on the floor to include composition of the task force and that the composition include five senators, the University Budget Director, the Vice Provost for Undergraduate Affairs, one student and two chairs.

Discussion of the amendment:

- The Provost should be on the task force rather than the Vice Provost. This was accepted as a friendly amendment.
- Concern was expressed that this doesn't reflect an expanded task force similar to the expanded ARAC model that was used in 1991. Today's meeting doesn't need to be taken up with these specifics, it should be done in a calmer and quieter venue.
- Why is this composition being recommended? This group will not come up with a package of cuts – it will design the process to be used for program elimination.
- It is important for the Senate to weigh-in on the process. However, the Senate did not learn the information it needed to make decisions on the programs it just reviewed. The process needs to forward a package of programs for consideration along with budgetary information so that appropriate decisions can be made.
- There should be more than one student on the committee. They have shown interest in the decision-making process and are the ones most affected by the decisions being made.

- The original motion is supported. This discussion is a classic example of why the Provost is skeptical about the Senate. We are going to discuss *ad nauseam* the process and the people involved versus operating on the basic principle of fairness and trusting one another to go along with the process.
- The composition of the task force was specifically not included in the motion to avoid this endless debate. The Senate was asked to trust that the Senate Executive Committee, in consultation with the Office of Academic Affairs, will come up with a group of people who will immediately begin working and develop 'a process.' That is all that this initial group is doing. It is not making decisions. The amendment is not supported.
- The purpose of this group is to get something done quickly and effectively. Discussion all of this will just delay getting the group tougher. Specifying this much detail is just making it harder.

M/S (Rizzardi/Van Duzer) to end debate. Motion **PASSED** with 14 Yes votes and 3 No votes.

Voting on the amendment occurred and **FAILED** with 3 Yes votes, 14 No votes, and 1 Abstention.

Discussion returned to the original motion.

M/S (Rizzardi/Van Duzer) to end debate. Motion **PASSED** with 11 Yes votes, 4 No votes and 3 Abstentions.

Voting on the motion occurred and **PASSED** with 15 Yes votes, 2 No votes and 2 Abstentions.

Chair Mortazavi asked the members of the Senate to give the Senate Executive Committee the authority to work the Provost to form this task force which will come up with the process and criteria by which programs will be eliminated.

The Provost was asked to set aside his skepticism for a few weeks and allow the Senate to do what it can.

It was clarified that the Senate is agreeing that it will approve the elimination of programs; not look for excuses not to eliminate programs.

No one at this table has ever expressed an unwillingness to eliminate programs. The Senate has voted in certain cases not to eliminate a program. The fact that it is on the table doesn't mean that no judgment is involved. The Senate should have a range of options and decide what is best.

The Senate has been given, program by program, several hours worth of input. But it has not received the information needed to make those cuts. Unless the savings can be shown, individual members of the Senate would be hard-pressed to eliminate a program.

There seems to be some misunderstanding in terms of the commitment to program elimination and what information is needed for decision-making. For example, if a department is gone three years from now, what is the dollar figure that can be shown to have been saved? This is why many senators are resisting. Is this information even available?

Concern was expressed about the timeline being met. Cuts need to be decided by February 1. The work needs to be done immediately, unless you want administration to be making decisions over the summer.

The decision was just made to set up a process; not to decide on what programs will be cut. The Senate needs to allow the Provost some leeway and needs to be efficient in the timeline. The Provost can provide alternatives which could be prioritized if necessary.

Perceptions of the prioritization process are based on more than a misunderstanding; there is fundamental disagreement, but it's not worth arguing about. Programs cannot be eliminated by February 1. The process needs to be established and in place by February 1, but it has to be implemented over the semester. Otherwise, Plan B options will be to go back and effect classes already enrolled.

Faculty colleagues have commented that it would be good if cuts were made in a principled way, representing a university of the future that matches the WASC goals that HSU has proposed and strategic plan principles. It is hoped that the administration show some leadership for the future in maintaining clarity about university principles that we want in the future.

The process for program elimination needs to include a vision of what kind of university we want as an end result. We need to be clear about what our priorities are.

The floor was yielded: Why aren't across the board cuts being considered? Why aren't furloughs being considered? Why are you agreeing to cut entire programs rather than making small cuts across the board? Students are willing to accept a little less in education rather than see entire programs cut.

It was noted that the college deans have already done major reductions across the board within the colleges. Department chairs have said 'enough is enough.' There is no more to cut. There have been other discussions and other ways of making cuts have been considered by the Senate.

This task force should meet over the break and by the time we return in January a document should be presented to the Senate. In order to do the work, the Senate needs all of the figures. They may not be as precise as desired, but an estimate is needed. And in doing this, we need to keep in mind the vision of the university as it will exist in the future. We need to preserve the options so that when budgets get better, things that were given up can be re-instituted.

It was suggested that the Provost work with a Plan B now. Faculty work better under pressure.

The floor was yielded: Why can't furloughs be used for one more year? Furloughs are negotiated between the Chancellor and the unions. The Provost has been told not to plan on furloughs for next year. If the Provost finds out in March that there will be furloughs next year, he is willing to step back and plan differently.

Given that the Provost said we are not going to lay-off tenure track faculty and would take savings from departments at the lecturer rate, a \$1.3 million dollar reduction is basically two 10-person departments or three 7-person departments. Senators may want to start thinking in those kinds of terms.

The Provost clarified – he is not intending to lay-off tenure track faculty. But in program elimination, he is not in control of that – the collective bargaining process kicks in. He is not calculating lay-offs in the savings.

M/S (Goodman/Paynton) to adjourn.

The meeting adjourned at 4:45 pm.