



MILLS COLLEGE FINANCIAL STABILIZATION PLAN (FSP)

Adopted by the Board of Trustees of Mills College on June 26, 2017

Background

This FSP responds to the Board of Trustees of Mills College Resolutions adopted on May 16, 2017. Those resolutions make a declaration of financial emergency and require “that the President shall recommend to the Board of Trustees, for board adoption by June 30, 2017, a financial stabilization plan (FSP) by which the College will achieve a balanced institutional budget within three years through reductions in expenditures and growth in revenue streams. The FSP shall include measures to be taken to reduce the projected FY18 operating budget, recognize the faculty’s role in educational policy, and give primary consideration to the College’s academic mission and student development, success, and program completion.”

The duration of the financial emergency will be determined by the Board of Trustees and will relate to Mills’ progress toward a sustainable institutional model.

Development

In preparing this FSP, we have been and will continue to be guided by Mills’ policies and procedures, as laid out in the College Bylaws, the faculty handbook, and the employee handbook. Close attention was given to College policies and procedures, including:

- The mission of the College and educational needs of our students;
- The handbook process for consultation with faculty leaders;
- Basing decisions about specific faculty positions on legitimate criteria as set forth in the plan, and in accordance with our Equal Employment Opportunity policies;
- Ensuring a proportionality of expense reductions as discussed in the faculty handbook;
- Providing faculty members and staff members access to separate grievance processes, if they wish to disagree with a final reduction/layoff decision.

The College’s financial situation and potential solutions have been extensively discussed on the campus among faculty and staff in various committees both in the current academic year and earlier. Faculty consultation with regard to the FSP began on May 17, 2017, the day after the board’s declaration, and continued through the presentation of this plan. The Provost and Dean of the Faculty reviewed proposed curricular changes with the Educational Policy Subcommittee of the Faculty Executive Committee (FEC), reviewed the criteria for making decisions about faculty positions with the

Appointment, Promotion and Tenure (APT) Committee, and provided information and considered feedback from the faculty as a whole.

The FSP was significantly revised during this process in response to faculty input about curricular needs, instructional costs, and faculty expertise. Those revisions include retaining some programs initially set out for elimination and reducing the number of faculty positions to be eliminated. Details appear in the Addendum describing the academic program implications of the FSP. The President considered all fiscal alternatives in order to minimize reductions in ranked faculty.

Measures

The nine measures by which the FSP seeks to achieve a balanced institutional budget are:

1. Reducing staff and implementing a hiring freeze for non-critical positions;
2. Reducing non-salary operating expenses;
3. Temporarily reducing 403(b) contributions beyond January 1, 2017 reductions;
4. Taking actions to increase revenues;
5. Reorganizing the administration and staffing of academic programs to reduce redundancies, streamline administrative costs, and support growth areas;
6. Modifying some academic programs and eliminating some programs;
7. Directing resources toward, and thereby strengthening, the academic programs in which we seek growth;
8. Modifying faculty salary steps;
9. Investing in faculty professional development and staff development and retention incentives.

1. Reducing staff and implementing a hiring freeze for non-critical staff positions.

Analyzing work functions across offices and evaluating job responsibilities allowed for restructuring that includes elimination of some staff positions and position consolidation as well as redistribution of job duties. A 90-day hiring freeze will be imposed on all staff replacements that do not impact student retention, enrollment, safety, revenue generation, or compliance.

2. Reducing operating expenses.

In order to achieve a 15% savings in discretionary (non-salary) operating expenses in FY18, Mills is renegotiating, modifying, or terminating existing contracts; changing office supply vendors; reviewing procurement processes, especially as they relate to P-card purchases; and revisiting spending patterns within each division. This work will continue during 2017-18.

3. Temporarily reducing 403(b) contributions.

This first year of the FSP eliminates the employer contribution to the 403(b); the second year raises it to 3%; the third year restores its current level of 6%. This is a temporary cost-cutting effort that will be revisited on an annual basis thereafter, with a goal of increasing the employer match to 9%.

4. Taking actions to increase revenues.

This measure is at the heart of the FSP. Each of the following steps is projected to result in small but measurable increases in enrollment that will collectively bring revenues to a sustainable level within three years:

- Signature undergraduate experience
- Alliance with the Peralta Community Colleges
- Expansion of the UC Berkeley Masters in Management and MBA program
- Development of an Executive Education Program
- Recruiting efforts of full time athletic coaches

In addition, several recruiting and retention initiatives were proposed and supported through an innovation challenge in 2017, and a set of Strategic Enrollment Management initiatives were identified and are under development. Enrollment gains, faculty collaboration, and administrative efficiencies will also be pursued through expanded strategic alliances with UC Berkeley and other partners.

5. Reorganizing the administration and staffing of academic programs to reduce redundancy, streamline administrative costs, and support growth areas.

A new administrative structure supports areas of potential growth. Divisions and schools include:

- Arts and Technology
- Natural and Health Sciences
- Social Sciences and Humanities
- Lokey School of Business and Public Policy
- School of Education

This plan reduces departments from 18 to 13 and divisions from four to three, enabling a sustainable reduction in administrative costs. New interdisciplinary departments will include:

- Art and Visual Culture (Studio Art, Art History, Book Art)
- Race, Gender and Sexuality Studies (WGSS, Ethnic Studies, Queer Studies)
- Social and Historical Studies (Sociology, History)

6. Modifying some academic programs and eliminating some programs.

See Addendum for details. Because of Mills' growing structural deficit, the College, at this point in time, needs to add the unprecedented step of some ranked faculty layoffs to existing budget reduction measures, in order to reorder its financial obligations with the goal of restoring financial stability. The College reaffirms its commitment to tenure. The administration worked to communicate with both faculty leadership and the faculty as a whole in the development of this part of the FSP. This FSP contemplates the layoffs of ranked faculty members as a one-time occurrence that will not be repeated for the duration of the current financial emergency. The

criteria used in reaching judgments about whether to retain or revise a program included one or more of the following:

- Low or negative net revenues
- Visibility and contribution to Mills' reputation
- Student demand (number of majors/graduate students, demand expressed by applicants)
- Potential for enrollment growth (based on market studies, enrollment trends, and student interest)
- Breadth and attractiveness of program
- Availability of alternate and lower cost ways to deliver the program, e.g. through interdisciplinary and cross-departmental collaborations
- Availability of gift/endowed funds to offset the instructional budget

Layoffs of ranked faculty are a most serious action. In recognition of the many years of dedicated service to the College by those whose positions will be eliminated, we identified resources to provide the most generous severance package possible, given the College's limited resources, including extended health care, search advice, and counseling support. In reaching judgments about whether or not to select ranked faculty positions for retention, the following range of considerations proved important:

- Curricular: Demonstrated and likely future curricular need, balancing faculty expertise, academic program needs, and student demand, was a key consideration;
- Tenure track/tenured status: In making decisions about faculty retention in impacted programs, where we believed that other areas of consideration led to equivalence, tenure line faculty received priority for consideration for retention over non-tenure line ranked positions;
- Demonstrated engagement in special College responsibilities that require a unique expertise that is difficult for the College to otherwise secure. We are at a critical financial time where, in certain cases, it is in the best interests of the College to retain faculty members who have developed special skills and expertise as essential administrators.
- Productivity: Producing scholarly or creative work that elevates Mills' reputation. This criteria recognizes the need to preserve our essence as an institution dedicated to excellence in both teaching and scholarship/artistic contributions. This can be an important point to look at where the various faculty positions are otherwise seen as equivalent in light of the other considerations.

Also considered in some of our decisions were the flexibility/versatility of those ranked faculty members who appear to us to have the expertise to meet teaching needs in areas of the College other than the current program.

The APT committee reviewed these considerations. In response to their feedback, a proposed consideration was removed—engagement in retention initiatives—from the process of review. The APT committee also requested additional involvement in review of the assessment of individual faculty, but subsequently withdrew that request.

7. Directing resources toward, and thereby strengthening, the academic programs in which we seek growth.

Please see Addendum.

8. Modifying faculty salary steps.

Extending the length of time between reviews at the Full Professor rank from three years to four (a change from the draft FSP's proposed five-year interval) enables us to reduce the pace of cost growth of the instructional budget while minimizing the immediate impact on junior and mid-career faculty. Retaining high quality, student-centered, and committed faculty is a priority for the College. In order to support this effort, we will reexamine on an annual basis all faculty and staff pay and benefits reductions, including those imposed by the FSP as well as by prior reductions in spending.

9. Investing in faculty professional development and staff development and retention incentives.

The success of the FSP depends on the entire Mills community, both faculty and staff, including those asked to craft and implement the initiatives that will lead to innovation and growth after the proposed reductions. To encourage staff and faculty collaboration and accelerate that growth, we will seek and invest funds in professional development and workplace innovation from foundations and institutional partners. A recently awarded Mellon Foundation grant of \$100,000 to support presidential initiatives will be dedicated to faculty development and will help in these efforts. We implemented incentives such as additional vacation since the board's declaration, and will create an elected Staff Council to advise the College officers on workplace culture improvements and other staff concerns.

Conclusion

After years of struggle with an intractable deficit and significant cuts, we understand now that Mills needs transformational change. We cannot build a new Mills by holding onto everything we've been doing in the past. This plan seeks to put students first by focusing our curricular offerings on their interests. It reduces administrative and operational costs, reorganizes the cost structure of departments that produce low or negative net revenues, and allows us to reset the instructional budget at a sustainable level to permit strategic investment and growth as enrollments increase.

The measures in this plan are taken because actions to date have failed to put Mills on a solid financial basis. Should our projections for costs and revenues be fulfilled, this proposed FSP will reduce the FY18 deficit to under \$5 million, the FY19 deficit to approximately \$2 million, and will bring the FY20 budget into balance. We make these cuts with an enormously heavy heart and recognition of the impact on individuals and our community as a whole. Overcoming the losses inherent in pursuing this course of action will require our community to come together with a determination to weather the transition ahead, and to put all our efforts toward building a sustainable Mills.

MILLS COLLEGE FSP ADDENDUM

REVISE THE FOLLOWING PROGRAMS

UNDERGRADUATE

Art History major and minor

The Provost's office will support faculty in reviewing the curriculum and course offerings, with particular attention to enhancing our contemporary and modern art offerings and global perspectives in the major.

Asian Studies

The Provost's office will support faculty in reviewing the impact of anticipated personnel changes and faculty will bring forward a proposal for curricular revision.

Chinese

The Provost's office will support faculty in revising the Chinese program to add a new minor and Oral Proficiency Assessment certificate option, and in revising the upper level language courses to take up less FTE so that the Chinese faculty member can also teach courses in English on Chinese culture and history, and linguistics.

Transcultural Francophone Studies

The Provost's office will support faculty in revising the Transcultural Francophone Studies course offerings so that they are more attractive to students, including offering upper level cultural and literary studies courses in English with a French component. Faculty will also revise the upper level language requirement and reduce the number of credits in the minor to make it more accessible. The Provost's office will also support faculty in revising the program to add a new Oral Proficiency Assessment certificate option.

Global Humanities and Critical Thought

The Provost's office will support faculty in revising the program in order to make it more accessible to transfer students and students with prior language learning, and to make it more attractive by making the College's Digital Humanities initiative a more central part of the program.

History major and minor

The Provost's office will support faculty in addressing anticipated personnel changes and to offer courses on regions currently not covered including Latin America, the Caribbean, Africa and the Pacific rim as well as subaltern histories within Europe.

International Relations major and minor

The Provost's office will support faculty in addressing anticipated personnel changes, reviewing and revising the program, and exploring the feasibility of developing a concentration in International Relations within the Politics, Economics, Policy and Law major.

Religious Studies minor

The Provost's office will support faculty in revising the minor, embracing community engaged learning, creating links to environmental studies and sustainability and making the program more innovative. The faculty will also build a partnership with the Graduate Theological Union in order to enhance student learning opportunities.

Spanish and Spanish American Studies

The Provost's office will support faculty in revising the Spanish and Spanish American Studies minor to have fewer requirements so that it is more attractive to students while maintaining educational quality and to explore the addition of a new Oral Proficiency Assessment certificate option. This will allow faculty within the program to offer more courses on Latina/o and Latin American literature and culture that are accessible to non-Spanish speakers and will therefore attract a larger number of students and support other programs.

ELIMINATE AND TEACH OUT THE FOLLOWING PROGRAMS

UNDERGRADUATE

Minor in Creative Writing in Spanish

The Minor in Creative Writing in Spanish will be eliminated due to low demand. This new program has not generated much demand, currently serves very few minors (0 in FY15, 0 in FY16, 1 in FY17) and requires additional courses. Eliminating the program will enable Spanish and Spanish American Studies faculty to offer classes that meet the needs of greater numbers of students, by offering classes on Latina/o and Latin American literature and culture under the Ethnic Studies or English designation. These classes will be offered in English, and will offer Spanish speakers the opportunity to read the texts and write essays in Spanish.

Latin American Studies major and minor

The Latin American major and minor will be eliminated due to low demand and because there are alternate, lower cost ways to address student interests in this area and maintain educational quality. The program currently serves very few majors: 1 in FY15, 1 in FY16, 1 in FY17. The Provost's office will support faculty in revising the Latina/o studies concentration in Ethnic Studies to include both Latina/o and Latin American Studies. This approach is becoming increasingly more common within the field, given a focus on the transnational connections between U.S. Latina/o communities and Latin America. Students will experience more robust connections with their peers by being included in a larger major cohort.

Government minor

The Government minor will be eliminated due to negative net revenues and because there are alternate, lower cost ways to address student interests in this area. There were 3 Government minors in FY15, 5 in FY16, and 1 in FY17. Students interested in political science may take the Politics concentration within the Politics, Economics, Policy and Law major. Students interested in government and the policy-making process may pursue a minor or accelerated Masters in Public Policy.

Philosophy major

The Philosophy major will be eliminated due to low demand and negative net revenues. The program currently serves very few majors: 5 in FY15, 2 in FY16, 3 in FY17. Students interested in Philosophy may pursue a minor in Philosophy or a major in Global Humanities and Critical Thought, which includes Philosophy courses in a global and interdisciplinary context. Students may also pursue an individualized major in Philosophy, by taking advantage of Mills' cross-registration opportunities.

Physics minor

The Physics minor will be eliminated due to low demand. The program currently serves very few minors: 1 in FY15, 0 in FY16, 0 in FY17. Physics and physical chemistry courses required from the BS and Post-baccalaureate Pre-Medical program will continue to be offered.

GRADUATE**Masters in Mathematics**

The Masters in Mathematics will be eliminated due to low demand. The program currently enrolls zero students and served 0 in FY15, 0 in FY16, 0 in FY17.

MFA in Translation

The MFA in Translation will be eliminated due to low demand and negative net revenues. This new program has not met enrollment projections. It was anticipated to enroll 17 students in the first year and another 20 in the second. In its first year the program enrolled only 4 students, with 2 additional admitted students for FY18.

SUMMARY OF PROGRAM CHANGES:

REVISIONS—UNDERGRADUATE PROGRAMS				
PROGRAM	ACTION	ALTERNATIVE PATHWAY	IMPACTED MAJORS	IMPACTED MINORS
Art History	Program revision to address staffing changes and enhance major	Major retained	13	4
Asian Studies	Revision or Elimination of stand alone minor subject to faculty review	Pending	0	4
Chinese	Add new minor and certificate	New minor and certificate available	0	0
Global Humanities and Critical Thought	Program revision to make more accessible and attractive	Major retained	4	0
History	Program revision to add breadth and address personnel changes	Major retained	14	3
International Relations	Revision of major, possible concentration in PEPL	Pending	10	0
Religious Studies	Revision of minor to make program more innovative	Minor retained	0	5
Spanish and Spanish American Studies	Reduce credits in minor and add certificate	Minor retained, new certificate available	0	7
Transcultural Francophone Studies	Reduce credits in minor and add certificate	Minor retained, new certificate available	0	7
Impacted students			41	30

ELIMINATIONS—UNDERGRADUATE PROGRAMS				
PROGRAM	ACTION	ALTERNATIVE PATHWAY	IMPACTED MAJORS	IMPACTED MINORS
Creative Writing in Spanish	Elimination of stand alone minor	Minor in Spanish and Spanish American Studies	0	1
Government	Elimination of stand alone minor	Major in PEPL or minor in Public Policy	0	5
Latin American Studies	Elimination of major	Concentration in Ethnic Studies	1	0
Philosophy	Elimination of major, retention of minor	Minor, or Global Humanities and Critical Thought major, or pursue individualized major with cross-registration	3	5
Physics	Elimination of minor	Physics courses for the BS and Post-bac. retained	0	0
Impacted students			4	11

ELIMINATIONS—GRADUATE PROGRAMS				
PROGRAM	ACTION	ALTERNATIVE PATHWAY	IMPACTED MAJORS	IMPACTED MINORS
MA in Mathematics	Elimination of graduate program	None	0	0
MFA in Translation	Elimination of graduate program	MFA in Creative Writing	4	0
Impacted students			4	0