

CALIFORNIA POLYTECHNIC STATE UNIVERSITY
San Luis Obispo, California 93407
ACADEMIC SENATE

Academic Senate Executive Committee Agenda
April 19, 1994
UU 220 3:00-5:00 p.m.

*3.29.94
minutes
were
removed*

- I. Minutes: Approval of the March 29, 1994 Executive Committee minutes (p. 2).
- II. Communication(s) and Announcement(s):
Please mark your calendars: The President's luncheon for the Academic Senate Executive Committee is scheduled for May 25, 1994.
- III. Reports:
 - A. Academic Senate Chair - report on "Time for Decision" conference
 - B. President's Office
 - C. Vice President for Academic Affairs' Office
 - D. Statewide Senators
 - E. CFA Campus President
 - F. ASI representatives
 - G. Euel Kennedy/Tom Zuur - report on Admissions and Enrollment Support Services
 - H. Ed Carnegie - report from Budget Committee re budget allocations
- IV. Consent Agenda:
- V. Business Item(s):
 - A. Academic Senate/university-wide committee assignments (p. 3).
 - B. Select nominees to the Foundation Board of Directors (pp. 4-5).
 - C. Report from the Research Committee re ARDFA Indirect Cost Sharing Agreement-Krieger, chair of the Research Committee (p. 6).
 - D. Election of members to the Program Review and Improvement Committee for the 1994-1996 term for CAGR, CBUS, and CLA. **[ATTN CAUCUS CHAIRS FOR CAGR, CBUS, AND CLA: PLEASE BRING THE NAMES OF THE NOMINEES FROM YOUR COLLEGE TO THIS MEETING.]**
 - E. Receive White Paper from ASI re governance (pp. 7-8).
 - F. Program Review and Improvement Committee's five-year plan for program review-Heidersbach, chair of the PRAIC (to be distributed).
 - G. Establishing an ad hoc committee to investigate the use of technology in delivering academic programs/curriculum (pp. 9-10).
- VI. Discussion Item(s):
 - A. How can faculty make meaningful recommendations regarding budget allocations to administration?
 - B. Formation of a committee to review/revise the existing program discontinuance procedures.
 - C. "Consultation"...within a Collective Bargaining Context"-Russell (p. 11).
 - D. Academic Senate agenda matters for the remainder of 1993-1994.
- VII. Adjournment:

ACADEMIC SENATE/COMMITTEE VACANCIES FOR 1993-1994

Academic Senate vacancies

Academic Senate Secretary-elect

CBUS one vacancy (replcmt for Andrews, Spring '94 Quarter)

Academic Senate Committee vacancies

CAGR Elections Committee
Status of Women Committee

CAED Constitution & Bylaws Committee
Curriculum Committee
Elections Committee
General Education & Breadth Committee
Personnel Policies Committee
Student Affairs Committee
University Professional Leave Committee
Calendar-Curriculum Committee
Cultural Pluralism Subcommittee
Faculty Committee for Charter Evaluation and Rejection
or Implementation

CBUS Constitution & Bylaws Committee

CLA Long-Range Planning Committee (replcmt for Engle, '93-94)

CSM Constitution & Bylaws Committee
Elections Committee
Status of Women Committee
Student Affairs Committee
University Professional Leave Committee

PCS Curriculum Committee
Elections Committee
Instruction Committee
Library Committee
Long-Range Planning Committee
Personnel Policies Committee

UCTE Faculty Committee for Charter Evaluation and Rejection
or Implementation

ALL COLLEGES

GE&B Subcommittee, Area A (Lang & Crit Thking) one vacancy

GE&B Subcommittee, Area E (Lifelong Undrstg/Dev) one vacancy

Animal Welfare Committee
(one Academic Senate representative whose primary
concerns are in a nonscientific area;
i.e., ethicist, lawyer, clergy) one vacancy

Instructionally Related Activities (IRA) one vacancy

ASI Risk Management Committee one vacancy

RECEIVED

FOUNDATION BOARD OF DIRECTORS
EXPRESSION OF INTENT & WILLINGNESS TO SERVE

MAR 21 1994

NAME: Harvey Greenwald PHONE: Academic Senate
INSTRUCTIONAL DEPARTMENT: Mathematics Department

A. *Statement indicating consistent history of active involvement with an interest in university affairs.
(Use additional sheet, if needed.)*

I have served on a number of important committees in the University. Among these are:

1. Academic Senate Curriculum Committee (Chair)
2. Academic Senate Budget Committee
3. Academic Senate Constitution and Bylaws Committee
4. CAM 700 Task Force (Chair) (Charged with revising Section 700 of CAM)
5. Foundation Election Process Committee
6. School of Science and Mathematics Facilities Committee (Charged with planning the construction of a new Faculty Office Building)
7. Distinguished Teaching Award Committee (Chair)
8. Program Review and Improvement Committee (Charged with reviewing all academic programs on campus)

B. *Statement of demonstrated ability to work productively as a member of a governing body.
(Use additional sheet, if needed.)*

I have been a member of the Academic Senate. I feel that the committees on which I have served have successfully dealt with important issues. The action of the Foundation Election Process Committee resulted in a change in the process by which faculty members are selected to the Foundation Board of Directors. The action of the CAM 700 Task Force resulted in a major revision of Section 700 of CAM. The action of the Curriculum Committee resulted in a major change in the curriculum process. The Budget Committee had important input into the change in the budgetary process at the University level. These actions would not have been successful had these committees been unable to work productively with the appropriate bodies of the university.

C. *Statement indicating membership on the Board is of interest. (Use additional sheet, if needed.)*

I have served on a variety of committees. As a result I feel that I have an unusually broad view of the University. Two of the committees are of significance for the Foundation. I served several terms on the Academic Senate Budget Committee. As a result I have a good understanding of budgetary issues. I was actively involved in the change in the budgetary process at the University level which resulted in the creation of PACBRA. I also served on the Foundation Election Process Committee and as a result I have a good understanding of the Foundation and its role in university affairs. With the economic problems of the State of California, it is clear that the Foundation will play an increasingly important role. I would like to be a part of the decision making.

I AM WILLING TO ACTIVELY SERVE AS A BOARD MEMBER FOR THE TERM OF OFFICE
(THREE YEARS, UNLESS SELECTED TO A VACANT UNEXPIRED TERM).

Signature Harvey Greenwald Date 3-14-94

I UNDERSTAND THE REQUIREMENTS, OBLIGATIONS AND RESPONSIBILITIES OF
DIRECTORS. (See reverse side of sheet of this application form.)

Signature Harvey Greenwald Date 3-14-94

RECEIVED

APR 12 1994

FOUNDATION BOARD OF DIRECTORS
EXPRESSION OF INTENT AND WILLINGNESS TO SERVE

Academic Senate

NAME: William C. Kellogg, Jr.

PHONE: 756-2973

DEPARTMENT: Agricultural Education

COLLEGE: Agriculture

- A. Statement indicating consistent history of active involvement with an interest in university affairs (Use additional sheet, if needed).

I am in my 11th year of teaching at Cal Poly. I consider it a real privilege to teach at Cal Poly! During my tenure I have served on numerous departmental, college, and university-wide committees. Through an active involvement at all levels, I feel very knowledgeable about the university, the Cal Poly Foundation, and our relationship to the citizens of the state of California. Selected university-wide committee involvement has included: Chairman of the Academic Senate Elections Committee (1985-86); member of the Brock Center Policy Advisory Committee (1987 to present); University-wide Public Safety Advisory Committee (1988-89, 1991-92); University-wide Professional Leave Committee (1991-92); member of the Academic Senate Instruction Committee (1988-89); member of the Clinical Supervision Task Force (1985-86); served as a Mentor for the Cal Poly Mentoring Program (1988-89). Selected college-wide involvement includes: elected member of the Dean Search Committee (1992); edit the College of Agriculture Foundation Enterprise Program Informational Brochure (each year); serving as an advisor to the Latinos in Agriculture student organization (1992 to present); and Alpha Tau Alpha (1983 to present).

- B. Statement of demonstrated ability to work productively as a member of a governing body. (Use additional sheet, if needed.)

This would be my first involvement as a member of a Board of Directors for a major Foundation. I have served, and am currently serving, as a member of a Church Board that provides leadership for church ministries, as well as for fiscal management of the non-profit organization. I have served on numerous advisory councils for high school programs and university-level academic programs.

- C. Statement indicating why membership on the Board is of interest. (Use additional sheet, if needed.)

I have a strong commitment to Cal Poly and our educational mission! The Foundation is an integral component at Cal Poly. As a student at Cal Poly nearly 20 years ago, I benefited from involvement through enterprise programs and many of the programs of the Foundation. As a member of the agriculture faculty, I realize the important way the Foundation must interact with the academic programs in the College. I fully endorse the "learn by doing" philosophy and believe the Foundation is one of the greatest supporters of educational strategy. I work closely with many departments of the Foundation (i.e. financial accounts, housing, campus catering), almost on a daily basis. I appreciate the service and support the Foundation has provided me personally, and believe that everyone in the Foundation is important to the organization. If selected to serve on the Foundation Board, I commit myself to learning as much as I can about the Foundation and promise to keep the best interests of the students, staff, and faculty in mind in every decision I make.

I AM WILLING TO ACTIVELY SERVE AS A BOARD MEMBER FOR THE TERM OF OFFICE (three years, unless selected to a vacant, unexpired term).

Signature: William C. Kellogg, Jr. Date: 4-11-94

I UNDERSTAND THE REQUIREMENTS, OBLIGATIONS, AND RESPONSIBILITIES OF DIRECTORS. (See reverse side of this application form.)

Signature: William C. Kellogg, Jr. Date: 4-11-94

BK493

RECEIVED


APR 7 1994

State of California Memorandum

California Polytechnic State University, San Luis Obispo, CA 93407 Academic Senate

To: Jack Wilson, Chair, Academic Senate

CC: Susan Opava

From:  Dan Krieger, Chair, Academic Senate Research Committee

Date: March 1, 1994

Subject: Continuation of **ARDFA** Indirect Cost Sharing Agreement

The Academic Senate Research Committee unanimously recommends that the current agreement between the University and the College of Engineering's **ARDFA** facility for the sharing indirect costs be continued for two additional years to permit the completion of the renovation of the **ARDFA** building.

At the conclusion of fiscal year 1996, **ARDFA** should cost sharing should revert to the same percentage applied to other campus research entities.

The Academic Senate Research committee strongly encourages the reinvestment of indirect cost precedes in the research infrastructure of the University.

RECEIVED

APR 12 1994

Academic Senate

CAMPUS GOVERNANCE POSITION PAPER

SUBMITTED BY:
Marquam Piros, President
Associated Students, Inc.
APRIL 8, 1994

CHARTER CAMPUS POSITION PAPER

The Associated Students, Inc., welcomes the process to consider issues of governance as it relates to the Charter Campus concept.

WHAT IS GOVERNANCE?

Governance is the method by which decisions are made and power is distributed.

WHAT IS THE CURRENT GOVERNANCE STRUCTURE?

The current governance structure is that the decision making power lies in the President's office. All decisions by student, faculty and staff groups are forwarded in an advisory capacity. With recent changes at the Chancellors office, the Presidents have increased authority to make decision which previously was the purview of a centralized system. The various constituencies on campus have representative bodies which discuss campus issues and those issue pertinent to each group.

HOW WOULD THE CURRENT GOVERNANCE STRUCTURE BE CHANGED?

The new governance structure should insure that the voice of students, faculty and staff are heard and that representatives of these areas should have shared decision making. The ASI supports the statements of Governance and Collegiality outlined in the Cal Poly Strategic Plan. This identifies a commitment to a governance structure that includes all constituencies.

Cal Poly students seek a governance structure in which student body representatives serve as partners with the administration, faculty, and staff. Shared collegiality is the key to a successful campus climate, independent of a slow, bureaucratic system. The issues of paramount importance to students and their participation in the decision making include: representation and input in the decision making process, the establishment of fees, budget allocation and funding sources, calendar changes, student services such as the Health Center, and community relations. Academic issues which require student input include: timeline for selecting a major, graduation requirements, general education requirements, and resources to insure timely matriculation.

The concerns of students with regard to a new governance system are: how will student concerns and needs be voiced, what will be the role of ASI as the official voice of students and an auxiliary of the campus, how will fees be set, what will be the value of a Cal Poly diploma, and how will this effect the Cal Poly's outstanding reputation? The ASI is in support of exploring these critical issues through the development of a representative governance committee.

By allowing all represented members of the campus community to participate in the process, there will be combined efforts at all levels to insure a quality learning environment. The ASI recognizes the rights of faculty as outlined in The Higher Education Employee-Employer Relations act. However, this act does not necessarily exclude students and staff from the decision making process.

WHO WILL MAKE THE FINAL DECISIONS?

In summary, the ASI is in support of a governance system, under a campus constitution, which is inclusive of student, staff, faculty and administration representatives. ASI supports budgetary and administrative leadership at the Division and College level. ASI supports the continued investigation of the Charter Campus process if governance is shared as outlined in the Strategic Plan.

To: Executive Committee

FILE COPY

From: Jack Wilson, Chair

Subject: The Virtual University

As we are all aware there is much faculty concern about the place of multimedia and distance learning in higher education. The recent article about The Virtual University in the TT brought to mind some of those concerns. Decisions concerning multimedia and distance learning have and are being made by the administration with little or no faculty input. In the case of the new IBM 9000 mainframe computer the decision by the administration to purchase was made despite faculty opposition. A main reason for purchasing it was to support multimedia. A person has been hired, her salary split between the state and IBM, to support faculty development of multimedia. I could go on and on but it is not productive to rehash past decisions except as they impact academic programs and more specifically curriculum. Curriculum is the province of the faculty and no one else.

Therefore it is time, and in fact past the time, for the faculty to begin the process that sets in place the accommodation of multimedia and distance learning into education here. If we are not careful multimedia and distance learning will drive curriculum and not the other way around. Multimedia and distance learning have their places in higher education, let's get out front and determine what those places are. Then we can set the policy that will insure that multimedia and distance learning don't become the cart that drives the horse called curriculum.

We understand that multimedia and distance learning are different technologies with different applications. I think of multimedia as being primarily a way to supplement the traditional lecture. Therefore it will impact campus instruction. I understand distance learning as a way to reach students off campus who are not able, for a variety of reasons, to attend classes on campus.

We all recognize that it is important to begin to grapple with the program and curricular issues inherent in multimedia and distance learning. This will involve budgets since there is a substantial initial cost of putting into place the technology component of multimedia and distance learning. There is of course the larger question of how these technologies alter learning. That is something we will probably never address, unfortunately, given the propensity in this nation to buy into technology without considering the downside.

At any rate I propose we establish an ad hoc committee composed primarily of faculty which would address the following. First, are these technologies already driving academic programs and curriculum and how? If the answer is affirmative, what does

the committee recommend as steps to insure the integrity of programs and curriculum. Or to put it another way, what steps are necessary to insure that faculty retain control of programs and curriculum?

From the resource angle we would want to get a handle on the resources now being directed to multimedia and distance learning. What have the expenditures involved with those resources bought us?

Where do we want to go with these technologies? What is the place of multimedia in instruction on this campus? What is the place of distance learning for this campus? What if we decide that the campus is at point A and would like to move to point B, what would the cost be? What would be best way to get there? What is the need, and then what is the plan to get there without breaking the bank?

A larger more fundamental question that we might want this committee to look into is the impact of multimedia on instruction and learning.

There is already a committee, composed primarily of faculty that has been appointed by Carol Barnes, Dean of Extended Ed., to look into distance learning. Dennis Nulman is our representative on that committee.

There are as usual a number of ways we can build this committee. My first notion was that we have someone from the budget and instruction committees and someone from the Instructional Advisory Committee on Computing. Then we could select a few other faculty. We would want a student and perhaps a staff person on it also. I believe it is important that we have faculty on this committee who have some knowledge about and practical experience with multimedia, and perhaps distance learning, and yet are open minded about these technologies and their impact on instruction and learning. That is that they realize there are pros and cons. In other words no technophiles wanted. I can think of people who I believe fit the bill.

I visualize this committee receiving a multiple-step charge. There are some things we would like from it so the full senate can act on it this academic year, and there are perhaps other things that could wait until the next academic year.

Give me your input ASAP (can you do it this week?). I'll put together all of our thoughts and based on that try to present a proposed committee makeup and charge for our consideration at our Feb. 1st meeting. Meantime be thinking of people you would recommend for this committee. I would like to get it formed and going by the beginning of the 6th week of this quarter.



At its meeting of September 27, 1993, the Academic Senate approved the following Report presented by Cecilia Mullen for the Organization and Government Committee.

**"CONSULTATION" UNDER IV.D OF THE STATEMENT ON
ACADEMIC SENATES WITH A COLLECTIVE BARGAINING CONTEXT**

IV.D of the statement covers two matters: the academic calendar and selection and review of administrators. In these two areas, Presidents have said that they are entitled to prepare the initial draft of a policy proposal and are entitled to determine its final form and content. The Academic Senate is to be "consulted", but it is not, unless requested, to revise the President's draft and present its revision to him/her for approval or rejection.

It is suggested that the following procedure be followed for consultation on IV.D policies:

1. The President's draft should be laid before the Executive Committee. If the Executive Committee agrees that the proposed policy comes under IV.D, it should refer the draft to the appropriate policy committee for consideration as stated below.
2. The policy committee should review the draft and prepare a report for the Senate stating its conclusions and recommendations. It should not revise the President's draft but, in its report, may propose changes.
3. The draft and the policy committee's report should be considered by the Senate. The Senate should not make changes in the text of the draft, but should act on the policy committee's report, which it may amend or revise. The report, as approved by the Senate, shall be sent to the President for his/her consideration before issuance of the policy.

CAL POLY

CALIFORNIA POLYTECHNIC STATE UNIVERSITY
SAN LUIS OBISPO, CA. 93407

IRRIGATION TRAINING AND RESEARCH CENTER
AGRICULTURAL ENGINEERING DEPARTMENT
(805) 756-2434

mins - Exec 4/19/94

RECEIVED

APR 19 1994

Academic Senate

Memorandum

Date: 4/14/94

To: Robert Koob
Susan Opava
Jack Wilson
Ed Carnegie

From: Charles Burt *cmb/by mac*
ITRC

Re: Indirect costs

In an e-mail message of April 13, 1994, Dr. Opava suggested that I write this letter with the intent of wrapping up discussions begun over a year ago related to Indirect Costs (IDC) for the ITRC.

First, I would like to provide some background related to our philosophy and how we have structured our operation:

1. The ITRC was developed to bring in funds and equipment to support the irrigation teaching program. It has been quite successful in doing the following:

- Providing critical maintenance of regular classroom and lab equipment.
- Shifting secretarial burdens for the irrigation faculty.
- Purchasing modern teaching equipment.
- Finding contracts which allow the faculty to update their course handbooks and notes using contract funds.

It has not been able to substantially influence the number of teaching faculty. Although the ITRC employs a number of persons, those persons work on projects rather than on teaching.

2. The ITRC is not primarily a RESEARCH organization. The majority of its work is

- Technology Transfer
- Technical Assistance
- Special Studies, or
- Training

Therefore, there is a question as to how well the traditional discussions of IDC, as related to research, apply to the ITRC.

3. We would like to work in a "free-market" mode. We already have most of the disadvantages of this mode, including:

- We have no insurance to cover excess sick leave (it is not provided by the Foundation)
 - If we have cost over-runs on projects, we must make up the difference
 - We must supply our own funds for pursuing contracts, including secretarial time, travel, phone, investigator time, computers, etc.
 - If our contract funding is reduced, we must let go of "permanent" regular staff. Currently we have 4 full time persons under this category (with retirement and health benefits) and we are planning to hire a fifth person in a few weeks.
4. Our operational philosophy is that research should be self-supporting and should not require funds from the University.
5. The overhead requirements and desires of other individuals and centers are quite different than ours. I will provide 2 examples of philosophies which we do not share, but which are not necessarily wrong; we just don't operate that way, so we need different operational rules. These are:
- Individual professor research. For many professors, there are significant financial, promotion, and professional benefits to conducting special projects and research, without ever receiving back any overhead at all. For an individual professor receiving money on an overload basis during the academic year, plus being paid during the summer, the financial rewards may be sufficient.
 Actually, some of this research can be a drain upon the university resources because phone bills, copy expenses, computer usage, etc. may come out of the department budget. Therefore, it is important for the academic department to receive some overhead from these projects.
 - Centers which expect research funding from the University. I understand that some centers believe that the University should partially fund their research activities because of side benefits, prestige, etc. brought to the University.
6. The ITRC, by contrast, acts almost as a business. We need capital reserves and funds for many expenses which cannot be directly attributed to individual projects. Examples are:
- a. Purchase of equipment and provision of other support for the regular undergraduate/graduate teaching program.
 - b. Survival during lean times.
 - c. Pursuit of new contracts.
 - d. Advertisement for employees (this alone can cost \$1000 or more for one person).
 - e. Purchase of support equipment such as computers, xerox machines, networks, etc.
 - f. Response to the numerous (often dozens/day) of telephone, fax, and mail requests which the ITRC receives for general information, but for which there is no funding.
 - g. Maintenance of facilities, computers, etc.
 - h. Hiring of our own bookkeeper to deal with the Foundation and to keep our separate (and required) books in order.

Item (a) is clearly spelled out in our bylaws. One of our objectives is to obtain as much capital as possible to support those activities.

We strongly prefer to not have to draw from a University pool for individual expenditures, travel money, etc. That just creates a huge bureaucracy and slows things down. I also believe that it creates an atmosphere of "line up here for money" and stifles some creativity.

7. The ITRC received outside support to build the ITRC offices and the Water Delivery Facility. The ITRC office construction freed up office space for other AE faculty members in existing offices, and also helped to consolidate laboratory spaces in the AE laboratory building.
8. The ITRC does not use and does not seek the services of Grants Development to write proposals. Furthermore, I don't believe that we have ever received a single contract based on a tip from Grants Development or any other University office. The ITRC generates its own contracts with its own contacts.
9. If all of our contracts dried up tomorrow, the University would not be in a "negative" financial situation.

Basically, we have chosen to operate as an entrepreneuring Center within the University system. Entrepreneurs don't operate on fixed budgets from the University - they are given the freedom to take economic risks, and sometimes they fail.

Of course, the faculty have choices - outside of the academic requirements, individuals can either work on projects within the University system, or we can act as private consultants. I can keep busy with private consulting at 2-3 times my University rate. The University sees little benefit from that, however, except for the fact that I stay up to date with current issues. It's my understanding that many Cal Poly faculty have chosen this route because it is the easiest and they don't need to write letters like this.

So - the basic question is whether or not our mode of operation meets what you think the University needs.

If so, the following points detail what type of facilitating we believe we need from the University:

1. On U.S. government contracts with approximately 48% overhead on salaries and wages, the University will receive a full 50% of that overhead. The ITRC will receive a guarantee of the other 50%.
U.S. government contracts of the type we are pursuing require significant up-front expenses which we cannot directly bill once we receive the contract. By guaranteeing this percentage, which matches the risk taken by the ITRC (plus it helps the ITRC meet its goals for the teaching program), the ITRC will be more willing to seek full overhead contracts.
2. We have a special case with the Calif. Dept. of Water Resources (DWR). A few years ago we negotiated an 8% overhead to the Foundation (the ITRC receives none of that) because the DWR

provided beginning support. However, this is almost a non-issue because DWR funding has almost disappeared with the current budget crisis.

3. We will continue to seek "Center Support" funds from various organizations or agencies, which are not tied to any specific service. Such funds would be provided to the ITRC as general support. For such funds, the standard Foundation rate of 7% would apply, and we would not receive any of that back.
4. The specific overhead which is allowed in various contracts varies with the contracting agency or organization. We will charge the full overhead rate allowed in the contract, and the University will receive 50% of that, with a minimum of 7% to cover actual University expenses.
5. The ITRC will attempt to cultivate as many "fixed price" contracts as possible, with the overhead arrangements as stated in the paragraphs above. If the contract obligations can be fulfilled for less than the fixed price, the ITRC will transfer remaining funds into its center support account (as it does now). Similarly, if the ITRC runs over budget, it will make up the difference from its center support account (as it does now).
6. The ITRC conducts some self-initiated activities, such as classes, which are not covered under any contract. Those are undertaken and funded entirely with ITRC risk. The expenses and income will be run through the Foundation ITRC center support account, and the Foundation will receive its standard 7% overhead fee on this. However, we strongly recommend that the Foundation examine its own operation and begin to provide interest (rather than charging) on such accounts, as is done with bank accounts and with State accounts.
7. The ITRC frequently has opportunities to obtain small contracts (less than \$20,000) which it can arrange with companies, agencies, etc. These projects fall into the "interesting project" category and generally provide employment and all expenses (equipment, travel, support services) for a senior project or master's thesis. Although they are run through the ITRC for convenience, and because we have the support staff to handle the paperwork, the faculty time is often "free" because it falls under a senior project teaching commitment. The small amounts generally indicate a "shoestring" budget, and we lose the student project opportunity if we require a full standard overhead. For such projects, the Foundation will receive its standard 7% overhead fee, and the ITRC will not receive any of that back. In these cases, where more overhead can be obtained, the ITRC will receive 50% of the overhead; the Foundation will be assured of receiving at least its minimum of 7%.

In summary, there are 3 main points:

- Funds which remain within the ITRC are beneficial to the University.
- Centers will expand (with a subsequent increase in the dollars available to the University) if "free market" policies are adopted.
- The overhead policies for centers and individuals throughout the campus will probably vary, depending upon their methods of operation and goals.

Info - Exec Com 4/19/94

Natural Resources Management Dept.

California Polytechnic State University
San Luis Obispo, California 93407

M e m o r a n d u m

To: Executive Committee members

Date: 18 April 1994

From: James Vilkitis

ATTACHMENTS:

- A. AB90-2: The Model
IDC allocations = ARDFA(40%) + Sponsored Programs and Grants
Development + Centers/Institutions (what is left).
- B. Model based on increased percentage of ARDFA activity.
- C. ARDFA increase in utilization of indirect funds and decrease in funds to
originating units.
- D. History of IDC, DIR, Total, and IDC rate from 1988/89 to 1992/93.
- E. History of IDC earned, percent earned rate, and percent returned to
originating units.
- F. Flash Report from Sponsored Programs. 1993/94 Surplus/(Deficit).
Refer to ARDFA Model influence
- G. CRI and the Model for indirect return.

CONCLUSIONS: Model is not equitable to the institutes and centers generating the
IDC. The Model does not work for the benefit of the faculty.

RECOMMENDATION: Accept the intent of the Senate Research Committee
recommendations and stipulate that the Model as presently used is counter
productive and not equitable to institutes/centers/faculty that generate the indirect
costs. The intent of the Senate Research Committee is to allow ARDFA to continue
for a maximum of two years. To be equitable to faculty/students/institutions/centers,
the IDC recovery rate for ARDFA should not exceed 10% of their IDC. The same
privilege should be extended to all other institutes/centers that generate 20% or more
indirect costs.

A

INDIRECT COSTS SHARING FOR ARDFA SPONSORED PROJECTS

This bulletin describes procedures for allocating indirect costs earned on selected sponsored projects to the Applied Research and Development Facility and Activities (ARDFA). The procedures are proposed as an experiment for applied research facilities that do not have general fund or other continuing sources of support for their basic operation.

The Campus Administrative Manual (Section 543) describes the policy of sharing indirect costs earned on sponsored projects. Current policy does not allocate indirect costs for items such as general equipment purchase, maintenance and operating costs. Such use is appropriate in general circumstances, however, since capital costs and operating expenses comprise part of the indirect cost rate. The cost principles of the Federal Government's Department of Health and Human Services, as expressed in the Office of Management and Budget Circular A-21, allow costs of operation (lighting, heating, janitorial), furnishing, remodeling, equipment installation and maintenance, office equipment, departmental administration and management as part of the base that makes up the indirect cost rate.

This administrative bulletin creates an administrative exception to CAM 543 as an experiment for Building 04. It describes a way to return a portion of the indirect costs to support the continued development and operation of a research facility. It will serve until a policy governing all such facilities is recommended and adopted in the Campus Administrative Manual.

These guidelines apply to the sharing of indirect costs recovered only on those projects conducted exclusively in Building 04 as part of ARDFA. In practice, this means that a project situated administratively in an instructional office on campus, but conducted in a laboratory in Building 04, is governed by these guidelines. Conversely, a project run in a laboratory which is not in Building 04 is not an ARDFA project even if it is administered from an office in Building 04. In the latter case, the indirect costs are treated the same as if they were earned on any other research project.

Sponsored research projects that meet the criterion for being included in this experiment will be identified as ARDFA/IC projects. This designation will be noted on the "Approval of Application for Grant or Contract" Form that is routed with any proposal before it leaves campus. The notes section of the approval form will contain a statement which reads:

This proposal is for an ARDFA/IC project, to be conducted exclusively in Building 04. Indirect costs will be shared in accordance with Administrative Bulletin 90-2.

POLICIES AND PROCEDURES

For five years, beginning with Academic Year 1989-90, the following procedures will apply:

Projects conducted in Building 04 that have specific need for remodeling or for the installation of equipment shall, whenever possible, recover these costs as line items in the budget of the grant or contract. When direct cost recovery is not possible, the cost of remodeling or installing equipment may be drawn from the development and operating budget of ARDFA.

1. Indirect costs earned on ARDFA/IC projects shall be allocated among the following program areas, following a percentage recommended by the Associate Vice President for Graduate Studies, Research, and Faculty Development and approved by the President in the Fall of each academic year:

- a) ARDFA facility development, operating costs, and reserves;
- b) Foundation costs, consisting of Sponsored Programs administrative costs and reserves;
- c) University research development costs, including Grants Development Office costs and reserves, and
- d) The CARE grant program of the Academic Senate Research Committee.

2. The percentages to be recommended shall be set as follows:

- a) Following the end of each fiscal year, the ARDFA Director shall prepare a report that describes ARDFA/IC projects, provides actual income and expenses for the previous academic year and gives estimates of income and costs for building development and operation for the next academic year. The director shall develop this report in consultation with the Dean of the School of Engineering, and shall send it to the Associate Vice President for Graduate Studies, Research, and Faculty Development before the beginning of the Fall Quarter.
- b) The Associate Vice President shall prepare a report that combines the ARDFA report with data on income and costs in the previous fiscal year for Sponsored Programs administration, Grants Development administration and CARE grants. The report shall include a proposal that recommends the ARDFA percentage to be adopted for the current academic year. The maximum percentage for ARDFA/IC projects shall be 40%.

ADMINISTRATIVE
BULLETIN 90-2

The proposal shall be incorporated into the annual report on proposed indirect costs utilization described in CAM 543 and will be reviewed by the ARDFA Director, the Academic Senate Research Committee, the Director of the Grants Development Office and the Director of Sponsored Programs before being sent via the Vice President for Academic Affairs to the President for approval before the end of the Fall Quarter.

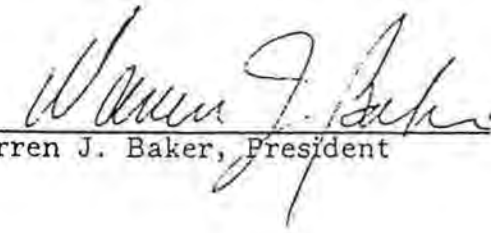
3. The President shall set the ARDFA/IC percentage before the start of the Winter Quarter. The Foundation shall deposit funds monthly into the ARDFA Foundation account from indirect costs earned and received on ARDFA/IC projects as reimbursement is recovered from the sponsor.
4. The Academic Senate Research Committee may conduct an independent review of ARDFA each Spring Quarter and prepare a report for the President's review. Copies of the report shall be provided to the ARDFA Director, the Associate Vice President and the Director of Sponsored Programs.

Percentages for AY 1989-90, the first year of this experiment, are as follows:

<u>ARDFA/IC Projects (maximum)</u>	<u>40%</u>
Foundation Sponsored Programs	44%
Grants Development	11%
CARE Grants/ASRC	5%

Current projects and proposals covered as ARDFA/IC projects under this administrative bulletin shall be identified by the ARDFA Director. A list of these projects shall be sent to each department head to acknowledge their governance under the provisions of this administrative bulletin.

APPROVED:

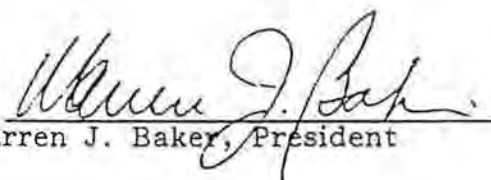

Warren J. Baker, President

DATE: August 28, 1990

INDIRECT COSTS SHARING FOR ARDFA SPONSORED PROJECTS

The attached procedures to implement a trial policy for indirect cost sharing for the Applied Research and Development Facility and Activities (ARDFA) was developed after recommendation by the Academic Senate. This administrative bulletin creates an administrative exception to the manner in which indirect cost funds are distributed and implements the procedures during the five year trial period beginning with Academic Year 1989-90.

APPROVED:


Warren J. Baker, President

DATE: August 28, 1990

NOTE: This Administrative Bulletin should be filed in the Appendix of the Campus Administrative Manual and appropriate entries made in the CAM Index and Administrative Bulletins list.

B

% of \$		Case 1 25%	Case 2 37.5%	Case 3 50%
1	Total IDC Earned	\$800,000	\$800,000	\$800,000
2	IDC Earned by SRU's <i>ARDFA</i>	200,000	300,000	400,000
3	IDC Earned by Non-SRU's <i>Centers & Institutes</i>	600,000	500,000	400,000
4	Fixed Expenses, Total (SP & GDO)	650,000	650,000	650,000
5	SRU Contributions to Fixed Expenses (55% of #2 above) <i>From ARDFA</i>	110,000	165,000	220,000
6	Expenses to be Covered by Non-SRU IDC (#4 - #5 above)	540,000	485,000	430,000
7	Distribution to SRU (Based on 40% of #2 above) <i>% to ARDFA</i>	80,000	120,000	160,000
8	Net IDC to Distribute Under Normal CAM Process (#3 - #6 above)	60,000	15,000	(30,000)

SRU = Special Research Units

UTILIZATION OF RETURNED INDIRECT FUNDS

	1992/93	1991/92	1990/91	1989/90	1988/89	1987/88	1986/87	1985/86
NET GAIN/LOSS	\$441,066	\$393,851	\$390,480	\$379,586	\$325,822	\$224,017	\$141,339	\$42,878
Less:								
Reserves	73,436	79,030	60,000	60,000	53,000	50,500	39,519	20,889
Net Available to University	\$367,630	\$314,821	\$330,480	\$319,586	\$272,822	\$173,517	\$101,820	\$21,989

UNIVERSITY DISTRIBUTION

University Services	0	0	0	0	0	0	0	13,000
ARDFA	173,253	150,402	117,854	58,413	0	0	0	0
Grants Development Office	140,816	45,184	77,500	135,322	156,918	89,240	62,500	8,989
Research Committee (Care Grants)	0	0	14,734	66,577	57,955	42,142	9,931	0
College Deans	0	0	0	0	0	0	8,310	0
Departments	0	0	0	0	0	0	6,938	0
Research Devel.	26,636	18,827	81,500	0	0	0	6,938	0
Originating Units	15,117	35,931	32,279	47,717	46,647	33,826	265	0
Project Directors	11,808	32,208	6,613	11,557	11,302	8,309	6,938	0
Library	0	32,269	0	0	0	0	0	0
	\$367,630	\$314,821	\$330,480	\$319,586	\$272,822	\$173,517	\$101,820	\$21,989

Notes:

- 1) Indirect cost allocation changed effective with 1987/88 so that the research committee, originating unit, and Project Director participated. Originating unit can be an institute/center, department, or college.
- 2) Starting with 1989/90, ARDFA (Applied Research Development Facility) began receiving a percent of the indirect costs earned on their projects.
- 3) Distribution for 1992/93 IDC has not yet been formally approved (12/10/93)

Don Print 1173

Equity:

Post-It® brand fax transmittal memo 7671 # of pages 4

To: JAMES VILKINS From: Don Print

Co: N2M Co: SP

Dept: N2M Phone: 1123

Fax #: 1402 Fax #:

		92/93	91/92	90/91	89/90	88/89
DPTC <i>Dairy</i>	IDC *1	19,381	15,967	21,102	28,125	52,347
	DIR	267,336	318,618	359,800	310,927	471,942
	TOTAL	286,717	334,585	380,902	339,052	524,289
	IDC RATE (IDC/DIR)	7.25%	5.01%	5.86%	9.05%	11.09%
ITRC <i>Irrigate</i>	IDC	24,863	29,941	43,143	5,774	664
	DIR	296,895	356,358	483,394	238,678	8,309
	TOTAL	321,758	386,299	526,537	244,452	8,973
	IDC RATE	8.37%	8.40%	8.93%	2.42%	7.99%
DESI <i>Design/Service</i>	IDC	24,528	58,606	13,413	21,272	33,219
	DIR	240,083	308,769	220,451	111,230	112,498
	TOTAL	264,611	367,375	233,864	132,502	145,717
	IDC RATE	10.22%	18.98%	6.08%	19.12%	29.53%
ARDFA <i>Eng</i>	IDC	438,311	376,535	294,674	146,145	0
	DIR	2,042,372	1,681,413	1,384,268	691,477	0
	TOTAL	2,480,683	2,057,948	1,678,942	837,622	0
	IDC RATE	21.46%	22.39%	21.29%	21.14%	
PQC <i>Power Quality</i>	IDC	5,238	9,474	952	0	0
	DIR	18,835	27,824	2,062	0	0
	TOTAL	24,073	37,298	3,014	0	0
	IDC RATE	27.81%	34.05%	46.17%		
CRI	IDC	33,953	19,336	0	0	0
	DIR	174,165	96,670	0	0	0
	TOTAL	208,118	116,006	0	0	0
	IDC RATE	19.49%	20.00%			
CIM	IDC	*2	*2	*2	*2	15,911
	DIR					74,948
	TOTAL					90,859
	IDC RATE					21.23%

*1 IDC for DPTC includes "other income" not considered IDC by sponsor

*2 CIM included under ARDFA

D

		92/93	91/92	90/91	89/90	88/89
DPTC	IDC EARNED	19,381	15,967	21,102	28,125	52,347
	% EARN RATE	7.25%	5.01%	5.86%	9.05%	11.09%
	RETURNED:					
	TO CTR	0	0	0	0	0
	TO PD'S	0	0	0	0	0
	TOTAL	0	0	0	0	0
	% RETURNED	0.00%	0.00%	0.00%	0.00%	0.00%
ITRC	IDC EARNED	24,863	29,941	43,143	5,774	664
	% EARN RATE	8.37%	8.40%	8.93%	2.42%	7.99%
	RETURNED:					
	TO CTR	0	0	0	87	0
	TO PD'S	0	0	0	0	0
	TOTAL	0	0	0	87	0
	% RETURNED	0.00%	0.00%	0.00%	1.51%	0.00%
DESI	IDC EARNED	24,528	58,606	13,413	21,272	33,219
	% EARN RATE	10.22%	18.98%	6.08%	19.12%	29.53%
	RETURNED:					
	TO CTR	186	4,723	717	1,765	4,213
	TO PD'S	186	4,723	154	430	1,001
	TOTAL	372	9,446	871	2,195	5,214
	% RETURNED	1.52%	16.12%	6.49%	10.32%	15.70%
2DFA	IDC EARNED	438,311	376,535	294,674	146,145	0
	% EARN RATE	21.46%	22.39%	21.29%	21.14%	0.00%
	RETURNED:					
	TO CTR	173,253	140,402	117,854	58,413	0
	TO PD'S	0	0	0	0	0
	TOTAL	173,253	140,402	117,854	58,413	0
	% RETURNED	39.53%	37.29%	39.99%	39.97%	
PQC	IDC EARNED	5,238	9,474	952	0	0
	% EARN RATE	27.81%	34.05%	46.17%	0.00%	0.00%
	RETURNED:					
	TO CTR	251	1,200	134	0	0
	TO PD'S	251	1,200	0	0	0
	TOTAL	502	2,400	134	0	0
	% RETURNED	9.58%	25.33%	14.08%		
CRI	IDC EARNED	33,953	19,336	0	0	0
	% EARN RATE	19.49%	20.00%	0.00%	0.00%	0.00%
	RETURNED:					
	TO CTR	1,074	1,500	0	0	0
	TO PD'S	1,074	1,500	0	0	0
	TOTAL	2,148	3,000	0	0	0
	% RETURNED	6.33%	15.52%			
1	IDC EARNED	0	0	0	0	15,911
	% EARN RATE					21.23%
	RETURNED:					
	TO CTR	0	0	0	0	1,395
	TO PD'S	0	0	0	0	349
	TOTAL	0	0	0	0	1,744
	% RETURNED					10.96%

E

FLASH REPORT
SPONSORED PROGRAMS

1993/94 PROJECTION		ANNUAL BUDGET	YEAR TO DATE MAR 31, 1994			MAR '93 YTD	% CHANGE 93/94 VS 92/93
			BUDGET	ACTUAL	DIFFERENCE		
	DEPT. INCOME						
\$0	Conference Inc.	\$0	\$0	\$0	\$0	\$27,548	(100.00%)
925,000	Indirect Costs	925,000	697,500	674,050	(23,450)	654,748	2.95%
65,000	Misc. Income	35,000	26,300	48,764	22,464	39,198	24.40%
990,000	<u>TOTAL DEPT. INC.</u>	960,000	723,800	722,814	(986)	721,494	0.18%
	DEPT. EXPENSES						
276,000	Salary and Benefits	286,460	213,378	208,236	5,142	208,395	(0.08%)
317,000	Operating Costs	315,903	249,493	250,163	(670)	237,636	5.27%
593,000	<u>TOTAL DEPT. EXP.</u>	602,363	462,871	458,399	4,472	446,031	2.77%
397,000	<u>DEPT. NET</u>	357,637	260,929	264,415	3,486	275,463	(4.01%)
(1,000)	CSU-USP/Oth.	(5,000)	(3,752)	(429)	3,323	(2,986)	85.63%
(3,414)	Univ. Space Chg.	(5,000)	(5,000)	(3,414)	1,586	(4,024)	15.16%
(5,000)	Overrun/Writeoff	(5,000)	(3,500)	(408)	3,092	(295)	(38.31%)
(50,000)	Reserves	(50,000)	(37,500)	(37,500)	0	(37,500)	0.00%
\$337,586	<u>NET TO UNIV.</u>	\$292,637	\$211,177	\$222,664	\$11,487	\$230,658	(3.47%)
193,000	Grant Dev. Off.	205,264	154,000	147,015			
150,000	ARDFA 40%	200,000	150,000	109,212			
(\$5,414)	<u>SURPLUS/(DEFICIT)</u>	(\$112,627)	(\$92,823)	(\$33,563)			

G

14 Feb 1994

From: DU927

James, here is the data you requested re CRI projects. In fy 91/92, there were 5 projects active, direct expenses were 96,670 and IDC recovered 19,336, a total of 116,006. In fy 92/93, 7 projects active, 174,165 direct, 33,950 IDC, total 208,115. This year through December, 8 projects had 155,100 direct, 29,262 IDC, total 184,726. There have been several other projects opened very recently that did not have expenses as of the end of Dec. Hope this helps; give me a call at 1123 if you need more specifics. Don.

	Direct	Indirect	Total	Allocated
91/92	96,670	19,336	116,006	1500
92/93	174,165	33,950	208,115	1074
93/94	<u>155,100</u>	<u>29,262</u>	<u>184,726</u>	
	425,935	82,548	508,847	2574

$$- \% \text{ return of Total} = \frac{2574}{508,847} = 0.0050 \text{ or } 0.5\%$$

$$- \% \text{ return of IDC} = \frac{2574}{82,548} = 0.0311 \text{ or } 3.1\%$$

Chris - Exec 4/19/94

1994 DEGREE PROGRAM SUMMARY			REVISION 3/31/94					
PROGRAM REVIEW SCHEDULE								
			✓	✓				
			1993	1994	1995	1996	1997	1998
COLLEGE OF AGRICULTURE								
BS	Agricultural Business					X		
BS	Agricultural Engineering, Ag Eng Technology			X				
BS	Agricultural Science, Agricultural Education			X				
BS	Animal Science					X		
BS	Crop Science, Plant Protection Science, Fruit Science						X	
BS	Dairy Science			X				
BS	Food Science, Nutritional Science		X					X
BS	Forestry and Natural Resources				X			
BS	Recreation Administration				X			
BS	Ornamental Horticulture			X				
BS	Soil Science		X					X
COLLEGE OF ARCHITECTURE AND ENVIRONMENTAL DESIGN								
BS	Architectural Engineering				X			
BARCH/MS	Architecture						X	
BS/MCRP	City and Regional Planning					X		
BS	Construction Management		X					X
BLA	Landscape Architecture			X				
MCRP/MS	Transportation Planning							
COLLEGE OF BUSINESS								
BS/MBA	Business Administration		X					X
MBA/MS	Engineering Management		X					X
BS	Economics		X				X	
BS/MA	Industrial Technology			X				
COLLEGE OF SCIENCE AND MATHEMATICS								
BS/MS	Biological Sciences, Biochemistry, Ecology and Systemic Biology, Microbiology					X		
BS	Chemistry		X					X
BS/MS	Mathematics				X			
BS/MS	Physical Education			X				
BS	Physics, Physical Science		X					X
BS	Statistics						X	

year 19 is class

Program Review Schedule

			1993	1994	1995	1996	1997	1998
COLLEGE OF ENGINEERING								
	BS/MS	Aeronautical Engineering					X	
	BS/MS	Civil Engineering/Environmental Engineering			X			
	BS	Computer Engineering	X					X
	BS/MS	Computer Science				X		
	BS/MS	Electrical/Electronic Engineering					X	
	BS	Engineering Science	X					X
	BS	Environmental Engineering			X			
	BS	Industrial Engineering		X				
	BS	Manufacturing Engineering		X				
	BS	Materials Engineering				X		
	BS	Mechanical Engineering			X			
	MBA/MS	Engineering Management	X					X
	MCRP/MS	Transportation Planning						
COLLEGE OF LIBERAL ARTS								
	BS	Applied Art and Design		X				
	BA/MA	English					X	
	BS	Graphic Communication	X					X
	BA	History				X		
	BS/MS	Psychology/Human Development					X	
	BS	Journalism		X				
	BA	Liberal Studies		X				
	BA	Music			X			
	BA	Philosophy					X	
	BA	Political Science				X		
	BS	Social Science				X		
	BA	Speech Communication					X	
		Theater			X			
		Foreign Language			X			
UNIVERSITY CENTER FOR TEACHER EDUCATION								
	MA	Education		X				
VICE PRESIDENT FOR ACADEMIC AFFAIRS								
		Ethnic Studies						X