BUDGET INFORMATION REPORTING: BACKGROUND, RESOLUTION, GUIDELINES

submitted by

The
Academic Senate Budget Committee

James R. Conway, Chair

November 6, 1987
Background Statement: The Chancellor's Office has been moving toward more openness in the budgeting process at both the systemwide and the individual campus levels, which may ease implementation of these proposed guidelines. For a chronology of the Chancellor's Office efforts and a statement of the current policy, see Attachment 1. President Warren Baker also has shown concern by approving actions to make the budgeting process at Cal Poly more open to faculty and student input and inquiry. The use of discretionary funds on the campus has become an annual report item available to the university community as a result of President Baker's reactions to proposals made by the Academic Senate Budget Committee. He also approved the creation of two budget oversight committees that include faculty and student representation, the President's Advisory Committee on Budgets and Resource Allocations and the Instructional Program Resources Advisory Committee.

A further step is needed to improve faculty and student involvement in the budgeting process, and that step is based upon I-N-F-O-R-M-A-T-I-O-N. Without information as to how instructional budgets are arrived at and what the expenditures are, it is impossible for faculty and students to be fully-functioning partners in the budgeting process. The attached proposed resolution and guidelines are being respectfully submitted for approval by the Academic Senate and by President Baker in the hopes of improved understanding and collegiality in the budgetary process.

On April 14, 1977, AS-25-77/BC BUDGET INFORMATION RESOLUTION was approved by President Robert E. Kennedy. The resolution (see Attachment 2) called for information concerning all instructional budget categories within each school/department to be made available to the faculty. Such information included proposed budgets for the next academic year and final budget figures for the past academic year.

A sample reporting format for possible use by school deans and department heads accompanied President Kennedy's memo approving the resolution (see Attachment 3). He made the following comment in regard to the resolution:

After review with appropriate personnel, I am approving what I perceive to be the intent of that resolution. As you and members of the Senate are no doubt aware, some schools and/or departments currently make this information known to the faculty in a variety of ways, others do not.

The former President's comment that some schools/departments make information available and others do not remains true today--ten years after the BUDGET INFORMATION RESOLUTION was passed. Attached are a new resolution and guidelines for budget information reporting.
RESOLUTION ON BUDGET INFORMATION REPORTING:
BACKGROUND, RESOLUTION, GUIDELINES

WHEREAS, Information concerning allocations and expenditures of the instructional budget categories within each school/department is essential for informed faculty/student participation in the budgeting process; and

WHEREAS, The Chancellor's Office and the administration at Cal Poly have both gone on record supporting greater openness in the budgeting process, and that includes providing more information about the budgeting process; and

WHEREAS, To assure implementation and compliance with AS-25-77/BC, approved April 14, 1977; therefore, be it

RESOLVED: That the Academic Senate of California Polytechnic State University, San Luis Obispo, endorse the attached specific Budget Information Reporting Guidelines, and forward them to President Warren Baker for his approval and implementation.

Proposed By:
Academic Senate Budget Committee
November 17, 1987
GUIDELINES

Purpose
The purpose of these guidelines is to set standards for the reporting of budget information concerning instructional schools and departments at Cal Poly. When these guidelines are implemented, they will provide a meaningful summary of the instructional budgetary status and financial condition to faculty, students, and other members of the university community. It should be made clear that any school/department that wishes to provide information beyond the scope of these guidelines be encouraged to do so. It is hoped that implementation of these guidelines for the instructional component will encourage other program areas of the university to share budget information more fully with faculty and students.

Origin of Reports
The Vice President for Academic Affairs' office and the Budget Planning and Administration Department of the university will be responsible for compiling and supplying the reports. The Academic Senate office will distribute the reports.

Timing of Reports
Reports are to be issued jointly by the second Friday in November of each academic year.

Content of Reports
REPORT I  To be prepared by the Vice President for Academic Affairs' office. It will include the allocation method/model used by the university to make the allocations, the initial allocations based upon those methods/models, augmentations (if any), and total allocations for the prior academic year made to the schools/departments by the Vice President for Academic Affairs. The report will cover the budget categories listed below and include any current year allocations made to those budget categories.

*AY (Annual Year) Faculty Positions
*SQ (Summer Quarter) Faculty Positions
Instructional Administrative Positions
Technical/Clerical/Student Assistant Positions
*Supplies and Services (Operating Expenses)
Travel In-State
Travel Out-of-State
Faculty Recruitment
Regular Equipment
Replacement Equipment
Telephone
University Assigned Time
Any Other Allocations Made to the Schools/Departments

*The report shall include resources generated by each school and department via models and resources actually used by each school and department. For faculty positions the summary by classification and level (SCAL) reports will suffice. For supplies and services the 90% and 10% allocation memorandums will suffice.

REPORT II  To be provided by the Budget Planning and Administration Department. The following information will be provided in two reports: (1) subcode within each department for each school and (2) department within subcode for each school. They will include the budget, expenditures, and budget balance for the prior fiscal year in each of the budget categories recorded in the Financial Accounting System (FAS) as of June 30th for each instructional school and department of the university.
Cautionary Note: The prior year allocation totals reported by the Vice President for Academic Affairs' office may not coincide with the prior year expenditure totals recorded in the Financial Accounting System (FAS). This may occur as a result of the budget transfers made within the schools and departments annually, as well as the infusion of monies from other funding sources; e.g., discretionary accounts. The reporting of such transfers and augmentations was considered by the Academic Senate Budget Committee, but was believed to be too complex to track for the purposes of this budgetary reporting mechanism. The committee believed that enough budget information would be made available to the faculty and students by these reports so that responsible and informed questions could be asked about any budget total differences in the reports from the two offices.

REPORT III To be prepared by the Vice President for Academic Affairs' office. It will include Lottery Fund allocations by category to each school and department for the prior year. It is believed that these funds should be reported separately from the General Fund monies due to the nature of the funding source. The allocation memorandums will suffice for this report.

REPORT IV To be supplied by the Vice President for Academic Affairs' office. It will include a report of school and department allocations of assigned time. This "school" assigned time should be reported separately, so as not to be confused with "university" assigned time.

Distribution of Reports
The following will receive complete reports relating to all schools/departments:

- President of the University
- Vice President for Academic Affairs
- Vice President for Business Affairs
- Budget Officer
- School Deans
- Executive Committee of the Academic Senate
- ASI President
- ASI Controller
- Remaining Members, Instructional Program Resources Advisory Committee
- Members, Academic Senate Budget Committee
- Special Collections and Archives, Library

The following will receive the report relating to their respective school only:

- All Departments in the School (2 copies—one for the department head/chair and one for the faculty)
- Remaining Academic Senators
Date: June 26, 1987
To: Presidents
From: W. Ann Reynolds
Chancellor
Subject: Campus Budget Advisory Committee

In July 1986, the Board of Trustees adopted several priority topics for review during the year. One of the items involved "Student Representation on Campus Budget Committees". Concern had been expressed by the student leadership about the actual functioning of Campus Budget Advisory Committees (CBAC's) that are required by Board of Trustee policy.

As background to this issue, three specific events occurred:

- In September of 1984 the Board of Trustees established new student fee policies which incorporated several principles including:
  a. Students should be active participants in the consideration of program and budget related issues.
  b. Committees, which include students, faculty and any other appropriate constituency, shall exist at each of the campuses and at the system level to offer advice on budget policy, planning and resource allocation.

- In September of 1985 the Board of Trustees approved the statement of Collegiality with the CSU which "... recognizes the value of participation by the faculty in budgetary matters, particularly those directly affecting the areas for which the faculty has primary responsibility".

- In January of 1986 the Trustees received a report on structure and operation of CBAC's. The report showed that a wide variety of structure existed, but that all campuses appeared to be in compliance with the policy.

Distribution:

Vice Presidents, Academic Affairs
Vice Presidents, Administration
Vice Presidents/Deans of Students
Financial Managers
Budget Officers
Accounting Officers
Chancellor's Office Staff

Academic Senate Chairs
Associated Students Presidents Chair, Statewide Academic Senate Chair, CSSA
Presidents
June 26, 1987
Page Two

The work plan for addressing this issue stated that it would be referred to the System Budget Advisory Committee (SBAC) for review and recommendation. The SBAC, working with the Executive Council, Statewide Academic Senate and CSSA, developed the principles included in Attachment A entitled "The Role of Faculty and Students in Budgetary Matters".

By this memorandum, I am endorsing the attached principles for implementation on all campuses. Information on the functioning of CBAC's shall be maintained by each campus so that future reports to the Board of Trustees may be readily compiled as necessary. The information maintained shall include dates and agendas for meetings, attendees and a record of committee recommendations.

If there are any questions about these principles, please contact John Richards of Budget Planning and Administration, (ATSS) 8-635-5725.

WAR: tmm
Attachment
ROLE OF FACULTY AND STUDENTS IN BUDGETARY MATTERS

Principles

1. Access to Information

   a. Faculty, student, and other members of the University community are entitled to information which provides a meaningful summary of the institution's budgetary status and financial condition.

   b. Persons serving in a formal consultative role should have early access to relevant information regarding the public funds available to the institution and their use.

   c. The campus policies and procedures employed in the development of the campus budget should be clearly described and understood by those engaged in formal consultative roles.

   d. The campus policies and procedures employed in the allocation of campus resources should be clearly described and understood by those engaged in formal consultative roles.

   e. The groups engaged in formal consultation, and the procedures employed in the consultative process should be clearly described and understood by those engaged in the process.


   a. There will be a committee, or committees, advisory to the President, or designee(s) of the President. The committee(s) will include faculty and students selected through established campus governance procedures. The President or designee, may appoint additional members because of their special expertise or value to the committee.

   b. The role of the committee(s) in budget matters, including special considerations such as lottery funds, will be made known clearly through a written charge to the committee.

   c. Regular committee processes normally should be followed, including the preparation of timely agendas, advance distribution of discussion material, and maintenance of a written record of the committee's recommendations. Actions regarding recommendations will be communicated to the participants.

   d. The desirability of membership continuity in budget deliberations should be recognized by appropriate terms of service.

5/26/87
ACADEMIC SENATE
of
CALIFORNIA POLYTECHNIC STATE UNIVERSITY, SAN LUIS OBISPO

AS-25-77/BC
March 8, 1977

BUDGET INFORMATION RESOLUTION

WHEREAS, The faculty at Cal Poly are striving to achieve input in the budgetary process affecting the instructional budget at California Polytechnic State University, San Luis Obispo, and

WHEREAS, The faculty can have the greatest influence in budgetary matters at the school/division/department/program levels, and

WHEREAS, The faculty must have information on current budgets to provide valuable input in the budgetary process, and

WHEREAS, All faculty members are not currently being made aware of the budgets of the schools/divisions/departments/programs in which they serve, now, be it therefore

RESOLVED: That each September the proposed budget for the upcoming academic year, and the final budget figures for the past academic year in each school/division/department/program should be distributed to all faculty members within said school/division/department/program; and, be it further

RESOLVED: That budget figures at the school/division level are to be distributed by the Dean and should include all aspects of the instructional program by department including faculty position, operating expense, equipment, replacement equipment, in state and out of state travel, and technical/clerical/student assistant allocations; and, be it further

RESOLVED: That budget figures at the department/program level are to be distributed by the department head or program leader and should also include all aspects of the instructional program, and should provide greater detail than the budget figures provided at the school level.

APPROVED MARCH 8, 1977
Robert E. Kennedy

Academic Senate Resolution--Budget Information

Your memo of March 9 transmitted to me a resolution adopted by the Academic Senate to the effect that various budgetary information be made available to the faculty of each department/program. After review with appropriate personnel, I am approving what I perceive to be the intent of that resolution. As you and members of the Senate are no doubt aware, some schools and/or departments currently make this information known to the faculty in a variety of ways, others do not. In order to assure that basic information, as a minimum, is made available I am forwarding to Vice President Jones and Director of Business Affairs Landreth the attached sample format for possible use by school deans and department heads. In so doing, it is not my intent to mandate that this format be used or to require those administrators currently making information available to conform to the format. Rather, its purpose is to provide a guide to the information which should be made available.

Further, I am leaving to the judgment of the deans and department heads the medium to be used in distributing the information. Some may choose to do it through a departmental or school memo, others may wish to distribute the information through the school council or departmental council minutes. By copy of this memo I am asking Dr. Jones to implement the distribution of information in all instructional areas beginning with Fall, 1977.

Attachment
ZEE Departmental Summary

<table>
<thead>
<tr>
<th>Positions:</th>
<th>1975-76 Actual</th>
<th>1976-77 Budgeted</th>
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</thead>
<tbody>
<tr>
<td>Administrative FTE</td>
<td>0.6</td>
<td>0.6</td>
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<tr>
<td>Faculty, FTE</td>
<td>12.5</td>
<td>13.0</td>
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<tr>
<td>Support Staff, FTE</td>
<td>3.0</td>
<td>4.0</td>
</tr>
<tr>
<td>Student Assistants, FTE</td>
<td>1.4</td>
<td>1.1</td>
</tr>
<tr>
<td>Total FTE Positions</td>
<td>17.7*</td>
<td>18.9*</td>
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Operating Expense and Equipment:

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<tr>
<th></th>
<th>1975-76</th>
<th>1976-77</th>
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</thead>
<tbody>
<tr>
<td>Supplies and Services</td>
<td>$ 8,831</td>
<td>$ 10,672</td>
</tr>
<tr>
<td>Travel In-State</td>
<td>368</td>
<td>397</td>
</tr>
<tr>
<td>Travel Out-State</td>
<td>(Budgeted by School)</td>
<td></td>
</tr>
<tr>
<td>Regular Equipment</td>
<td>3,132</td>
<td>2,567</td>
</tr>
<tr>
<td>Replacement Equipment</td>
<td>2,118</td>
<td>2,320</td>
</tr>
</tbody>
</table>

Student Credit Units Data

| Department SCU                  | 2401          | 2411          |
| Department SCU as % of Campus Total | 1.1%       | 1.1%          |

*Positions subject to salary savings requirements: 2% faculty and 4% nonfaculty.
### School of XYZ Summary

<table>
<thead>
<tr>
<th></th>
<th>1975-76 Actual</th>
<th>1976-77 Budgeted</th>
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</thead>
<tbody>
<tr>
<td><strong>Positions:</strong></td>
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<td></td>
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<tr>
<td>Administrative, FTE</td>
<td>3.24</td>
<td>3.28</td>
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<tr>
<td>Faculty, FTE</td>
<td>93.4</td>
<td>95.2</td>
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<tr>
<td>Support Staff, FTE</td>
<td>15.8</td>
<td>16.0</td>
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<tr>
<td>Student Assistant, FTE</td>
<td>7.1</td>
<td>7.2</td>
</tr>
<tr>
<td>Total FTE Positions</td>
<td>119.54*</td>
<td>121.68*</td>
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**Operating Expenses and Equipment:**

<table>
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<th>1976-77 Budgeted</th>
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</thead>
<tbody>
<tr>
<td>Supplies and Services</td>
<td>$86,434</td>
<td>$93,278</td>
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<tr>
<td>Travel In-State</td>
<td>3,420</td>
<td>3,840</td>
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<td>Travel Out-State</td>
<td>3,182</td>
<td>3,633</td>
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<td>Regular Equipment</td>
<td>23,144</td>
<td>25,676</td>
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<tr>
<td>Replacement Equipment</td>
<td>22,604</td>
<td>24,898</td>
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**Student Credit Units Data**

<table>
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<th>1975-76 Actual</th>
<th>1976-77 Actual</th>
</tr>
</thead>
<tbody>
<tr>
<td>School SCU</td>
<td>13,409</td>
<td>13,509</td>
</tr>
<tr>
<td>University SCU</td>
<td>213,521</td>
<td>212,416</td>
</tr>
</tbody>
</table>

*Positions subject to salary savings requirements: 2% faculty and 4% nonfaculty.*
University staff and I have had an opportunity to review the implications of the subject resolution. Based upon this review, I am approving the resolution and asking the Vice President for Academic Affairs and the Vice President for Business Affairs to carry through with implementing the preparation of the reports. At the same time, I am asking them to work with the Academic Senate to review the specific content, format and distribution of the reports. It is estimated that as presented, implementation will require producing approximately 8,500 pages of material. I would hope that a review of the content, format and distribution of the reports would result in a reduction of the cost factors and workload associated with production of the reports and still meet the intent of the resolution of providing full and complete information on budget issues.

CC: Vin Conway 5.2.88