I. Minutes: none.

II. Communication(s) and Announcement(s):
   A. Please calendar Thursday, June 1, 3-5pm, UU220 for last Academic Senate meeting of the quarter.
   B. Introduction of new senators: Caucus chairs will introduce next year’s senators.

III. Reports:
   A. Academic Senate Chair:
   B. President’s Office:
   C. Provost’s Office:
   D. Statewide Senators:
   E. CFA Campus President:
   F. ASI Representative:
   G. Other: Report from IALSA (Institutional Accountability and Learning Assessment), Anny Morrobel-Sosa, Special Assistant to the Provost.

IV. Consent Agenda:

V. Business Item(s):
   A. Resolution to Establish a Campuswide Policy on Posthumous Degrees: O'Keefe, chair of the Instruction Committee, second reading (Revised resolution to be distributed at meeting).
   B. Resolution on Election of Academic Senate Representative for Part-time Lecturers and Part-time PCS Employees: Fetzer, CFA campus president, second reading (p. 2. Bring the following handouts distributed at the May 23 meeting: (1) Constitution of the Faculty and Bylaws of the Academic Senate, (2) Number of Part-time Lecturers and Part-time PCS Employees, 1999-2000).
   C. Resolution on Voting Status for the Academic Senate Representative of Part-time Lecturers and part-time PCS Employees: Fetzer, CFA campus president, second reading (pp. 3-4).
   D. Resolution on Article 31.7 of the MOU, first reading, Kersten, statewide academic senator (to be distributed at meeting).
   E. Resolution on 1999-2000 FMI Procedures: Bethel, chair of the Faculty Affairs Committee, second reading (pp. 5-9).
   F. Resolution on the Growth Component of the Proposed Master Plan Revision, Greenwald, for the Budget and Long Range Planning Committee, second reading (Revised resolution to be distributed at meeting).
   G. Resolution on Operational Methods to Monitor and Maintain Academic Quality in the Face of Potential Enrollment Growth: Kaminaka, chair of the Budget and Long Range Planning Committee, second reading (Revised resolution to be distributed at meeting).

VI. Discussion Item(s):

VII. Adjournment:
MESSAGE
Subject: Academic Senate meeting tomorrow
Sender: Margaret Camuso /cpslo,employee

Item 1

TO: DISTRIBUTION (Title: Academic Senate meeting tomorrow)

Item 2

TO: ACADEMIC SENATORS

Yesterday's Academic Senate meeting has been continued to tomorrow JUNE 1, 3:00-5:00PM, UU220.

Please bring your agenda from the May 30 meeting. The remaining Business Items (all second readings) to be concluded tomorrow are:

D. Resolution on Article 31.7 of the MOU
E. Resolution on 1999-2000 FMI Procedures
F. Resolution on the Growth Component of the ...Master Plan Revision
G. Resolution on Operational Methods...Enrollment Growth

If you are unable to attend, please email me with the name of your proxy.

Thank you,
Margaret
MESSAGE
Subject: Senate meeting on June 1
Creator: Margaret Camuso /cpslo,employee

Item 1

TO: DISTRIBUTION (Title: Senate meeting on June 1)

Item 2

TO: ACADEMIC SENATORS

An additional meeting of the Senate has been scheduled for Thursday, June 1. Please calendar THURSDAY, JUNE 1, 3-5PM, UU220 -- last Academic Senate meeting of the quarter.

Thank you,
Margaret
Creative Accounting Costs CSU Faculty Millions in Lost Salaries

George Diehr, Professor of Management Science, CSU San Marcos

May 29, 2000

For well over a decade the administration of the CSU has avowed its intentions to eliminate the so-called CPEC gap—the difference in average salaries of CSU faculty and those of a set of 20 comparison, or “CPEC” institutions. In 1994/95, average salaries in the CSU lagged those of CPEC-institution faculty by between 3.3% for Associate Professors to 11.5% for Full Professors. Using a weighting of 1/6th, 1/6th, 2/3rd for Assistant, Associate, and Full Professors, respectively, the overall average difference was 9.0%.

From 1995/96 through 1999/00, the CSU claimed to provide salary increases of 2.5%, 4%, 4%, 5.7%, and 6%, respectively. Overall, (with appropriate compounding) this represents a (claimed) 24.2% salary increase. During the same period, faculty at CPEC-institutions received an average salary increase of only 20.4%. Most would conclude, therefore, that the gap should have narrowed by about 3.8%. Unfortunately, that is not the case.

Today, the average salary difference is only slightly reduced from the 1994/95 level; it currently stands at 8.8%, a reduction of only 0.2%. How can that be?

The answer is both simple and disturbing. Actual salaries of CSU faculty increased far less than 24.2% over the five-year span. The real increase was only 20.6%. The difference between the CSU-claimed 24.2% increase and the actual increase has to do with what might generously be called “creative accounting.” Some might suggest a less favorable characterization.

In computing salary increase, the CSU includes increases realized by individuals that are part of the normal salary life-cycle of a faculty member. Specifically, the CSU continues to claim that to provide SSIs required additional funds from the state—on the order of about 0.7% of total salaries. For example, in accounting for next year’s salary increase, the CSU claims that about $6.5 million will be required to support SSI increases. In fact, we estimate that no new money is necessary for SSI increases. How can that be?

Each faculty member who retires is, almost without exception, replaced by a new hire at a considerably lower salary. To illustrate, we use the average salary of Full Professor with 30+ years of service, $74,000, and the average starting salary of an Assistant Professor, $48,000. The $26,000 “savings” from the retirement is used to fund not only the SSI increases but also two salary increases at promotions for continuing faculty members. In fact, if over time there were no

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1 Professor Diehr addresses are: California State University, San Marcos, CA 92096 and gdiehr@csusm.edu.
2 For details, see the table “Analysis of Claimed vs. Actual Faculty Salary Increases, 1995/96 to 1999/00.” This weighting is approximately equal to the mix of Assistant, Associate, and Full Professors in the CSU.
general salary increases and the number of faculty at every salary level remained (stochastically) constant, the total salary expense from year to year would be (stochastically) constant.3

There are a few situations that require additional funding for SSIs; there are also situations in which there is a net surplus even after funding SSIs. For example, when there are fewer retirements than expected the CSU will need additional funding. But, if there are fewer retirements than expected in one year we don’t have to wait long until there are more than the average number of retirements in a subsequent year to make up the difference. Of course, if faculty ranks are increasing additional funds will be needed but that is part of growth money and should be independent of funds obtained for salary increases.

How much has this cost the faculty? This year we estimate that over $6 million of the salary increase budget provided to the CSU will not be needed to meet the contractual requirements for GSI, SSI, promotions, and FMIs. But that loss to faculty is only the tip of the iceberg. If faculty had received the claimed salary increases of the past five years, today’s average salaries would be 3% higher \( (124.2\%/120.6\%-100\%=3\%) \). In dollars, the CSU would be paying out an additional $27.85 million. (Current salary cost for Unit 2 is $925.8 million).

Still, we have a lot more of the iceberg to explore. The CSU’s creative accounting scheme has cost faculty not only this year but at least for the past five years. Starting in 1995/96, faculty were shortchanged about $4.7 million. That same annual amount continues to this day. In 1995/96 the additional shortage was about $5 million, etc. Today, the accumulated loss to faculty is close to $80 million. Since no benefits were paid on the $80 million, the total savings to the CSU easily approach $100 million. That still is likely to be only part of the loss. The practice may well have predated 1995/96—the first year for which we currently have data. And, it is also likely that Unit 3 was not alone in being victims of this creative accounting. All tolled, the loss to CSU collective bargaining members may approach $200 million.

Where did the money go? Since 1992/93, the CSU has added management with a vengeance. In that year, there were about 8 managers for every 1,000 FTE students; today, there are about 10 managers per 1,000 FTES or an addition of almost 600 employees classified as managers. These managers easily cost the system $60 million annually.

What can we do? While we are unlikely to recover past losses, this year is not over. The estimated excess of salary increase money over that actually paid out—$6 to 7 million—could be used to (say) fund faculty development this summer. And, since that money is in the continuing budget, CFA must insist that it be used for its intended purpose—for faculty compensation in the coming years. Over the future, the faculty need to bring increasing pressure to reverse the administrative bloat and return the institution to its core mission of teaching and learning.

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3 For an extensive study of how the SSI self-funds, see Parts I and II of “Why the cost of funding SSIs is zero” by the author.
WHEREAS, the CSU has reimbursed funded Cal Poly for increased enrollment at considerably less than the true campus marginal cost of educating additional students; and

WHEREAS, the State of California has refused to increase the funding to Cal Poly to address the problems associated with inadequate support for high cost polytechnic programs; and

WHEREAS, the programs at Cal Poly contribute significantly to the workforce in vital areas of the economy of California; and

WHEREAS, the proposed revised Master Plan includes a provision allowing for a substantial increase in fall enrollment headcount of 3000 students to a maximum total fall enrollment of 20,900 students (17,500 net Full-Time Equivalent Students); and

WHEREAS, each additional student at Cal Poly will result in a further deterioration of the financial health of Cal Poly; and

WHEREAS, this financial deterioration will result in increased class sizes, decreased availability of funds for equipment, and decreased lengthen throughput for students, and

WHEREAS, this financial deterioration will result in a decrease in the quality of a Cal Poly education; and

WHEREAS, once the Master Plan ceiling has been raised, Cal Poly will have lost its leverage to address these financial concerns; and

WHEREAS, in the past, the CSU has shown its willingness to force Cal Poly to accept higher enrollment without adequate funding; therefore, be it

WHEREAS, the statewide Academic Senate has approved Resolution on Year Round Operation, AS-2444-99/FGA, which states that funding to support year round operations be sufficient to maintain high quality programs and that the funding to support year round operations be total cost funding; and

WHEREAS, both the statewide Academic Senate (through the approved Resolution on Enrollment Management Policy in the CSU, AS-3482-00/AA) and the CSU (through the adopted Cornerstones Principle 1) have stated that attempts to increase capacity must not interfere with or reduce in any way demonstrable student learning outcomes, or the quality of the collegiate experience; therefore, be it
Resolved: That no enrollment growth should take place at Cal Poly until the State of California and the CSU provide a level of support for existing students and programs equal to the level of the 1991-1992 budget; and be it further.

Resolved: That increased enrollment will occur only when the same or higher level of per student funding for the general Cal Poly budget is guaranteed by the State of California and the CSU; and be it further.

Resolved: That consistent with the position of the statewide Academic Senate regarding systemwide enrollment growth plans, any enrollment growth at Cal Poly should occur only when funding adequate to restore former support levels and sustain quality is provided; and be it further.

Resolved: That enrollment growth funding at Cal Poly recognize the true marginal costs associated with the curricular emphases and pedagogies that support the University’s polytechnic mission; and be it further.

Resolved: That failing such funding commitments and guarantees, Cal Poly should resist any enrollment growth scenarios that threaten the academic quality of the University or jeopardize its polytechnic mission; and be it further.

Resolved: That unless such a firm guarantee for adequate support for current and additional students is received from both the State of California and the CSU, the growth component shall be removed from the proposed revised Master Plan.

Proposed by: Budget and Long Range Planning Committee
Date: May 22, 2000
Revised: June 1, 2000
RESOLUTION ON OPERATIONAL METHODS TO MONITOR AND MAINTAIN ACADEMIC QUALITY IN THE FACE OF POTENTIAL ENROLLMENT GROWTH

BACKGROUND: The Academic Senate adopted Resolution 524-99 on May 25, 1999. That resolution, RESOLUTION ON PRINCIPLES TO GOVERN ENROLLMENT GROWTH AT CAL POLY, was intended to reinforce several principles that were felt to be important to the faculty at Cal Poly. These included: 1 - that academic quality not be jeopardized, 2 - that academic progress not be delayed, 3 - that any enrollment growth should be fully funded, 4 - that facilities must be in place before growth occurs, 5 - that enrollment growth should occur in planned phases, 6 - that Cal Poly continue to follow its role as a Polytechnic university and its adopted mission statement, and 7 - that enrollment growth must be sensitive to its impact on surrounding communities and environment.

As we entered into the development of a new Master Plan for Cal Poly, it became evident that some operational definitions of the Principles to Govern Enrollment Growth were needed in order to assess whether or not the above principles were indeed being met. This concern has led to the introduction of this resolution. The substance of this resolution has also been communicated to the Master Plan Development coordinators and to DEPAC, the Dean's Enrollment Planning and Advisory Committee.

WHEREAS: Cal Poly is coming to closure on its Year 2000 update of its Campus Master Plan; and

WHEREAS: A previous RESOLUTION ON PRINCIPLES TO GOVERN ENROLLMENT GROWTH AT CAL POLY (AS-524-99/B&LRPC) was adopted by the Academic Senate on May 25, 1999; and

WHEREAS: Operational methods by which the impacts of enrollment growth upon academic quality, facilities utilization, and resource allocation can be properly monitored, assessed, and dealt with as per the intent of that resolution are needed; therefore be it

RESOLVED: That the new Cal Poly Master Plan incorporate the following suggested strategies for operationalizing the Principles For Enrollment Growth as embodied in Resolution AS-524-99; and be it further:
RESOLVED: That the Budget & Long Range Planning Committee work with the Academic Programs Office, the Institutional Accountability and Learning Assessment Task Force, the Faculty Affairs Committee, and the Program Review & Improvement Committee to develop a process and procedures for the development of suitable criteria to assess the impacts of enrollment growth upon academic quality, and be it further.

RESOLVED: That the reports derived from such assessment efforts before the start of and at the end of each growth phase be sent to the Academic Senate for review, comment, and recommendations.

Submitted by: Academic Senate Budget & Long Range Planning Committee
Date: May 9-June 1, 2000

SUGGESTED STRATEGIES:

PLAN FOR PHASED ASSESSMENT OF ENROLLMENT GROWTH IMPACTS
1. Planning for growth should be based upon a CONTINGENCY PLANNING concept which recognizes that additional capacity for enrollment will be built in discrete units.
2. Make use of key MILESTONES such as those points in time when FACILITIES (for classrooms & labs, etc.) become available.
3. Conduct an assessment at each PHASE OF GROWTH where PHASE ZERO (0) represents the point when we reach our current Master Plan Capacity (15,000 net AY FTE). PHASE is to be defined as "a point in time where we pause to think about where we're at".

SELECT MEASURES AND DEVELOP BENCHMARKS
1. Select a limited and manageable set of measures to be continuously monitored.
2. Establish current benchmarks for those measures to provide a reference point.
3. The faculty, students, staff, and administration of each college and program should engage in a collaborative process to select those measures which they would most prefer to use as benchmarks.
4. Recognize the need for two sets of measures: (1) those required by the CSU System, and (2) those which best correspond to your own program objectives.

5. Avoid value judgments, at this stage, as to the meaning of the selected measures. The meaning of the selected measures should be debated later in a different forum.

6. Each college or program could select those measures which they would most prefer to use as benchmarks.

QUALITY APPROACH
1. Use a Quality Control approach to monitor for excessive deviations from NORMAL benchmark values.
2. Use the results of your monitoring efforts to assess the impacts of any enrollment growth upon academic quality.

SOME POSSIBLE MEASURES THAT MIGHT BE CONSIDERED:

NB. There is no value judgment implied by the listing of these measures. Whether or not these are indicators of higher or of lower quality is yet to be debated.

1. **ACADEMIC QUALITY MEASURES?**
   1. $/FTES
   2. Class size
   3. Size of applicant pool, quality of applicant pool
   4. Student / faculty ratios
   5. Group work versus individual work - Can new paradigms cause us to rethink student/faculty ratios?
   6. Number of SCANTRON exams given per student
   7. Faculty teaching loads
   8. Ratio of full-time to part-time faculty
   9. Quality of new faculty hires?
   10. Benchmarks- based upon current status?

11. Faculty Quality & Academic Quality Measures: should be coordinated with the efforts of the Institutional Accountability & Learning Assessment Task Force.

2. **ACADEMIC PROGRESS MEASURES?**
   1. Time to graduation Need well-defined cohorts
   2. Retention
   3. Surrogate = course loads (annual basis, summer loads)
   4. Benchmark = students' perception of ability to capture classes ? (CAPTURE)

3. **GROWTH SHOULD BE FULLY FUNDED MEASURES?**

See Item 5

4. **FACILITIES MUST BE IN PLACE BEFORE ?**
See Item 5

5. **GROWTH SHOULD OCCUR IN PLANNED PHASES ?**
   1. Contingency planning - based upon when facilities become available.
   2. Conduct assessment at each phase
3. Phase 0 - when we reach our current Master Plan capacity (15,000).

6 ROLE AS A POLYTECHNIC UNIVERSITY AND ADOPTED MISSION STATEMENT?

1. Mission statement states this goal in terms of percentages?
2. Are absolute numbers an alternative?

7 ENROLLMENT GROWTH MUST BE SENSITIVE TO IMPACT ON SURROUNDING COMMUNITIES AND ENVIRONMENT?

1. Evaluate negative and positive press coverage?
2. Effects on housing and traffic.
3. Effects on local economy.
4. Environmental Impact Analysis

FIGURE 1: Alternative Strategies for Matching Enrollment Growth to Construction of New Built Capacity. Construction of New Facilities are assumed to be key milestones for planning purposes.