



California State University, Stanislaus
University Budget Advisory Committee
March 29, 2012 – 2-3:30pm
Lakeside Conference Room

Transcription

Russ: I was waiting for a high sign. Okay everybody, let's go. I've used up some time here and I apologize for that. We are sending you transcripts when they are available. So, I'm not in many cases I'm not looking at them. I'm assuming that wherever the transcription service provides good transcription then that's good, but I'm not auditing or editing those. Someone in my office just checks to make sure they are the-- for the dates that they are supposed to be and then they send them on to you. And on occasion a second hearing will give more information so we actually do make them add to the transcription. Can I have a motion to approve the agenda for today? Again, I explained what I think happened, but that's all I know is what I think happened. And I do apologize for the delay because the Provost and I did talk about that and I did do it.

>> I'll motion to approve the agenda.

Russ: Okay.

>> Second.

Russ: Is there a second? Thank you. Any comments, discussion? If not, all those in favor.

>> [Group response] Aye.

Russ: Opposed. Okay, the agenda's approved as written. I was asked last time to make some comments. You all have the statements by the various divisions about what happened in terms of impacts of budget cuts to the divisions as they were. And I wanted to just review some things with you. I'm going to go down item by item here on last years recommendation letters, which I think-- you know, this is my assessment of the other way to-- I don't know how else to do this except I could give it out to all of you and say okay you have the letter just like I do and you can make assessments too. But, let me at least explain what I think we in sort of administering this whole thing did as a result of these recommendations. And then you can question it or ask questions. We'll try to dig deeper. I hope we don't spend a lot of time doing that because I'd really like to look forward rather than backward. But, you know, the backward is important. I don't want to make you think that history isn't important. It's been important to everybody who's had to make a budget cut. So, recommendation one of that letter-- and you all have it in your packet. I gave-- get another copy of that letter, was that the committee urged the President to look at growth trends through demand of student enrollment and examine academic programs and scheduling, reduce staff, faculty, administration workload by reevaluating the scheduling process while

using student demand to increase efficiency. I know in reviewing the academic affairs and, of course, when we did cuts that was in the prior year to go with the recommendations that the Provost with the Academic Affairs Senior Leadership did do a tremendous amount of work in trying to eliminate low enrolled courses to look at some of the scheduling that was being done to make sure that we where we could move schedules around that those were accommodated. And I know-- and Julie you worked with Noah as well, we made some changes both in the summer and we made some changes in fall to try to improve the efficiency both of our buildings where we could save some energy costs. We did do that. Not as much as we would have liked to because again, these recommendations came late in the year, late in the spring. So, it's a little harder to change. Since then one of the recommendations this notion of looking at programs has been taken up with a lot of diligence by the Provost and all the academic affairs and it's resulted in a charge to our committee to Holistic Program Review Committee. And so, I think from my assessment while the college has in many ways had to reduce some of their lectures a lot of these came back as a result of having to put sections back to meet our-- our enrollment needs. That's probably going to be a little different this year because we're going to working more to target. So, you know, we may not be offering sections to students as much as we tried to last year only because we don't have the funding. We-- I was just telling the Provost that all the indications are that even while the collected over enrollment tuition we will probably be penalized some portion of that. We don't yet know how much or what the mechanism will be for doing that. But, now it looks pretty assured from what we are hearing for Chancellor's office that some portion of that will go back. That'll be problematic for us because hopefully it won't be enough to throw us into a negative situation and already-- and add to our already what I consider to be tough burden. So, are there any questions about recommendation one? Recommendation two indicated that the President-- Urbach-- UBAC urged the President to increase the administrative span of control to quote, increase efficiency and to result in the engineering processes. They may-- which may include the corralling, reducing the administrative costs and redundancy, providing access to resources to those students serving students and decreasing the number of approval levels. I think that you have in your packet today a document that looks something like this. The more-- Kelvin I think you asked for this last time, which is a more detailed explanation of the four or five year budgets for all the units. This is a little more, you know, expanded form and I think some of the things that you can see there has been some-- increased the span of control, certainly in the area of academic affairs with the addition of athletics and certainly there and business and finance with the increase in the span and control for Office of Information Technology. And I have other units that are not general fund units. Human resources, that combination is actually an indication of that. And Student Affairs, I believe that-- well, I mean also say it normally went from the Academic Affairs area to this combined Student Affairs. So, there were changes like that to increase span of control to move units closer to where they could access common resources easier. And all of this was done from the standpoint of the divisions with an eye towards maintaining as much of service to students as possible. So, I think that the spirit of that recommendation is met. We could go in detail on some of the divisions. But, in the nonacademic units the notion was to try to maintain as much

in the way of provided services as possible with reductions that we had to take. And so, I think that there were some combinations of units such as-- keep pointing to the mailroom and others where we did combine and consolidate and actually reduced the number of people, but still provided the same level of service because we were doing it with technology in a more integrated way. Facilities is another one of those places where we actually reorganized and restructured facilities so that fewer leaders were doing-- we now have spans of control that are very large in some areas of facilities that frankly I'm not totally comfortable with. But, we're trying to operate with them-- very hard on the individuals. And in most cases across the board there's no backup and one of the things-- one of the themes that keeps getting repeated in here, there's nobody-- there's nobody backing it up. So, in some cases when we loose people for illness or whatever we loose the function. So, not a good situation, but it's where we are. And you know-- recommendation three was that UBAC recommends the campus consider recombination of some colleges. That-- there's the President instituted committee with provost to look at that. That work is still going on and it's-- I guess recommendations will be forthcoming. And so, I think in terms of whether the campus is bided by the UBAC recommendation, I think that's absolutely the case.

Jim: We just had two open forums, one today and one yesterday on this topic Russ.

Russ: Okay good. Recommendation four UBAC recommends Provost-- excuse me, the President consider variable cuts across divisions. We did do that. The cut numbers for last year and they started out this year in the same way, even in the planning phase are not just everybody take a five percent cut or everybody take a ten percent cut or what have you. There are a lot of reasons for that. Some of them are indicated-- were indicated in the discussions of UBAC last year. I think that the group did a good job of at least talking about some of the differentials that they wanted, some to note advancement has been one, OIT has been one, athletics has been one, target of communication and so on. But, I think that's been the goal of administration again, to try to keep as many-- keep the focus on the students and do things that the students need. So, I don't see-- you know, you can't say okay this dollar went over to doing that or this dollar went over to doing that. But, I think that's been-- if you look at these numbers that Michelle has provided, the cuts were differential for the year and for all the years in the last two years, actually since I have been here.

[Organizing items]

>> Russ: Recommendation five is that UBAC recommends that campus review all scheduling to facility-- of facilities to realize their maximum efficient use without disruption, and of course, Pedagogy and with a focus on student needs to improve campus sustainability. And I intend to have Melody Bufay [Assumed spelling] come in and we'll talk a little bit about some of the savings we've accomplished. But in fact-- I don't know if Julie if you want to make any comments-- we have continued along on our plan to reduce energy costs. We've completed some analyses from outside consultants to help us identify those places where we could with one time expenditures make long term savings. And we are continuing to do

that. We scheduled summer in a way that took into account all of heating and cooling needs. And we continue to look at the schedule from the standpoint of classes scheduled from four o'clock on, classes scheduled on days when there's very little going on in a building and other things to try to improve that. One of the specific recommendations that came to mind was to not heat the swimming pool. We implemented that for about three days and then realized that Kinesiology has some classes, not very highly attended classes that-- but nevertheless, classes that require you-- for certification or other things to have the pool available at a temperature that was healthful. So, we couldn't do it all the way. On the good news side of that is-- what it did was bring a lot of focus to the swimming pool and we have saved at least a portion of the money. We're not heating it as long in the year. We're not heating it over winter. We're not-- and we've changed again, some of the equipment and things to make it more efficient, certainly not enough to tip the scales to-- if we could, I would turn off the heater in a heartbeat. And I know facilities would smile and say, "Thank you." But, we have saved approximately twenty thousand dollars is what I understand. It's on that range to-- just for the efforts that we've done. So, that's kind of where we were. We did not turn it off completely, the heater that is. And so, you know, I'd say we didn't live up to that recommendation fully, but we did what we could with the requirement that we had to maintain for Kinesiology. And it is primarily Kinesiology, there's no-- no other groups would warrant us having to keep the pool heated. This last recommendation I recall very-- almost like it was yesterday, came from the staff and staff representatives here at UBAC recommended institutions leadership assure no ones is assigned excessive workload. I suppose of all the recommendations, this one leaves the most to interpretation because in truth over-- looking at all of these cuts from faculty to staff to even impact on the students, everybody is a net loser. There's no way you can cut the amount of money we've cut out of these budgets and not see workload go up. Truly in some cases, limited cases, we didn't do certain things and we're still pushing on not doing certain things. I've asked everyone in my units to look at things we can discard, simply not doing anymore. And I think that's been done and certainly in the colleges and maybe Dean [Inaudible] can speak to that in Academic Affairs. We're trying to not do things we don't have to absolutely have to do, but there's no way you can make these reductions and not have some workload increase. We are watching that. I know Jim and I sit on the Resource Committee and we are watching that when workload gets absolutely out of hand in terms of the jobs expanded or the span of controls expanded. We have to acknowledge that or we risk getting into some issues with our collective bargaining units. So, we do watch that, but in general I think it's pretty hard to eliminate things. We aren't doing certain things. We are-- certainly in facilities are not doing things. That has led to a few people complaining, you know, this is not happening now. I think it's going to happen in a number of areas. The-- will continue to happen in a number of areas especially after this year's round of reductions. But, I don't know of any real good alternative to be quite honest with you. We put a lot of high energy into the teaching we did. As a result of that we have an accounts receivable close to 2 million dollars that we're going to try to reconcile either from the over enrollment resources or from, you know, other sources. But, we did provide the courses to the students. We will probably not be in that position this year. We'll have to do some

work to get back down to-- get down to the target and just not offer the sections. However, this one I think is-- was a tough one to live up to, but I think everybody in their writing indicated that workload in some ways has gone up. So, I think that's a reality we just have to face as we look forward to a recommendation if that comes up again, probably would-- should. It's an interpretive one. So, we'll have to maybe define it a little more carefully or provide it as an advice, whatever. That's-- I said I would go through these and I would make an assessment, everyone-- anyone else is willing to, you know, that's willing to look through them all and read these line by line is fine. You can do that. I don't hear any questions. Anybody have any questions? Kelvin?

Kelvin: Just a question, the reason to look at these impacts, to me it shows that we don't do a very good job understanding what the impacts of these cuts are and therefore we do a poor job of communicating. I don't mean us really. I thought it was very good that the university set out last-- was the last week-- the system set out a couple a couple weeks ago or last week that we're going to let-- we're going to enroll students, but we're going to put them on a wait list. I think the public understands this is pretty serious if we continue this way. And I think when we look at these cuts in the future not just looking at a dollar amount, but figuring out a better way to say here's what the impact of this is going to be. You're not just-- your students may be enrolled here, but they're not going to get classes. That's a pretty big impact or we're going to be getting rid of programs that if your student wants to go here, not able to come here, that's the reality of it, we're facing or you think you going to get done in four years, forget it. It is not going to happen with these cuts. And get out to the people so they understand this is how significant this is.

>> And if I can pay you back on--

Russ: Yep.

Frank: Even from the internal processes, we have-- we from the staff side, we support faculty and our students and a lot of times they come to us thinking that they could still get the same service that they got a couple years ago. When you like-- like we have one person working in receiving and when he's sick or goes on-- tries to do a vacation thing there's just-- there's just nobody. We have students that try to backfill. So we have nobody. So-- but, people still expect the same service and we try to provide it, but it's impossible. So, that happens a lot. Just gave one that one as an example, but that's in Financial Services, that's in facilities, that's all over. So, I mean I would like to see some-- I know last time maybe many-- three or four years ago we got in this same predicament, we went out and told people, hey here's our service levels now and we're all going to help you the best we can. But, please don't come and chew us out when we can't get something to you the next day. It just causes more pain for everybody. So, I think that even internally Kelvin, the expectations of the service that we provide is impacted. But, people don't know that and they still expect certain things.

Russ: Yeah I think-- go ahead Clarissa.

Clarissa: You know I think it provides, too, a clearer picture and an understanding about roles and capacity both-- either internally and externally so that we better understand what we are able to do to provide cohesion, laying back on what we need moving forward. But, as a university is some cohesion to say we understand the impact that is happening in the various divisions at large to have a better understand-- how we can better serve these students than the students say, "Hey, you know, I need this" or we're identifying ways in which we, you know, want to help with student success we better understand the working order and the relationships that are tied to those. I think that will enhance our relationships and our cohesion moving forward.

Russ: Yep. All good points. Neil and then Professor Tan and Kelvin yes.

Neil: Thanks for going through all that. I appreciate you breaking it down like that so we could actually see what was happening. And it looks like we accomplished what we set out to do, maybe not enough, maybe there's still more we can do. I guess that's what we're here to do. But, along the lines of what Kelvin was saying, I think we need to put out what we do and the job we do. I sat at the board of trustees one day and listened to the President I think from Bakersfield named King get up and give a great talk on what--

>> [Inaudible background comment]

Neil: Okay, correct me. But, fantastic talk on what we do as a system and what we provide for the public and stuff. And again, telling them that yeah, your kid isn't going to make it or you're going to be on a wait list or we're going to have to set higher standards or we're just not going to be able to offer those classes I think is the best approach. And I think we're down to that. We really don't have much choice left but to put it out there and let them make the decision in the long run.

>> That's true.

Neil: If they don't want their kids in school, well that's I guess their choice.

>> Right.

Jim: Dr. Tan.

Dr. Tan: I think I feel about like communication. I guess internally I can think of we got to students because what happened is I-- when student comes to me, they say they are applying for graduation but, you know, compare it previously, now it takes many more weeks before the graduation approval comes to their mailbox. So, I think maybe communicating to students that, you know things have to be done earlier because it takes longer to actually get your graduation approved. Another thing is also where we got to things like tutoring. I think students are feeling the effects of it. Quite often that students come in to say that, you know, they want help but they couldn't get it compared with I guess the

semesters past. So, this-- and those are with regards to career services. You know that has been-- that's the key effective for students.

Russ: Okay.

>> Dr. Tan: Yeah, that's really bad.

>> Yeah.

>> You're right. Kelvin.

Kelvin: I think the idea of-- I heard somebody saying we want to do things better. I think the first round of cuts we should forget about trying to do things better. We will be doing a poor job if these cuts happen. I don't see anywhere-- and let's make that very clear to people that in better is your student, you get out of school faster. That's not going to happen. You have smaller classes where more interaction is not going to happen. I don't-- of these cuts happen I don't think we should be trying to say okay well lets see how we can maintain the quality that we've had with these cuts. I think that's a wrong message to send--

Russ: I think--

Kelvin: I think it's unrealistic.

Russ: Well, I hear you. I certainly agree. I will say this though, every time that-- certainly my experience in the divisions that I work with closely and I think it's true everywhere. I know I've listened to some of the deans say there is this-- this unfailing desire to try to keep doing what's right.

>> Right.

Russ: If the outcome isn't there, then I think that happens. You know and I think we-- I would agree with you that we shouldn't, you know, try to sugar coat it and say it's not happening. So, when we get a call that says, "You know, why aren't students getting their classes?" I just-- I think it's appropriate to be honest and say they're not getting their classes because all the other options available to us are gone. We have no funding to do that. And then, you know, or to be 1:19:50-- if it's a service that's not provided or whatever, we just need to say that's what's happening. But, I don't think there's a desire on the part of the staff or the faculty here to not keep striving. And that's where the stress comes, that's where the stress really hits the road. I'm sure there's as much stress on the students.

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>> You're right.

Mehran: I would say that I would kind of echo what Kelvin's been touching on, but without-- he hasn't said it right out. I think our advocacy efforts on the CSU level are horrible.

Russ: Right.

Mehran: Our-- what we have in Long Beach and not necessarily the Chancellor himself or the Board of Trustees, but the person that has been responsible for advocacy does a very good poor job with uniting the twenty three campuses and advocacy efforts. We have-- I understand that we all have different representations from East Bay to Turlock, but the one thing that we're all united on is that we don't want see cuts happen. And CSSA and the UCSA and I always forget the acronym for the community colleges, but all the student associations are very united in their advocacy efforts. A unity that's not shown through the professionals at-- in the advocacy groups at the Chancellor's office and even on the respective campuses. I know who the advocacy person is on this campus, but I can't say what that advocacy person has done.

Russ: I don't think the-- first of all the advocacy that I'm aware of that's being done on the part of the CSU is done centrally.

Jim: Uh huh.

Russ: So, that's--26:37 ish

Jim: And we're limited--

>> We are not--

>> We have instructions to--

>> Yeah, we--

Mehran: No, I understand that. But, I just don't see any-- I think of it in terms of you have-- we have 4 hundred plus thousand students. We have-- we say in the perfect world, two parents each. That's a million voters right there that the CSU does not take advantage of.

Russ: But Mehran, I think the question that I would and again I'm not-- this is my personal opinion, I'll take off my chair hat for a moment here. I think in all honesty what are the choices that-- what are we advocating for? I can tell you what the CSUs been advocating for. CSU's been advocating for more resources from the state general funds to apply to educating the students of California, providing access, etcetera, etcetera. I'm not sure that other elements are advocating to the same thing. I don't know that for a fact because I don't see their daily work, but I know when I sit through all the briefings that I sit through when I go to Long Beach and Jim you can echo what you think. But, on the other hand what are the students advocating for? Usually, I understand it would be lower tuition, access. They're not always compatible. So, perhaps you're right and perhaps the advocacy needs to be taken across all constituencies. But, right now I can tell you what the CSU's advocating for and it's trying to get a bigger share of the state general fund budget and it hasn't been very successful.

Mehran: And I think that ties into what Dr. Tan and Frank and Neil and everybody are saying is that we have a large communication issue. When

students are upset about tuition they don't go to the Chancellor. They don't go to the state legislature. They go straight to your office--

Russ: Yeah.

Mehran: They go to the President's office. They go to the Chancellor. And those cuts and those tuition increases are not entirely the fault of the Chancellor and the trustees. I mean they vote on it, but they're not entirely-- they're not the priority to blame. And I try to engage students and I engage as many as I can and we've had a lot of-- a large rise in understanding as to where these cuts are coming from in years past since the occupied President Travoni's [Assumed spelling] of 08. But, I think that while we still-- while we treat students like children and we don't engage them on that level, we only engage the student leadership. I don't think that does anybody a service because I would agree that the goals of different-- the different divisions, students our goals are less tuition. But, I think that is deeply impacted by when the state legislature says we're going to cut from the budget because every major student increase for the past four years has been on-- in the wake of a budget cut.

>> Uh huh.

Mehran: So, I think they're very tied together. But, we don't recognize that and we don't take advantage of that and say, "We are all fighting for the same thing." We all just say, we all hide this flag of everything's done behind cloak and dagger, but we don't try to-- we don't try to say that no, it's not a cloak and dagger scheme. Everybody has the same goal in the long run; we don't want to see stuff cut. If you want to see stuff cut from the university you work at there's a serious psychological issue there. But I don't think anybody in this room, anybody on this campus could say, "Yeah, I want to see stuff cut from this campus." But, I think we do a poor job going back to advocacy in uniting our advocacy efforts because we all think we're divided and as long as we think we're divided we're not going to accomplish anything.

Russ: Okay. Darrell.

Darrell: So, by dismissing the comments with Dr. Kelvin's initial stream of thought with what's not going to happen basically. We're not going to be able to do and getting-- and how that message can get out and it connects to the other comments so that folks who go to the voting booth. And because you know, we've got a model, you know, in terms of funding that's been around for a long time so there was-- you know, when the CSU was developed, you know, there was a certain ideal behind that. You know and-- where tuition in California was really, you know, for public and college education was really, really low. And of course can't do that anymore so how do you pay for it? And so, with the-- I think if there's a way and to do-- to improve that it-- how that information gets out so that people really realize hey I won't try to repeat the things that were said because I think they were said very well. We get that out as certainly maybe perhaps it might, you know, be helpful say even in November when they're going to vote on the taxes right.

Jim: November.

Daryle: November yeah, perhaps.

Russ: That's fine. I think that's true. Yes Professor Tan?

Professor Tan: Maybe the way to get it out is to, you know, put it into the newspaper. A student at the newspaper here, so maybe he has a connection with, you know, the other newspaper in Modesto Bee, you know, maybe write them letters. And then also maybe there might be Senators who might be, you know, are more connected with [Inaudible] in terms of promoting education maybe, you know, we can contact them. And you know bring the awareness you know, what we need is more resources. At least it [Inaudible]

Russ: Okay.

Russ: Professor Tan: What and how we need.

Russ: Alright. Mehran you had your hand up and then I think if we can--

Mehran: Yeah.

Russ: Move on, we got a lot to cover.

Mehran: Just going back to [Inaudible] I think you asked me what the best way to get information out of students is, unless it's a hot button item, I mean, we saw what happened with [Inaudible]. But, that was a hot button item and that catalyzed student movement. But, I think the best way to get students information is through faculty. I think that if faculty have-- have their attention intently for at least an hour one time-- one, two, three times a week and they'd get a lot-- a lot of their information is from that direct source. That's why a lot of the stuff I have to deal with sometimes is if a faculty member told something to a student and they're like my faculty member told me this. And that's the hardest thing to kind of not to kind of get through is that they take a lot from faculty, a lot from staff. If they work in an office on campus, oh my supervisor told me this. They really-- those students that are involved get a lot of their information from ASI because they know we're working from-- we get all our information from faculty and staff and administration. But, the students get their primary from their work environment and their education environment and that's in the classroom or in their work setting and that's how a lot of students get their information.

Jim: Can I just say one thing real quick? Unprecedented bad times or since the Great Depression, so totally different than anything we've dealt with before. It's all about votes okay. This is all about votes. And they'll start cutting the prisons when they feel like they won't get voted out of office for doing that. And they'll start voting for our budget when they feel like if they don't they'll get voted out of office. That's it. It's simple. It's hard, but it's simple. And so, we need to find ways to get political support in terms of votes. What, you know, why is the prison union so powerful? Because they deliver a lot of votes and

they have a lot of money to put into campaign coffers and that's the bottom line. And you know, right now the only thing that sells for us in Sacramento is access for students and the whole student enrollment issue. And so, that's why we play it the way that we do. But, they can't increase the tuition price for the prisons right. They can increase our price. They had-- there's not enough money. Their budget is down what 40 billion since the high projection mark of 120 billion, which was what they were projecting in 2008 down to 80 or something like that. So, you know, you're talking and no one wants to give up anything. We know about that right? So, it's politics and it's hard politics and to the degree-- and our-- you know, the Chancellor-- he meets with the Governor, our people are up there working the legislature, but it's very, very difficult because everybody else is right there elbowing us out of the doorway as they go in to see that legislator and they contribute to his campaign and so on and so forth. So, you know, I think we've got to-- I think it's all about getting the vote and putting that kind of pressure on the legislature to try to get a better situation for the CSU and it's not that we're not trying or that we can blame it on the Chancellor's office PR people aren't what they should be. I think that they're facing a challenge that they've never seen before.

Russ: As are we all.

Jim: Yeah, as are we all. As are we all and we can only do what we can do.

Russ: Yeah. I think that this committee should think about whether it wants to talk about communication as a recommendation point down the road and you know, perfectly within the realm of to make a strategic recommendation around communication. So, I don't have a problem with that. I'd like to-- yes [Inaudible].

Connie: I'd like to make a suggestion if we're going to talk about communication. The thing that the CSU does very well is workforce development. We develop the workforce, people will get jobs, they will pay taxes; we will turn the economy around. Jails do not do that, prisons do not do that. They do not develop the work force at least through the economy that we will all talk about. [Laughter]

Russ: Well, I don't discount that. You can say that there's a, you know, a call at the criminal justice industrial complex. There is-- there is billions associated with that.

>> Well, and some of our [Inaudible].

>> What is their budget like 9 billion in--

>> It's huge.

>> California.

>> And basically people who are educated have a much less likelihood of becoming members of the prison community.

>> I don't think any--

>> We have to sell that.

Russ: I don't think anyone disagrees with you and I think you're right. That's probably something-- I think that's been a part of their sales pitch. We created a document here that showed the economic impact for the institution, just ours, the CSU does. I think that there's a lot of, as Jim said, there's a lot of unusual times right now. I don't discount that Connie. I think we should as I said I think to the committee I would just say, you know, there's a message we want to convey in terms of trying to get communication to-- we can put it in our own letter. I mean we can do things like that. So, you know, there's no reason not to consider it. I think we are facing a very significant uphill battle. I mean I-- I'm not saying we should ever stop. And that's what I meant about the staff, the staff I tell them cut budgets they never want to stop doing their best and giving up, nor do the faculty. So, it's in our human nature to do that and I'm just hopeful that the state will figure it out and say it's really important to educate people and not incarcerate them and just store them away as-- as caged animals. Anyway, Kelvin you had your hand up [Inaudible] we could move on that'd be great. Thank you. Alright, another document that I wanted you to have and-- is in this packet that I gave you with your agenda and has-- it's a planning process call for reductions. The two things I would refer you to is the timeline, which we have on there. This is a letter that was distributed to the divisions. You know, you-- we or the division leaders are the ones who have to affect these changes within the confines of the rules of the CSU, collective bargaining agreements, etcetera. So, what the-- the way the process works is we send a call out to them and we have to do this to get action started, to get conversations going. We are going to see the 200 million dollar cut, at least our campus whether the CSU sees it or not I'm not totally sure. That's a matter for watching down the road. In their--

Jim: What Russ means is that the CSU Chancellors has put the 200 hundred million in reserve right.

Russ: Yes, our budgets have been reduced effectively even in the planning, the first planning document, our allocations have been reduced. And what I wanted to call your attention to is the timeline that is on the back of the letter itself and then an attachment that goes with it, which shows the planning reduction targets. You should understand that there are some constraints that have been placed on us by the Chancellor's office, not counting enrollment constraints. We don't know those fully yet. But, I-- we cannot reduce public safety. We are not free to reduce our obligations for reporting or regulational requirements to the state. That is audits and financial reporting either we have several firms, which is financial information resource management system. And GAAP, which is our general accounting audits. And the legal close which is what we have to do as a legal entity in the state of California. None of those are to be reduced, they're required, no requirements reductions. So, there are others that pertain, we're supposed to focus on, you know, maintaining our other regulatory requirements under the education code etcetera. So, we've factored in some of that and we know from experience and we've been told we will get them again is there are some likely

unfunded mandates. I've said to many people the budget that I provided to you or the four year summary that I provided to you last time-- let me see where it is. You should have it in your packet. The 5 million plus cut does not have any provision in it for really anything including hiring faculty, etcetera. So, if we do any of that stuff we have to up the number and I did it because I wanted to be sure we are understanding that this is a big enough number already, so I want to keep it barebones. But, this is the planning letter that went out to the divisions. I wanted to give it out to you as well. I certainly thought in my heart and mind that I did, but I didn't.

Jim: Plus, when you said hiring new faculty you mean hiring MIT new faculty right?

Russ: New faculty that are--

Jim: That aren't replacement faculty?

Russ: That are-- that aren't replacement with real dollars. In other words, if there's any dollar cost that's not included here.

Jim: So, that would be if you hired somebody for more than what the vacancy was. That'd be net new dollars.

Russ: Yes.

Jim: Right.

Russ: If there's a vacancy that's there but not funded then that would be net new dollars.

Jim: Correct. Or if--

Russ: Or partially funded--

Jim: Or if the vacancy was, you know, was the money and the vacancy was thrown in to some previous budget cut right?

Russ: If it had been cut and it's not really there--

Jim: Then it's not a vacancy in my mind--

Russ: Yeah.

Jim: It doesn't exist anymore.

>> Russ: Well, we used to-- I mean some institutions hold those provisions.

Jim: Uh huh.

Russ: The positions are positions regardless. They may not be active and viable positions because they have no real funding. So, they-- but,

that's what I mean when I say we're not-- there's no provision for any of that kind of thing in this--

Jim: Right.

Russ: Do you have any questions about the budget call letter? Yes Frank?

Frank: Just caused some confusion that I keep hearing about on campus. So, if we can hear from you on this. So, as an example, 5 million dollars have to be cut we have to submit by May is what this says here.

Russ: Correct.

Frank: Okay. Then all the sudden in November and then hypothetically this tax increase passes okay, so now we're going to make cuts and then if the tax increase passes will we bring people back or do-- there's just no more money or again there's a lot I know [Inaudible] but I just keep hearing this over and over. There's not a-- people think-- on the street here people think if that thing passes we're going to be okay--

Russ: No.

Frank: Because that's what's being advertised.

Russ: There is no-- and that's misinformation.

Frank: That's what I wanted you to speak--

Russ: That's misinformation.

Frank: Alright.

Russ: I think I've said this about the budget--

Frank: Yes.

Russ: State budget structure. State budget structure is such that for the last two years the state has not lived up to its Prop 98 obligation to fund K through 12-- K through 13 is what they call it. So, they're behind about seven billion dollars at least that I'm aware of. This tax measure will replace that seven billion because it's a base stream 45:15 funding going forward. It will not affect the CSU. The comment-- the circular comment or the comment, the reference that you hear is that well if we didn't get that, then that's seven billion more we've got to cut from somewhere. But, I just want to be sure that if it passes it is-- there is no direct relation that-- we've been told this by the Chancellor's office, there's no direct funding that will come to us to relieve the 200 hundred million trigger okay. That's point one. Now, it could mean that instead of a 200 hundred million dollar trigger, we got 300 or 400 hundred million dollars, I don't know. I think that's rather doubtful without some other changes to happen, but you never know in this state.

>> You're right.

Russ: So, this is-- as I said earlier, this is being reduced from our budget July 1. Our allocation right now is this 5 million or 4million 6 lower. And whether they reduce the 200 hundred million to a 100 million for whatever reason or you know they increase it, that money will be taken out and we'll have to taken action if it increases. But-- and I don't think we'll see it back to be quite honest with you.

Jim: The Governor's plan was that if the taxes pass we don't get the trigger that was--right. I mean at least that's what he-- that's what's in the plan.

>> The Governor's people--

Russ: The Governor's plan is premised upon the state revenues--

Jim: I understand.

Russ: Using a target.

Jim: I understand. So that--

Russ: Right now they're way behind.

Jim: The likelihood of the Governor's plan being-- coming to fruition is slim, but at least that's what he told us essentially. Now, the problem is, is that he's 6.5 billion behind for this year and next year and his revenue projections at least according to the LAO.

Russ: Right.

Jim: So we're thinking that the chances of us benefiting from the referendum in terms of getting the money back is pretty slim.

Russ: Slim to none.

Jim: But, more money in Sacramento means less cuts for us right. I mean if it doesn't pass it'll be worse in November.

>> I want to ask that--

Jim: For us.

Russ: Yeah.

Jim: For the CSU. So, we don't know.

Neil: Neil you had a comment you had, either that or you're scratching your head.

Neil: Well, it just-- kind of what the Provost said that was my question. Okay, I get what you're saying about the 7 billion for K through twelve and how Prop 98 hasn't been, you know limit-- and so we do that, but then the other money that is forcing the trigger cuts that amount of money is about what, 6 billion dollars now? Is that what--

Russ: I don't know--

Neil: Okay, but it's--

Russ: I don't know.

Neil: It's still happening. So, that is why the trigger cuts is really happening because of that. It could get much worse if we don't even get the, the--

Russ: Yeah.

Neil: Okay, I guess that's why people get confused. They put the two and two together and then they're saying it's all in this one package. It's really not. It's separated out. So, in a way we could almost say what would save us from getting these trigger cuts?

Jim: The economy getting better fast.

Neil: Yeah. So, that's-- that's the reality of it.

Russ: Every month that the revenues lag is, is more indication. And listen, if the CSU had any thought that that would happen it wouldn't have imposed the cut the way they have. And it's a better thing because I don't want to get a cut in a year. That's a much bigger cut. So, I think that by imposing it the way they did they forced actions early and that's appropriate because they'll be-- the less impact of actions then it would have been.

Jim: And what Russ is getting at is the CSU by putting this cut in reserve there-- it makes it very attractive for the state to come in and grab that money away from us. So, they wouldn't do that if they thought there was a good chance of not getting a mid year cut. They've basically written this money off is my guess okay, because the reason that we didn't do it with the 100 million dollar trigger I think is what I just said. You plan for the cut, oh you guys planned for it, okay fine, we'll take it. We still need money up here alright. So, don't you think that's the case Russ?

Russ: I think there's some of that in there. And I think they-- this may be a bargain if they-- if there's a notion that it's going to get worse this-- they'll say look, you know, we already went through this pain and use it as a bargaining tool to try to mitigate any further cuts. So, I think they're pretty sure we're going to get the 200 million. Anyway, I don't want to just drag it on if there's no other questions. Just so you can see, these are the targets that everyone is working towards. These are excluding the-- for the divisions, exclude benefits, benefits sits down there in the central benefits lines so you'll all note. Professor Tan, you have a question?

Professor Tan: Yeah, I have another question about we-- the memo for the budget planning it says, it mentions understood you know, I think you asked the commission to identify all other fund sources. You claim to

communicate base budget reduction apply some or all of these other funds to a completely general operating fund base budget reduction. Can you give us some examples of what this other funds are?

Russ: Some units will eliminate positions from state funding and move them to another source. We have done this for some of our public safety people. They're working on actual other permanent funding sources that they get, but they cannot be temporary funding sources. So, you can't eliminate base budget cuts with temporary sources. So, they have to be ongoing sources, reliable ongoing sources. Otherwise the people can't--

Jim: Do we have any of those Russ?

Russ: Well, I think the PMDs been in operation long enough now that that's pretty much a self support operation. There aren't very many. We don't have the breadth of them that other institutions do. But, that's just because we don't have the breadth of self-supports.

Professor Tan: Do endowments [Inaudible].

Russ: No, an endowment is not a part of this.

Professor Tan: [Inaudible]

Russ: I would say to you that the-- that when you strip away the restricted or designated funding from the endowment, which is primarily scholarship funding in our case, there isn't any money to pour into this actually. And besides that it would only be one time anyway. 52:33

Professor Tan: [Inaudible]

Russ: Yeah.

Professor Tan: The other funds--

Russ: Too early yet. We just sent this out so I'm giving it to you as-- it will be published, be more broadly visible to the campus, but it incorporates the limitations that the Chancellor's office has applied. And as well as what we know about-- we don't know much about unfunded mandates right yet, it's too early.

Professor Tan: It's just that, I guess one I heard [Inaudible] for money and they were looking at all sorts of accounts in the case of the student account and what is needed. I there any money to get out or whatever? I'm just wondering whether that kind of activity goes on that you know there is a list of accounts and any balances in those accounts, the money being moved around.

Russ: They're designated or they're funds that we have for certain activities. The schools have accounts. Sometimes if they go out and do fundraisers and things like that we don't strip those. Those sit in the program accounts; student's accounts are all separate. We don't-- student's accounts all sit in an auxiliary activity so we don't go into those accounts.

Dr. Tan: I was talking about the past.

Russ: Oh, I don't know about the past.

[Inaudible]

Russ: You were scratching, yeah. We probably were scratching at one point, 2008 fortunately was before I got here. So I don't-- I would simply say we honor the restrictions on any accounts or funds that exist here. So, I think we are bound-- we are obliged to do that. So, I don't look at those as a resource. Any more on the budget letter? We now have everything that the divisions are planning for. So the UBAC schedule, we'll set the schedules when-- in the next month or two to get people to talk about their submissions and what they think, okay. Sources and uses you have in your sheet this expanded U. I don't really-- I've talked a little bit about things that you might look for. One I kind of yellowed out a couple of things, one being the change units. So, where you go along and look at a line and it-- suddenly there's a break and it disappears, it's not disappeared, it's really moved somewhere else. So, in the case of athletics and let's see-- enrollment services and let's go down to academic affairs enrollment services. You see it goes along at 2.6 million in nine, ten and then suddenly it stops. Well, it didn't stop it went to BP for enrollment services and student affairs. So--

Jim: Russ, going back to the--

Russ: The cut--

Jim: The cut and the spreadsheet that went in-- went with it--

Russ: Yeah.

Jim: Financial Aid is listed under university wide and then it's also listed-- it's listed as a separate category in university wide and then it's listed as part of university wide. Is this two different types of Financial Aid? In other words we got it here--

Russ: Yeah, Yeah.

Jim: And we got it there.

Russ: Yeah.

Jim: One is federal and one is SUG.

>> Yeah. [Inaudible]

Russ: Okay.

>> Yeah.

Jim: And the idea with university wide accounts is they're accounts that normally wouldn't be subject to any cuts correct?

Russ: Until we have some indicator like SUG, no we can't.

Jim: Right.

Russ: We can't say.

Jim: Right, something like yeah, exactly. Like Financial Aid.

Russ: This study comes to us--

Jim: A lot of this is pass through type of accounts--

Russ: Right.

>> On money.

Russ: And even, even if we were given some flexibility that's probably one of the last things we cut. It's almost like library collections too. It's another one of those things that you don't-- they kind of get excluded from the numbers. Public safety is often excluded like the last time. So, does that help?

Jim: Yeah, I just-- I thought maybe some folks might not understand what that was.

Russ: Good, good. Okay, any questions about-- yes Professor Tan.

Professor Tan: You mention about the Excel, you know--

Russ: Expanded--

Professor Tan: Yeah, yeah. Is that posted on the business and finance website?

>> [Inaudible]

Professor Tan: It is going up. Okay. Including that question--

>> [Inaudible]

Russ: Yeah, they're being prepared-- posted today.

Becky: Can I ask you a question?

Russ: You can ask me two.

Becky: My-- on the [Inaudible] Central on the university line where it shows that--

Russ: Which chart are you looking at?

Becky: I'm looking at--

Russ: Yeah, okay, this one.

Becky: The 1.59 figure that represents--

Russ: Yeah.

Becky: Our cost, which remains unchanged from last year to this year. Well I shouldn't say 5.9, it looks like a reduction, but it's not going down from last year to this year. Am I misreading that?

Russ: No.

Jim: The 19 million you mean?

Becky: Yeah, it's the same in 11-12 as it is going to be in 12-13 and it's taking out 30 percent of general fund budget, but it shows a 1.559, it is in the final number to cut the 19 million by 1.5.

Russ: Right.

Becky: Okay, okay.

Russ: Right. So--

Becky: What is the after--

Russ: We went back and forth with the way you cut and you know, we have to be really careful we don't underestimate the cuts to the benefits. So, that we don't wind up having an imbalance in the budget and then have to figure out how to reduce-- how to fill that gap again. So, people go down, benefits go down or if spots go down with intended benefits. So, we just thought it was easier for people to talk about what it is they are going to reduce or change or whatever and then we'll apply the benefit-- the appropriate benefits to it so we assure we have the total amount of money.

Jim: So, the benefits are not part of the division's budget?

Russ: The division's plan, no.

Jim: So, the divisions need to be cognizant and estimate and we can and Russ can help division VP's with this. What percentage of the central pool is expected to come from a given division so we don't as he said underestimate how much benefits-- underestimate the amount of benefits necessary, which is 1 million 5 hundred and 59 nine thousand according to-- you know, given this plan. Given this plan you know it depends on how it shakes out but we've got to be careful we don't-- we don't forget about that because if we cut items that don't have benefits associated with it we don't take out any benefit costs, so we've got to be careful about that.

Russ: Yeah and I think we have to apply the fact that you know there isn't that much O & E out there. So, you need to not be unrealistic and

get rid of your O & E and then wonder why you don't have pencils or whatever out there.

Jim: And we've estimated in academic fares a million on this just to have something to work with, so we're keeping track of both accounts so you know we don't come up short. Kelvin?

Kelvin: I'm looking at two documents. I'm not sure if you got them both today or what. One said, one's this one that says we're looking at 5 million dollars and another one, this one when I look at shows a 3.6 million dollar shortfall. What's the difference between them?

Michelle: The shortfall is 3.6 but the planning numbers for the center were 5?

Kelvin: And so why? Why if we think that we're projecting a shortfall of 3.6 are the plans for 5?

Russ: Because we're just not sure yet. This is not a cut. This is a plan and we don't have a long timeline to go back and recycle. So, we're planning for what we think is the worst case and you know in years past you know we've driven people nuts by going through a whole bunch of scenarios. And I'm sure Dean Moore, you loved those, and other groups that had to do them loved them, but this year I said, "No, let's take our best shot, see what the worst could be." I am indeed going to apply whatever we have in the way of reserves left over. We're still not through accounting for our tuition. It's still early in the year and there are a lot of puts and takes with the chancellor's office over that. So, I put a number in there and I say this is what we'll plan for, but we haven't executed any cuts yet. So, it's the way we, instead of going through this, this, this or this, give me your best shot. Because people, if you go the other way, people don't think in terms of what they may have to do in the larger sense. So, I think this will help people to do a better job of doing the cuts. They'll still do some staging if you will, but this is what I think it is. And that's conferring with a lot of people, listening to Long Beach, reading whatever the same tea leaves you read and everything else.

Jim: So this, if we had to come back in January with another midyear cut, you would--

>> I would hope--

Jim: You would presumably have some reserves to be able to tackle it as you did this year. You had reserves that were able to handle this year's peace of the 100 million dollar cut.

Russ: That's correct, but in this case we're planning. So, if we get down to June and suddenly the budget has gotten rosy and we've gotten a lot of additional revenues then when we actually execute the cuts we just won't execute as much, just say-- hey-- you know I want to be sure everybody got it, because it's a good question.

Kelvin: You know got a [Inaudible] in terms of the cuts here does this factor in, I'm assuming then this 5 million factors in additional fees. The 9 percent or I guess tuition we're calling it now.

Russ: Everything's factored in. Yeah, that 9 percent, that 1 million or whatever is the result of the little excess that we see from the fee increase actually. So, if we didn't have that we would-- it could be much worse, but again that all has to be-- the way this works, just so all of you know you know we make assessments and plans for how much we'll receive in revenues, but there's a lot of reconciliation that goes on and we get our actual numbers later in the year. So, we're working through those. 1:04:39

Jim: Now Russ, the-- for 2011-12 this year, we-- after the trigger cut we still have 1.1 million dollar reserves is that correct? Is that what that 1 million 48 thousand?

Russ: No.

Michelle: It's before the one time--

Jim: Oh, before the one time. So, the one time trigger cut has not been factored in yet?

Michelle: Correct.

Jim: Okay.

Russ: So we are-- we will give that back.

Jim: So what-- so why wouldn't, since you had to give that back this year why isn't it in the 11-12 budget?

Michelle: We cannot amend at that top, but it's actually more than 1.1 we have actually have the one time reserves in addition for our budget.

Jim: Right. I mean when you close the books it'll be in this fiscal year's books right?

Russ: Yes.

Jim: The payment.

Michelle: In the base budget plan in that next column for next year's budget. So we have it factored in as the base budget.

Jim: It's a base budget cut for next year, but what about they also cut it to us for this year too right?

Michelle: Yes, I actually had Terry email some details on this 5.7 and it's a dividend.

Russ: Yeah, okay.

Michelle: It's got a hundred million dollar cut for this year and a two hundred million.

Jim: Okay.

>> And the [Inaudible] cut.

Jim: Okay, I didn't-- so this next column are changes?

Michelle: Correct.

Jim: I see, alright thank you.

>> That's got both.

Becky: So this black and white spread sheet changes?

Jim: No, no we're talking about this one.

>> Oh.

Russ: All she's doing is going to give you a more detail-- Kelvin raised this question. It's a good question.

>> Yeah.

Russ: So, you know there's--

Jim: So basically--

Russ: Some more detail about what is in that number.

Becky: Oh, okay.

Jim: So, what this says is that for fiscal 12, oh okay.

Michelle: I actually credited but I cut it off. [Laughter]

Michelle: I would hand it out right now, but...

Jim: Oh, okay. Alright, yeah.

Russ: You'll get it electronically and it has a greater explanation of that 5.7. That was one of the questions that Kelvin raised.

Jim: So, basically for next year we don't have-- right now if we get the level of cut you anticipate we don't have any reserves for next year?

Russ: That's right. At the start of the year, we'll have to pick them up as the year goes along.

Michelle: We may have possibly 100,000 left after our ins and outs but it's going to be very minimal.

Russ: Right. Yeah, yeah we got some money there yeah. They're not plungable.

Russ: Okay, let's stay with it. We have one more thing. Anymore on the source abuses, the charts, you now have quite a-- that's pretty much. Yes, Professor Tan.

Professor Tan: I know it's at last meeting you all mentioned about the sources of fund how for 2011-2012 some items were dropped from the list. I'm still not clear you know, I know you said that some of sources of fund were dropped or excluded because they were restricted, is that right?

Michelle: Oh, the miscellaneous revenue, yes, yes. All of the miscellaneous revenue has been moved out of the general operating fund. That would be any grant reimbursements that used to go to Academic Affairs, now those part-timers should be charged directly to the grant.

Professor Tan: Oh, I'm talking about this one that was handed out at the last meeting.

Michelle: Yes, those were included. In 2008 we brought all revenues into the general fund. That included grant funds. It included self-support funds from the five self-supports.

Professor Tan: I do see here self-support.

Michelle: Let's see, it's called reimbursements to general fund. It's the very last--

Professor Tan: Those are self-support.

Michelle: That would be self-support. It would be grant release time.

Professor Tan: Okay, grant release.

>> And even miscellaneous right--

Russ: [Inaudible] has asked us to account for that specifically. So we had to move--

Michelle: Yes.

Russ: Funds and responsibilities or obligations off the general fund because it was cluttering up the general fund with things that weren't really associated with base general funding. So--

Professor Tan: But why would they move into general funding and in and out-- what is in and out?

Russ: That's a very good question and as an accounting professor I'd probably urge you to call them. Maybe when we have George Ashcar [Assumed spelling] you can ask him that question, because they do this-- they do this in response to requests they get too or ways they want to portray

the financials or whatever. But, we had a lot of things come up. The EMBA fee is one of those that got moved out right or setup separately?

Michelle: All fees have been moved out.

Russ: All fees are out, so they want to get the stuff that was cluttering up the financial statements and the accounting records off in a place where they're more visible and we see the ins and we see the outs. If there's expenses associated with them those get charged to those same funds out there. But, it was a move that was required of us by the chancellor's office.

Professor Tan: So, with this in and out for the sources fund, is that also in and out at the user funds?

Michelle: Yes and if you notice in 2008 when they implemented what they call the revenue management we actually moved all the funds that used to be reimbursed funds into the general funds and now [Inaudible] has asked us to put those back in what they call a internal service fund. It's the same thing; different terminology but the same thing and they asked that those fees be expended at your end so that they make sure if we're charging another area for time that we have an expense and we're using that money in the current year so we're not over or under charging.

Professor Tan: So, if I look at the user funds, can I see what you're saying in here or is it lumped together with something that I cannot see here on how much it is?

Michelle: Well, they're included in the base budget adjustments depending on what area got the revenue and where it was deducted from.

Professor Tan: But would I be able to see what was the combined and be able to go back to the years you know I guess from 2008 to 2011. You know I was to go to the user funds can I see the two numbers, one--

Michelle: Sure. I think the easiest one for you to see right there would probably be OIT. If you notice the revenue of 1.1 million went in.

Professor Tan: No user fund, not the top. I'm talking about user fund.

Michelle: Yes, yes you can tell because the area of budget jumped by the amount of revenue there.

Professor Tan: So, OIT is one of them. What else is in there?

Michelle: Every division.

Professor Tan: Every division?

Michelle: Every division has miscellaneous and they have all been reduced by whichever--

Professor Tan: Every division?

Michelle: Every division, yes.

Professor Tan: Including Academic Affairs?

Michelle: Yes, they had I think 336,000 in grant funds.

Professor Tan: Okay, thanks.

Russ: Okay, we're fast running out of time. I wouldn't-- we have some questions that were raised by Kelvin and they were raised with Michelle. I think we gave you a copy of those responses here. Knowing that-- okay Michelle has those, and they may need a little cropping. 1:12:57 Yeah we have them for everybody and they're--

Kelvin: Terry emailed them to everybody.

Russ: Yes, she did email them. So, you have those in your email. I thought maybe briefly Michelle you could run us through and take us over a minute or two and then we'll come back and talk about next time.

Michelle: I don't have all the details on the 5.7 in front of me, because I'm sorry I cut it off, but I can go through the rest of the questions.

Russ: Okay.

Russ: We will send you that, or you've already gotten that in the email.

Michelle: It's essentially five or six items if I can remember of the top of my head. One is the 100 million dollar reduction. One is the 100 million dollar reduction. Our part of that was 2 million 59 thousand 9 hundred. We had also had a reduction in our retirement benefit costs 250 thousand 350. And they reduced our budget by 43 thousand 1 hundred for the amount of interest that we're earning on our [Inaudible] So we basically are getting charged for the amount that we're earning [Inaudible]

Russ: That's a recent change by the state actually.

Michelle: They deducted 1 million 349 thousand for financial [Inaudible] and then they increased our budget by 2 million 561 thousand 700 hundred in the reason that our finance rate is higher than the amount reduced by our fees is because they go by our student population and the unmet need and we have a high unmet need. So, some campuses get back less SUG money then they get reduced. We happen to one that gets that.

Jim: So you don't necessarily get the SUG money that you pay in. You get what you need more or less?

Michelle: Correct.

Jim: And it's determined by the CO?

Michelle: Yes, and the way they explained it to me as the-- it's all-- they're financially pooled. They take a third, put it all together and then distribute it back to the campus.

Jim: That's good.

Michelle: So, and the last piece is--

Jim: So, we're like Alabama now.

Russ: Correct.

Jim: Okay.

Michelle: Is the 200 million dollar [Inaudible]

Russ: Right.

Michelle: Let's see, the other items that Kelvin was asking was really just about details of the financial aid and the set aside, mandatory cost increases. We don't know all those yet. We've got what we know about in there. And then he asked about UEE's and what we're doing with that [Inaudible] basically update. We're looking at some sort of revenue sharing model like some of the others. And it turns out that it hasn't been financed.

>> How much is that?

Michelle: I don't know off the top of my head.

Russ: I don't know off the top of my head.

Jim: About 1.5 million and we anticipate next year we'll do 1.6 million.

Kelvin: That's in surplus not--

Jim: Yes.

Russ: Okay we have one item left. This is a big item to discuss I think. So, I would propose to put it on the first item on the next meeting. And as always if you have agenda items our schedule is such that we will schedule a hearing for this committee when we have budgets and missions ready to go and that's going to come in April, soon. And that doesn't preclude you from talking about topics in areas if you want to, that's fine too. If you want to do that it might be helpful to give people a heads up to get that information to me and I'll put it on the agenda. Yes?

Clarissa: The agenda item discussion of reconstitution representation and replacement of [Inaudible] agenda item.

Russ: That was Mark Thompson's.

Clarissa: It was added for this meeting or was that on carry over from last?

Russ: It actually was a carry over from last.

Clarissa: Okay, thank you.

Russ: So, I propose since it was a carry over from last time we put it at the head of the list this next meeting and then whatever you see-- you begin to see the kinds of things that we're-- I think the picture should be clearer now about what's going on and you can begin to raise issues and impressions you want to raise or things that we ask about various activities on campus. We've had a review from the Holistic Committee that will be ongoing. We have-- well the plans of the budget plan-- reduction plans are in process so if people want to talk to a particular VP that's fine too. We can do that, but you have to let me know. My sense is to let them do their cogitating, because they really do have to do some thinking with their leadership there to see what they're going to come forward with. These are big numbers. These are big numbers for every unit. Yes?

Becky: Are we going to be adding at all to our meeting schedule because May 15th doesn't seem very far away to get all this--

Russ: No it doesn't does it?

Becky: How many meetings is that, four or five.

Russ: Five meetings I think at least. We will probably add one for a hearing and we may add others, I don't know. Last year we added a bunch at the end because we weren't moving down the road of recommendations. I think I heard today at least a recommendation or trying to communicate the severity of the proposed reductions. So, you know be thinking about that if that's something you want to do. And I think we will want to check in with various groups too along the way and see how they're doing. But, these numbers are big enough that the people are really going to have to think hard about organizationally what we're up to.

[Background noise]

Russ: Okay, any other questions? If not, then thank you. Can we have a motion to adjourn?

>> So moved.

Russ: Okay meeting is adjourned. We'll keep you posted.

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Added speaker names to the recorded minutes
Susie Fitzgerald