

CALIFORNIA POLYTECHNIC STATE UNIVERSITY, SAN LUIS OBISPO

ACADEMIC SENATE  
EXECUTIVE COMMITTEE - AGENDA  
FOB 24B 3:00 p.m.  
April 30, 1985

Chair, Reg Gooden  
Vice Chair, Barbara Weber  
Secretary, Roxy Peck

- I. Minutes
- II. Announcements
- III. Reports
  - Provost's Report
- IV. Business Items
  - A. Resolution on Augmented Funds for CARE Grants  
(Research;Gamble) ATTACHMENT
- V. Discussion Items
  - A. Faculty Athletic representative
  - B. Constitutional amendment to give Academic Deans  
ex-officio, non-voting status in Senate.

## BACKGROUND STATEMENT TO THE RESOLUTION ON AUGMENTED FUNDS FOR CARE GRANTS

The Sponsored Programs Department is a Cal Poly Foundation administrative service unit which is responsible for the administration and fiscal management of grants and contracts for research and educational projects. It also manages the fiscal aspects of conferences and workshops, special projects, and accounts for gift-related activities of a restricted nature.

Sponsored Programs derives its income from the indirect costs (i.e., overheads) that are earned on research projects, from administrative fees associated with workshops and conferences, and from several smaller sources. Its annual operating budget, including charges for central Foundation administrative services, has ranged between \$200,000 and \$210,000 the last two years. About 90 percent of that income comes from the indirect costs earned on research and other sponsored projects. After the costs associated with running the Sponsored Programs Department are met, remaining funds are used for reserves for audits and for sponsored programs, and for the operating expenses of the Research Development Office. The unallocated overhead remaining after these deductions is then available for distribution to the University.

As an income-producing unit of the Cal Poly Foundation, the Sponsored Programs Department is levied a charge (as is El Corral Bookstore and Food Services) to create a fund to support special services for the University. These services - referred to as University Services - include check cashing for students, Public Affairs activities, Development, the Annual Giving campaign, and Athletics. In 1984-85, University Services had a budget of approximately \$325,000 to support these activities.

Sponsored Programs Department has contributed to University Services in the past. The levy is made before funds are distributed to the University Research Committee for CARE grants. When Sponsored Programs did not recover enough overhead to meet its costs in 1983-84, there were no funds for University Services or for CARE grants. However, if the Sponsored Programs Division earns funding in excess of its needs in 1984-85 (which seems to be the case), it will have to pay its University Services charge first (about \$13,000) before excess funds (if any) are allocated to the CARE program. (CAM 543 summarizes the basic process for cost allocations. A modification approved by the Cal Poly Foundation Board in 1984 has modified and extended this policy.)

There is concern that the lack of funds for a CARE program a second year in a row may have a negative impact on professional development activities on campus. Because CARE grants can and do lead to larger grants which in turn improve the educational program as well as produce more income for the Foundation Sponsored Programs Department, it is proposed that the \$13,000 which will be charged to Sponsored Programs Department this year for University Services be reallocated to the University Research Committee for CARE grants during Academic Year 1985-86. In addition, if other funds are available through the normal cost sharing process, these funds too will come to the Research Committee to renew its support of faculty research on campus.

This reallocation of the University Services charge to the CARE program is not a subsidy. The Sponsored Programs Division assists with the administration of major gifts and restricted accounts, such as the Horsetrack, the Computer-Aided Productivity Laboratory, and other major University gift-supported programs free of charge. Thus, the unit contributes to support the University Services by redirecting income from grants and contracts to the activity of the development program. When Sponsored Programs is charged also for University Service, it seems that the department is, in effect, paying twice for the University's Development Program. The proposed resolution is intended to introduce some balance and return funds to an area badly in need of them.

## RESOLUTION TO THE ACADEMIC SENATE

- WHEREAS, The President of the University has issued Administrative Bulletin 85-2, which encourages the professional development of its faculty, and
- WHEREAS, That bulletin identified professional development as the University's second most important priority, and
- WHEREAS, The President acknowledged the University's responsibility for finding funds to promote the faculty's professional development, and
- WHEREAS, The CARE program administered through the University Research Committee is an important source of seed funds for faculty professional development as well as extramurally funded research grants, and
- WHEREAS, There were no funds available during Academic Year 84-85 for CARE grants, and
- WHEREAS, These CARE funds usually come from the overhead (indirect costs) earned on sponsored research projects, and
- WHEREAS, Some of those overhead funds have been reallocated to the University Services, and
- WHEREAS, A major purpose of University Services is to forward the educational mission of the institution by winning extramural support, be it therefore,

RESOLVED: That the President take steps to provide support for the professional development of the faculty, and be it further

RESOLVED: That the President recommend to the Foundation Board of Directors that those overhead funds taken from Sponsored Programs for University Services be redirected to the University Research Committee for CARE Grants, and be it further

RESOLVED: That the President devise a plan for incrementing these funds substantially over the next three years, and that in addition to the above reallocation from University Services, a portion of the Annual Giving Funds, or gifts from the private sector, or other appropriate sources of funding be used to secure a substantial increase, and be it further

RESOLVED: That an amount equal to an average of \$100 a year for every faculty member be set as a short term (three year) goal for augmented CARE funds.