

Humboldt State University
University Budget Committee
Friday, November 3, 2006
Meeting Notes

Co-Chair: Saeed Mortazavi, Rick Vrem

Voting Members: Brandon Hemenway, Lumei Hui, Nancy Kelly, Mark Larson, Judith Little,
Wayne Perryman, Laurie Sheppard, Michael Thomas

Proxy: Brandon Hemenway for Glenn Sonntag

Absent: Rosemary Smith for Susie Dodson

Ex Officio: Karen Earls

Agenda: Review of University Cost Centers

The motion proposed by Mark Larson and subsequently tabled at UBC, October 13th was revisited for closure. The original motion called for a broader body than just the UBC to be engaged in the cost reduction evaluation and recommendation.

Mark explained that he does not believe the UBC incorporates the correct membership in terms of campus representation, credibility and expertise to deliberate on the budget solution. Dr Vrem asked Mark to clarify the purpose of the motion since the UBC has already presented its recommendation to the President regarding the expansion of its membership.

Saeed reported that the Senate unanimously rejected the UBC's membership recommendation and in a separate resolution, they requested the creation of an expanded task force, perhaps including the UBC and also having at least a 50% weighting of faculty members for the specific purpose of deliberating on the budget reduction.

Mark said the intent of the motion would be to send "evidence of agreement" with the Senate's resolution.

The membership voiced various perspectives, most in favor of expansion and broad representation. Several members also preferred to wait until the President responds to the original recommendation before sending additional input.

A concept vote was held to determine if the UBC would approve the expansion of its membership to include 50% faculty. The concept passed with 5 in favor, 3 opposed and 1 abstention.

It was necessary to distinguish between the ongoing structure of the UBC in contrast to a project-specific task force. This appeared to be confusing the issue. Wayne supported the expanded task force for the purpose of budget reduction, but felt the ongoing make-up of the UBC should be tabled pending the budget process/policy review.

Bringing the discussion to closure, Mark Larson moved that the UBC convey their desire to expand beyond its structure for the specific purpose of addressing the budget reduction. Laurie Sheppard seconded the motion and it carried with 8 in favor and 1 abstention.

Moving on to new business, the financial handout, “HSU Cost Center Statistics” was examined and the reported employee FTE for 05-06 was determined to be slightly inflated by any faculty release time because the expense for this time is reimbursed. The actual salary expense reported, however, correctly reflects the adjusted amount.

Rick asked how the cost center data would be used as part of the evaluation process. Michael suggested each cost center be discussed in terms of its related activities and its added value to the university. Laurie was concerned that it would be a long process to review each department with the necessary due diligence. She wanted to hear from the program administrators as there was not enough info for decision-making purposes inherent in the financial report.

Mark felt that the UBC did not have a clear understanding of its role in the decision-making process and referenced page 3 of the “Questions and Answers...” handout from the townhall meeting. This document states that an outside consultant would perform the program-by-program comparative analysis and the provost and vice presidents would each perform a review of their respective divisions. The resulting budget proposals would then be presented to the UBC.

Rick agreed with Mark and clarified that it was the UBC’s job to evaluate the proposals and identify discrepancies or exceptions within the presented information.

Saeed wanted the UBC to be proactive in its approach rather than waiting for the divisional recommendations. He wanted to proceed with the program ranking by inner, middle or outer circle status. Judith objected because of the lack of information about the specific programs. She felt an examination of comparative data would shed more light on their efficiency.

Two approaches seemed to intermingle at this point in the discussion. The first was the assessment of the programs in relation to the core strategy of the university. The second was determining how efficiently the programs were utilizing their allocated resources through campus trends and comparison data.

Saeed and Mark both commented that an important factor to be decided would be the dollar amount or percentage that would be required from each division. Laurie responded that what was needed was a holistic approach to restructuring the budget, not just quotas.

Finally, Rick asked the committee how they would like to proceed between now and the divisional presentations.

Karen suggested the committee look at establishing criteria for the evaluation of the divisional proposals. Brandon felt the strategic plan could be interpreted into a set of criteria. Saeed did not accept the passive approach of simply evaluating the presentations. Consequently, Rick and Saeed will meet with the President to gain focus and direction for the committee’s task ahead.

There will be no meeting next week because of the Veteran’s Day holiday. The next UBC meeting is called for Friday, November 17th from 2 – 4pm in the Corbett Conference Room.

Respectfully submitted,
Linda Mortenson