



CALIFORNIA STATE UNIVERSITY, FULLERTON

Academic Senate
PLN-120

MEMORANDUM

**Re: ASD 14-167
Resolution**

DATE: December 3, 2014
TO: Chancellor Timothy White
CSUF Administration

**Task Force
On a Sustainable Financial Model for CSU**

Mildred García, President
José Cruz, Provost and VP-AA
Berenecia Johnson Eanes, VP-SA
Danny C. Kim, VP-AF
Amir Dabirian – VP-IT
Lori Gentles, VP-HRDI
Gregory Saks, VP- UA

Steve Relyea CO
Leroy Morishita East Bay
Elliot Hirshman San Diego
Kathleen Enz Finken SLO
Harry Hellenbrand Northridge
Larry Schlereth Sonoma
Cindy Matson Fresno
Ysabel Trinidad Channel Islands
Mary Stephens Long Beach
Drew Calandrella Chico
Steven Filling ASCSU Chair
Steven Stepanek Faculty Trustee
Talar Alexanian Student Trustee
Ex-Officio Support
Rodney Rideau, Robert Eaton, Dean Kulju, Ryan Storm

FROM: Sean Walker, Chair
Academic Senate

SUBJECT: ASD 14-67 Resolution Concerning Systemwide Funding Formulas

The attached resolution was approved *by acclimation* as a New Business item by the Academic Senate of California State University, Fullerton at its meeting on Thursday, November 20, 2014. This 5-page document includes materials sent to Senators for their consideration prior to the meeting.

Thank you for your attention to this matter.

Attachment: ASD 14-167 (5 pages)

cc: PRBC

| | | | | |
|------------------|-----------------|-----------------------|----------------|-----------------|
| Robert Mead | Erica Bowers | Andrea Patterson | Michael Shafae | Christa Johnson |
| Mike DeMars | Stacy Mallicoat | Jon Brusckke | Paul DeLand | Vivian Le |
| Bill Meyer | Sora Tanjasiri | Ann Camp | David McKenzie | Neha Ansari |
| President García | Provost Cruz | VP Eanes | VP Kim | VP Dabirian |
| VP Gentles | VP Saks | Emily Bonney, Liaison | | |

cc: CSUF Academic Senate Executive Committee

| | | | | |
|-----------------|--------------|----------------|---------------|---------------|
| Sean Walker | Emily Bonney | Steve Walk | Amir Dabirian | Lynn Sargeant |
| Sheryl Fontaine | Ken Walicki | Matthew Jarvis | Diana Guerin | |



Academic Senate Approved by Acclimation 11-20-14

A RESOLUTION CONCERNING SYSTEMWIDE FUNDING FORMULAS

WHEREAS Cal State Fullerton is committed to expanding access, improving student learning, increasing graduation rates, narrowing achievement gaps and keeping costs affordable, and

WHEREAS For several years, Cal State Fullerton has received the lowest levels of state funding on a per full-time equivalent (FTE) student basis in the Cal State University system, and

WHEREAS The Associated Students of CSU Fullerton have recently articulated support in their Policy Agenda for “any legislation or policy change that...creates a more equitable distribution of funds and fees across the CSU system,” and

WHEREAS Chancellor Timothy White has established a task force to develop recommendations for a “sustainable financial model for the California State University,” and

WHEREAS Among the elements that comprise the October 21, 2014 charge to the task force, Chancellor White encourages the task force to “refine the initial charge to a narrower, actionable focus that will lead to recommendations and an articulation of core values and operating principles,”

BE IT THEREFORE RESOLVED:

- 1) The Academic Senate endorses Chancellor White’s efforts to proactively address California State University’s financial model in response to changes in the way that the state of California is funding higher education,
- 2) The Academic Senate encourages Chancellor White and the Task Force on a Sustainable Financial Model for the California State University to include as a core value and operating principle for its deliberations resolving existing inequities in how state funds are invested on a per-FTE basis across the CSU as the first step in the proposed “phased transitional implementation plan that does no harm” for the new sustainable funding model,
- 3) This resolution to be distributed to President Mildred García, Provost José L. Cruz, Chancellor White and members of the Task Force on a Sustainable Financial Model for the California State University.



A RESOLUTION CONCERNING SYSTEMWIDE FUNDING FORMULAS

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- 3) This resolution to be distributed to President Mildred García, Provost José L. Cruz, Chancellor White and members of the Task Force on a Sustainable Financial Model for the California State University.



***Planning, Resource & Budget Committee
2014-2015***

Date: October 28, 2014

To: Sean Walker, Chair
Academic Senate

From: Robert W. Mead
Chair – PRBC

Subject: Draft resolution on funding levels approved in essence.

The Planning, Resource, and Budget Committee reviewed the attached resolution at its October 24, 2014 meeting. This resolution has been reviewed and discussed at three different PRBC meetings with a number of evolutionary edits and modifications. While there are additional edits or suggestions still to be considered, the PRBC decided to approve the resolution in essence and refer it to the Executive Committee of the Academic Senate with the understanding that the resolutions chief champion, Academic Senator Jon Bruschke, and Provost Cruz would add wording for two additional “Whereas” clauses and one additional “Resolved” clause. The PRBC action was unanimous.

I believe Senator Bruschke has since shared a copy of the proposed additions with you.

Should you have any questions, please don’t hesitate to contact me.

**Chancellor's Charge for the Task Force on
A Sustainable Financial Model for the California State University**
October 21, 2014

Several interrelated elements influence the general fund acquisition and distribution for undergraduate and graduate instruction. These elements, viewed at a high level, include state appropriated funds, tuition fees collected, state university grants (revenue foregone), and budget allocations to campuses and the Chancellor's Office.

The current approach to budget and finance was developed over a number of years, based on the infamous "orange book" antecedent. While appropriate for the times, going forward it does not bode well for enabling the CSU to provide high quality programs with broad access by academically qualified students reflective of the spectrum of society, all at a moderate cost to students and the state of California.

The charge to this task force is to propose to the Chancellor in April, 2015 a sustainable plan for the future with respect to budget allocation, revenue generation, enrollment management, and institutional financial aid policies. The system-wide recommendations are to:

- Be responsive to the mission of the CSU and to the needs of our students, California, and society in general.
- Reflect regional as well as campus specific enrollment and student needs and aspirations.
- Provide for flexibility across the system, recognizing diversity of campus educational offerings.
- Recognize special circumstances for new and/or small campuses.
- Identify revenue enhancement opportunities for some/all campuses, including national and international students.
- Modify SUG policy to create manageable 'skin-in-the-game' for all students.
- Create policies and practices on revenues including tuition that are predictable with minimal fluctuations in annual resource allocations that allow coherent planning.
- Create a phased transitional implementation plan that does no harm.

The committee will refine the work plan at its first meeting, determine if membership is adequate and if a third-party consultant is required. The task force will decide upon meeting venues (e.g., in person; video conference; teleconference; hybrid) and schedule. It will also suggest any modifications to the charge for Chancellor's approval. All necessary and reasonable costs (travel and lodging) will be borne by the Chancellor's Office.

The work of the Task Force shall commence in October 2014, and consists of two phases.

Phase one will begin by exploring the universe of issues at hand *writ large*, and if necessary refine the initial charge to a narrower, actionable focus that will lead to recommendations and an articulation of core values and operating principles. This refined charge will be reviewed by campus presidents, the statewide academic senate leadership, and leadership in the Chancellor's Office to ensure that it has broad understanding and acceptance. The Task Force membership will determine if its composition is suitable for the charge, including the possibility of retaining a third-party consultant, and if necessary make a compelling request to the Chancellor for adding an additional member or two to the Task Force.

During the second phase, the Task Force will carry out the final charge with an eye to having a draft report completed in April 2015. The draft report will be posted for broad input by any interested individuals in the CSU or from the communities we serve. The input will be reviewed by the Task Force for consideration, and the final report will be submitted thereafter.

The task force consists of colleagues across the state with demanding schedules. Consequently it is not feasible to meet in person on every occasion. And yet the work is important and will require constant attention and focus. The meeting schedule is being established by the task force convener to optimize participation of the task force members. The work of the task force is important, and I caution that progress not become paralyzed in the search of 'perfect' solutions.

The Task Force members are appointed by the Chancellor. Members will bring perspectives and experiences formed in their prior and current roles, yet they are not appointed as 'representative' *per se* of their current role and campus, but rather these colleagues are charged to serve the broad interests of the California State University.

Steve Relyea is the convener of the Task Force; he along with Leroy Morishita and Elliot Hirshman serve as the co-chairs. Task Force members include:

Convener and co-chair Steve Relyea, CSU Executive Vice Chancellor and Chief Financial Officer; srelyea@calstate.edu

Co-chair Leroy Morishita, President, CSU East Bay; leroy.morishita@csueastbay.edu

Co-chair Elliot Hirshman, President, San Diego State University; elliioth@mail.sdsu.edu

KathleenENZ Finken, Provost & Executive Vice President for Academic Affairs, Cal Poly San Luis Obispo; kenzfink@calpoly.edu

Harry Hellenbrand, Provost and Vice President for Academic Affairs, CSU Northridge; harry.hellenbrand@csun.edu

Larry Schlereth, VP for Administration and Finance and Chief Financial Officer, Sonoma State University; furukawa@sonoma.edu

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Mary Stephens, VP Administration and Finance, CSU Long Beach; Mary.Stephens@csulb.edu

Drew Calandrella, Vice President for Student Affairs, CSU Chico; dcalandrella@csuchico.edu

Steven Filling, Chair Academic Senate - California State University; sfilling@mac.com

Steven Stepanek, Faculty Trustee; steven.stepanek@csun.edu

Talar Alexanian, Student Trustee; Talar.alexanian.531@my.csun.edu

Ex-officio support:

Rodney Rideau, executive staff to the task force, Acting Deputy Assistant Vice Chancellor for Budget, Chancellor's Office, *ex officio*, rrideau@calstate.edu

Robert Eaton, executive staff to the task force, Acting Deputy Assistant Vice Chancellor of Finance, Treasury and Risk, Chancellor's Office, *ex officio*, reaton@calstate.edu

Dean Kulju, executive staff to the task force, Student Financial Aid Services and Programs, Student Academic Support Chancellor's Office, *ex officio*, dkulju@calstate.edu

Ryan Storm, Interim Assistant Vice Chancellor Budget, Chancellor's Office, *ex officio*; rstorm@calstate.edu