



CALIFORNIA STATE UNIVERSITY, LONG BEACH

DIVISION OF ACADEMIC AFFAIRS

March 20, 2009

To: College Deans, Associate Deans, Department Chairs, Scheduling Coordinators

C: Provost Gould; Vice Presidents Robinson, Stephens; Vice Provost Lindsay, ASI President Sweetland; Associate Vice Presidents Gardner, Mahoney, Enders, Till; Assistant Vice Presidents Curtis, Hata, Novack; Directors Fenton, Jensen, Ramirez, Samuelson, Sumpter; Executive Assistant Batchelor

From: David A. Dowell, Ph.D.
Vice Provost, Director of Strategic Planning, and Professor of Psychology

Re: Academic Budget and Enrollment Planning Update

In February the state Legislature enacted and the Governor signed a state budget for the period through June 30, 2010. The enacted budget included a \$66m permanent cut to the CSU for 2009-10 and did not provide any enrollment growth funding. Based on that budget and a series of plausible assumptions, CSULB's Resource Planning Process Committee (RPP) has recently distributed guidelines to plan for 2-4% cuts for 2009-10.

In addition, the California Legislative Analyst has recommended that the Legislature strip the CSU of future funding associated with current over-enrollment. If enacted, this would be a future budget cut as large as or larger than current projected reductions. To avoid this, the Chancellor has directed over-enrolled campuses such as Long Beach, Northridge, San Jose and Fullerton to manage enrollment down to target. The Chancellor has declared that there will be financial penalties for over-enrollment next year.

Active planning for next year's anticipated ranged of reductions is underway at university and division levels and is beginning in colleges & departments. For budget planning purposes, RPP has made several plausible assumptions.

- A portion of the Legislature's budget for the CSU was tied to federal economic stimulus funds, but we do not currently expect to receive sufficient stimulus funding to avoid an additional \$50m cut to the CSU; our planning assumes this loss.
- Each year we experience increases in mandatory costs for benefits and utilities that have to be budgeted, and we have forecast these costs.
- We anticipate that Trustees will increase student fees again about 10% as a partial offset to budget reductions.
- We anticipate that the President will again authorize use of some campus reserves as a partial offset to budget reductions.

Our highest priorities are protecting student access to essential classes and the quality of student experiences. This will require vigorous planning. Currently, we also expect to be able to protect our commitments to assigned time for new faculty and for scholarship and creative activity.

A high priority is maintaining faculty and staff morale and keeping everyone fully informed and engaged. Deans have been charged by the provost with keeping college faculty and staff fully informed and engaged. Another high priority is protecting permanent staff; we are not anticipating permanent employee layoffs at this time.

Admissions reductions for freshman and transfers will downsize enrollment next year by about 1,500 FTES or about 2,200 headcount students. This process is underway already. Enrollment downsizing makes it necessary that departments adjust schedules to current enrollment forecasts. The magnitude of the enrollment shift is so large that it is difficult to fully appreciate the changes that are necessary. To aid in this process, new enrollment planning tools have been distributed to college and department schedule planners.

These adjustments will mean that there will be substantial numbers of part-time faculty for whom work may be reduced or not available. It is critical that college deans and department chairs review the Collective Bargaining Agreement provisions for order of work for lecturers in order to implement proper hiring procedures. Any Fall 2009 contract questions should be directed to Rene Castro, Senior Director, Academic Employee Relations, Academic Personnel (rcastro@csulb.edu or x55208). In addition, there may be temporary staff members who cannot be supported due to reductions.

Successfully protecting student access to essential classes and the quality of student experiences in the face of these budget reductions is likely to require substantial measures including repurposing available funds, reorganizing for efficiency, and staff cross-training or reassignments.

In the Division of Academic Affairs, we will carry out a four-part planning process this spring to prepare for fall. We are meeting with leadership in each college and asking that they proceed through the following planning steps.

- Immediately adjust the fall schedules of classes to reflect anticipated enrollment downsizing; this will free up some resources; *this should be accomplished prior to the start of fall registration.*
- Assess budget cuts and obligations for next year. We have provided colleges with information on anticipated reductions. In addition, each college has new obligations for tenure track hiring and other critical obligations. Each college is asked to carefully assess these anticipated obligations and revenue losses.
- Identify General Fund cost reduction strategies for next year to meet the range of anticipated budget reductions and new obligations.

- Identify and begin to plan strategies to meet student needs for next year: Academic Affairs will provide some resources, colleges may need to backfill cuts from non-GF resources, increase class sizes, reduce re-assigned time, change “business” practices, and/or develop online or UCES options.

Significant changes in our situation could still occur. In April, the state will determine whether we have received the necessary amount of federal stimulus funding to provide a component of the CSU budget; if the state does receive enough stimulus funding, our situation could improve. In May, there will be the special election to securitize the lottery and enact other provisions that affect the state budget plan; if these ballot measures don’t pass, our situation could worsen. In May, the state will calculate tax receipts; if these are below forecast, our situation could worsen.

Although our fiscal environment is unstable, campus planning is very active and will seek to anticipate and adapt as best we can. Again, the campus does expect to be able to protect key aspects of our mission -- student access to essential classes, the quality of student experiences and core support for institutional effectiveness. The campus will be kept fully informed as situation unfolds.