

ACADEMIC SENATE
of
THE CALIFORNIA STATE UNIVERSITY

AS-2609-03/FA

May 8-9, 2003

The Report from the California State Auditor
(2002-110) on the Common Management System (CMS)

- RESOLVED: That the Academic Senate of the California State University (CSU) call upon the CSU to allow individual campuses to defer implementation of CMS applications where an existing 'legacy system' is operable until
- a) The recommendations of the March 2003 report of the California State Auditor (2002-110) are implemented by the CSU, and
 - b) The creation of a business plan and accompanying cost-benefit analysis that compares costs, benefits and functionality of proceeding with the present CMS against a range of alternatives. Such alternatives would include campus adoptions of other systems so long as they deliver commonly required information; and be it further
- RESOLVED: That the Academic Senate CSU urge the Chancellor to direct those campuses that do not defer implementation to proceed in a cost-effective manner; and be it further
- RESOLVED: That the Academic Senate CSU urge that subsequent proposed Trustee Budgets specify funding requests for CMS expenditures so that they will not be funded via reallocation of resources intended for instruction; and be it further
- RESOLVED: That the Academic Senate CSU urge the Board of Trustees and the Chancellor—prior to embarking on new projects—to adhere to fundamental planning principles, articulated in the State Auditor's report, that would include (but may not be limited to) such matters as
- Developing supplemental funding sources for new systemwide projects
 - Building in oversight mechanisms
 - Conducting thorough cost benefit analyses, sharing the results widely, and consulting with representatives of system constituencies
 - Building in mechanisms to detect and address conflicts of interests;
- and be it further
- RESOLVED: That copies of this resolution be sent to Chancellor Charles Reed; Executive Vice Chancellor Richard West; the CSU Board of Trustees, campus presidents, and campus senate chairs.

RATIONALE: Report #2002-110 of the California State Auditor, entitled "California State University: Its Common Management System Has Higher than Reported Costs, Less Than Optimal Functionality, and Questionable Procurement and Conflict-of-Interest Practices," released in March 2003, concludes that

- ◆ *The university did not establish a business case for CMS to define its intended benefits and associated costs and ensure that the expenditure of university resources is worthwhile.*
- ◆ *Problems exist that cast doubt on whether CMS will achieve all the objectives intended, or offer what could have been achieved from a systemwide project.*
- ◆ *Although the university followed recommended procurement practices to acquire data center services, its procurements for software and consultants on the project raise questions about the fairness and competitiveness of the university's practices.*
- ◆ *The university did not do enough to prevent or detect apparent conflicts of interest on CMS-related procurements (Audit Highlights).*

CSU administration does not dispute the factual findings of the audit and has stated that it accepts almost all its recommendations. The conclusions of the audit were the subject of a hearing by the Joint Legislative Audit Committee on April 3, 2003, at which several prominent members of the Legislature, Democrats and Republicans, strongly criticized CSU administration for its handling of this project and at which the Chancellor indicated willingness to develop a business plan for CMS.

From the time when CMS was first proposed, faculty leaders—including the California Faculty Association and the Academic Senate CSU—have cautioned the Chancellor's Office that the project was too costly and should be funded outside of the general University budget. In addition, both faculty and staff on many CSU campuses expressed strong reservations about the viability of the CMS system. These problems are now exacerbated by the state's budget crisis, which has severely limited state funding for the CSU and threatens the University's ability to maintain high-quality academic programs. In this context it is essential that all available funding be directed to the core mission—instruction of students—and that implementation of CMS be suspended in accordance with the conditions defined in this resolution. It is also appropriate that administrators responsible for what the auditor's report characterizes as flawed decision-making, haphazard business strategies, breaches of ethical conduct, and potential financial waste documented in the audit be held accountable.

APPROVED – May 8-9, 2003

ACADEMIC SENATE
of
THE CALIFORNIA STATE UNIVERSITY

AS-2475-99/FGA
September 9-10, 1999

Collaborative Management System

1 RESOLVED: That Academic Senate of the California State University recognize that the
2 third year of the infrastructure build-out is necessary to support the academic
3 mission of the CSU system and for the implementation of the Collaborative
4 Management System; and be it further

5 RESOLVED: That Academic Senate CSU urge the Chancellor to secure alternative funding
6 sources in addition to current support budgets for the Collaborative
7 Management System and for the third year of the infrastructure build-out in
8 order to eliminate adverse effects on campuses' ability to serve the CSU's
9 annually-increasing student enrollment; and be it further

10 RESOLVED: That the Academic Senate CSU urge the Chancellor to fund CMS in such a
11 way that campuses spend no greater proportion of new support budgets on
12 information technology than they currently spend; and be it further

13 RESOLVED: That the Academic Senate CSU urge the Chancellor to spend no greater
14 portion of the new funding provided for additional enrollment for institutional
15 support including administrative information technology than the appropriate
16 portion that would otherwise be spent for institutional support.

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2 RATIONALE: CMS funding can have negative impact on the academic mission
3 of campuses. Since academic affairs makes up the bulk of every campus budget,
4 the funding for CMS is affecting those budgets. In essence on many campuses
5 the cost of CMS has reduced the benefit campuses might have seen from
6 increased student enrollment funds.

7 In addition, the third year of the infrastructure build-out is not funded at this
8 time. Without funding for this third phase, eight campuses are at risk of not
9 being fully integrated into the infrastructure.

10 While we generally see the benefit of CMS, much of CMS cannot happen until
11 the infrastructure build-out is completed. Coordination and oversight must be
12 integrated for a better end result.

13 The administration should spend no more on CMS in the long term than the
14 funds CSU is already spending on Administrative Information Technology. The
15 administration should use no more of the new enrollment monies than would be
16 regularly used for administrative activities.

17 We believe that these efforts will go a great distance in mitigating any negative
18 impact of CMS on the campuses.

ACADEMIC SENATE
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AS-2476-99/FGA
November 12, 1999

Funding for Technology

RESOLVED: That the Academic Senate of the California State University recognize that funding, from sources other than current academic program budgets, for technology projects such as the infrastructure build out and the Collaborative Management System, is necessary for the CSU system to maintain and enhance the quality of its educational programs; and be it further

RESOLVED: That the Academic Senate CSU urge the Chancellor to secure adequate funding to support the CSU's technology needs without adversely affecting campuses' ability to serve the CSU's annually increasing student enrollment; and be it further

RESOLVED: That the Academic Senate CSU particularly urge the Chancellor to secure alternative funding sources for the Collaborative Management System and for the third year of infrastructure build out.

RATIONALE: Technology funding (most recently CMS) can negatively affect academic programs. Since academic affairs makes up the majority of every campuses' budget, funding technology projects from existing budgets quite likely results in considerable constraints being placed on the much needed growth and development of academic programs.

In the case of CMS, while we generally see the potential benefits, much hinges on the completion of the infrastructure build out yet the source of funding for the third phase is unclear. If the source becomes an internal re-allocation of existing resources, academic programs would most likely suffer considerably under the combined pressure of both CMS and the infrastructure build out on their budgets.

APPROVED – November 12, 1999

ACADEMIC SENATE
of
THE CALIFORNIA STATE UNIVERSITY

AS-2564-02/FGA
March 7-8, 2002

Implementation of Common Management Systems (CMS)

RESOLVED: That the Academic Senate of the California State University recommend to the Chancellor that individual campuses be granted flexibility in the timing of implementation of CMS modules including the ability to delay the CMS student administration module.

RATIONALE: The funding of the California State University is likely to remain inadequate over the next two years to allow the campuses to fulfill their core mission of delivering a high quality education to their students. Allowing campuses flexibility in the timing and decisions to implement PeopleSoft modules will allow them to spend scarce resources in the best manner to meet their individual needs. Delays in implementation may not only allow funds to be used in more efficacious ways but would also allow time for development and implementation issues to be fully explored prior to systemwide adoption.

APPROVED UNANIMOUSLY -- May 2-3, 2002