



University Budget Committee Meeting Minutes

- DATE:** Friday, April 21, 2017
- LOCATION:** NEC Room – Administration Building, Room 560
- MEMBERS PRESENT:** Les Wong, University President, and UBC Co-chair
Ann Sherman, Interim Vice President & CFO, and UBC Co-chair
Sheldon Axler, Sheldon Gen, Pamela Howard, Robert Nava, Linda Oubre, Janet Remolona, Christina Sabee, Jennifer Summit, Darlene Yee-Melichar
- Members absent:** Troi Carleton, Jamal Cooks, Shannon Deloso
- Guests Present:** Sutee Sujitparapitaya, Academic Resources, Gene Chelberg (representing Luoluo Hong), AVP, Student Affairs & Enrollment Management, Alan Jung, AVP, Academic Resources, Brian Fahnestock, Interim AVP, Fiscal Affairs
- Committee Staff Present:** Nancy Ganner and Dilon Reynolds A&F VP Office, Staff to committee.
Elena Stoian, Executive Director, A&F Budget Administration & Operations

Agenda Topic #1: Call To Order

A quorum was reached, and Les Wong, President, and UBC Co-chair, called the meeting to order at 2:07pm.

Agenda Topic #2: Approval of February 14, 2017 Minutes

Approved with changes:

- Page 3, last comment from Darlene Yee-Melichar; change “CSI” to “CSU”
- Same paragraph: change “if it goes forward” to “if a student tuition increase goes forward”

Agenda Topic #3: Announcements – Co-Chair Les Wong

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Agenda Topic #4: Enrollment Projections in response to Targeted Actions:

- **Presentation by Sutee Sujitparapitaya, Academic Affairs * (See presentation)**
- **SUTEE SUJITPARAPITAYA** → At the February meeting, we didn’t have the census info. At the time, projections were based on previous projections for 2016-2017. Now we do: so far, enrollment was 3.6% off target. We gained an influx of transfer students so instead of 4% decrease, we gained ground from the Spring semester enrollment.

For 2017-2018, at the time we estimated 8.6% below target. Now, with 2017-2018 undergrad admitted students, and assuming Spring 2018 will be the same, we will only be 6.3% below target. This will be updated after priority registration begins May 1st and also when we review our deposits, which will be even more accurate. Students are less likely to go elsewhere when they put down a deposit.

- **DARLENE YEE-MELICHAR** → Thanks for the good news. In reality, as a follow up to the President's comments, we're competing with other campuses for new students, so are we going to be sending out acceptance letters as soon as possible? As soon as we send letters, we have a better chance of capturing those enrollments before other CSU campuses do.
- **PRESIDENT WONG** → And also tying in the Financial Aid letters?
- **GENE CHELBERG** → I'm filling in the VP Hong, who is out today. Starting with Spring admission, we've implemented some changes in our effort to increase our yield, and one was a rolling admission cycle. Rather than send out letters in large batches a few times, we send them more frequently. Perhaps not at the moment they're accepted, but as soon as we have a reasonable batch. We're hoping to tie in the Financial Aid award and Housing availability as well with the acceptance letter.
- **SHELDON AXLER** → I wanted to point out that enrollment seems better than expected, but that may be hiding worse news: a few years ago, Summer switched from CEL to General Fund, in hopes of bringing more FTE's to the University. If we compare from past years when it was funded through CEL, the enrollment situation is worse. If we put Summer back into CEL, it brings money to the university.
- **PRESIDENT WONG** → That's true, but the caveat is that I'm watching very closely the assembly taking up year-round financial aid as the federal people are talking about year-round Pell's, but apparently the perception is if it happens, all 23 campuses will maximize the use of Pell's. That's the piece hanging in the air. You're right – you have to make that adjustment to realize that because we're on General Fund in Summer, the number is financially worse than it has been.
- **SHELDON AXLER** → Going to year-round operation on General Fund is a good idea in terms of using the facilities. If that becomes permanent, we should think about offering some faculty the option of doing part of their teaching hours during the Summer. Now they cannot, but this way, we won't have to pay people extra, since they may teach in Summer instead of Spring.
- **JENNIFER SUMMIT** → That could really affect our recruitment of Faculty too – if we're able to build in that kind of flexibility in scheduling their workload, then they could do it around grants and there could be a lot of cascading of the benefits of spreading your assignment over 12 months.
- **SUTEE SUJITPARAPITAYA** → *Note: In presentation, "CY" stands for "college year", not calendar year. Fall/Spring/Summer.
- **PRESIDENT WONG** → When you look at Sutee's numbers about who our students are, we really don't pull from Washington, Oregon, Idaho – the Western States. Is that part of our recruitment plan?
- **GENE CHELBERG** → We haven't really targeted those areas. Historically it hasn't been a large number since we're not part of the [Western Undergraduate Exchange \(WUE\)](#). Have we as a campus issued an enrollment number we can all use, as of May, that we can base our models on? FTE of 26,000?
- **ELENA STOIAN** → We're basing it on the new projections – resident 6.3% below target, and 21.9% for non-resident. We have higher tuition so that's closing the previous gap but we're still running numbers so we'll get back to this committee.
- **ANN SHERMAN** → One of our more dramatic process improvements is between Sutee and Elena and keeping up on things as data comes in, so we have better assessments.
- **GENE CHELBERG** → It would be helpful to have a budget planning number we can all work with.

- **ELENA STOIAN** → We're waiting for CO's new budget model and receiving the right information so we can give it to the campus.
- **PRESIDENT WONG** → We should all have a common number.
- **LINDA OUBRE** → Is 23,876 the number we should use (resident plus non-resident)?
- **JENNIFER SUMMIT** → While Sutee is calculating this number, we have to remember this we are assuming this is what it's going to be with no changes. Everything is going to be a big question mark until May 1st and then we'll know how many students are accepting our admission. Yield has been our softest place. We put lots of emphasis on the work all divisions are doing to increasing our yield including colleges, and we will know more after May 1st.
- **SUTEE SUJITPARAPITAYA** → Yes the number is 23,876.
- **PRESIDENT WONG** → We're thinking of two parts – the yield number, and the retention rate. If both of those move in trend, that 6.3% below target gets smaller.
- **JENNIFER SUMMIT** → We have some early numbers about retention.
- **SUTEE SUJITPARAPITAYA** → First year FTF retention is tough to correlate well with SAT/test scores. First year will probably level out the same as the previous cohort. With new transfers, especially from community colleges, we bring in a better average transfer GPA. The higher average transfer GPA than the previous cohort translates into anticipated higher first year retention. A lot of the focus is on graduation rates. First time Freshman rates for Fall 10 (to have a 6-year timespan) - this coming cohort is 1.4% higher, so we anticipate it will be higher for FTF.
- **JENNIFER SUMMIT** → Last year it was 17.8%. Our short-term graduation efforts have been pushing up our graduation rate. When we received the \$2.1 M from the CO, it was with instruction to help our students who were closest to graduating. The new community college transfer rate is slightly higher, but not as high as FTF.
- **PAMELA HOWARD** → President Wong, at the last committee meeting, you mentioned you were going to meet with Mayor Lee about the proposed City College free admission program.
- **PRESIDENT WONG** → City College hasn't finalized their criteria yet as to who's eligible for free tuition. Mayor asked to hold off until a decision is made, so I have not had chance to meet with him. Mayor said "yes, we're thinking about SFSU" because I sent him a letter with a list of implications. This conversation is starting to rise in other states too where they are efforts to offer free city college tuition, and they're considering other issues that will be affected too.

UPDATE as of June 2017: City College defined their free admission requirements:

From the CCSF website: "Free City is free tuition to City College for students who are San Francisco residents and have lived in California for more than a year as of the first day of the current term."

Agenda Topic #5: Student Fees, Categories & Trends

- We have six fee categories, per Executive Order 1102 (<https://www.calstate.edu/eo/EO-1102.html>)
- The first two fees are very sensitive to enrollment – they really have an impact on the overall budgeting process, so if we don't have funding from the fees because enrollment is down, somehow we have to still supplement those funds, even without the additional income, so it's a double hit:
 - Category I – Systemwide mandatory tuition and other fees that must be paid to apply to, enroll in, or attend the university, or to pay the full cost of instruction required of some students by statute.

- Category II – Campus mandatory fees that must be paid to enroll in or attend the university.
- Category III – Fees associated with state-supported courses. Specifically for materials and services used in concert with the basic foundation of an academic course offering.
This fee is for miscellaneous course fees for state-supported instruction. We are seeing a dramatic uptick in these fee requests. Departments are asking for course fees in order to supplement funds they may have had previously but which are no longer available:
- Category IV – Fees, other than Category II or III fees, paid to receive materials, services, or for the use of facilities provided by the university; and fees or deposits to reimburse the university for additional costs resulting from dishonored payments, late submissions, or misuse of property or as a security or guaranty.
This fourth fee is non mandatory – facilities, various fines, funded through state-supported operations. Not everyone has to do them so they're not mandatory:
- Category V – Fees paid to self-support programs such as extended education, Cal State Online extended education offerings, parking and housing including materials and services fees, user fees, fines, and deposits. Self-support programs are defined as those not receiving state general fund appropriations; instead, fees are collected to pay the full cost of a program. Costs of self-support instructional programs include support and development of the academic quality of the university.
This fifth fee is charged by self-support operations, such as parking, housing, CEL.
- Category VI – Systemwide voluntary fees. (we don't have these here).
- Let's review them one at a time:
 - Cat I = resident/non-resident tuition, professional program fees, application fees. These are clearly dependent on enrollment. Without students, there's no tuition, and they're not applying so no application fees being collected either. Our change to summer affects this.
 - Cat II – Mandatory fees needed for enrollment or to attend our university and equally dependent on enrollment. We've been talking about 5% increase for tuition, but also new fees such as the Gator Pass and the Mashouf fee will be higher as well when it opens. Our students are really going to feel the increases this Fall 2017:
 - Student Body Center \$82
 - Recreation & Wellness Center \$160
 - Student Body Association \$54
 - Student Health Service \$157
 - IRA- General \$50
 - IRA- Athletics \$68
 - Health Facilities \$3
 - Campus Service Card \$2
 - Gator Pass \$180
 - Student Involvement and Representation (SIRF) \$2 Optional**
 - LOCAL FEES SUB-TOTAL = **\$758**
 - **DARLENE YEE-MELICHAR** → The Gator Pass was passed by the students last year but I'm still getting lots of feedback from students across campus asking why they're paying for it when they don't use it, such as students who drive, bike or live on campus. Only 10% of students voted on it.

- **ANN SHERMAN** → They should inquire of their colleagues – those students who voted got what they wanted.
- Cat III - Miscellaneous course fees associated with state-supported course instruction. We have 47 funds for those fees, including Downton Campus fees paid by those majors.
- Cat IV – those fees (other than II or III) that are paid for materials and services, facilities, fees for late submissions, orientations, study abroad, testing, etc.
- Cat V - Any fees charged by self-support operations (parking, housing, CEL) including materials and service user fees, fines, deposits, etc.
- **ROBERT NAVA** → This really affects Athletics in the volatility we've been experiencing with its budget. It's been difficult because it's been fixed for so long. What do the IRA-General fees support?
- **ANN SHERMAN** → Primarily the library
- **PRESIDENT WONG** → Associated Students is very sensitive to this, and they realize as enrollment goes down, their budget goes down as well. There is political caution when any unit on campus seeks to raise funds through fees, the public eye all of a sudden pays attention. They may use phrases like we're "skirting flat tuition hikes, saying its 5% tuition increase but really it's a 30% increase. That's why there should be good communication, because people get fed up with seeing meritless taxation occur through fees, and it's the same attitude around university fee increases that require votes, so it's a delicate situation.
- **ANN SHERMAN** → Other campuses have a "Student Success" fee that bundles these fees into one. There has also been talk of a technology fee, because technology is very expensive to maintain and we have no funding for it, even though many other campuses do. However, when we look at our fee total, I don't think we want additional fees at this time, and yet our SHS service fee has been flat for some time we now have a very difficult time paying a psychiatrist to staff our health center. This is a critical position which more of our students need as we have more chronic types of mental illness on campus. It's a very tangible constraint we have.
- **ROBERT NAVA** → – The price point is important; it's how we manage the costs for our students, but we have to think strategically. There isn't support that speaks to the Student Success Initiative. It's great that we have a Gator Pass to arrive to campus, but if they can't get into the classes they need or the advising they need, then are we really helping our students? The MWC will be beautiful and they'll be healthy, but if they can't get the classes and the support they need to graduate, are we really addressing their core needs? At some point, technology is critical. We need to define what our core purpose is and what we can do to provide adequate funding for students. The Provost and the President are working on finding donors to support initiatives, and they are responding, but they're not responding to the level we need in order to be transformative. I'm putting that out there as a thought for discussion, maybe in the future. This budget is a political document that reflects what our institution's priorities and values are.
- **PRESIDENT WONG** → Does everyone understand the spread of fees across the 23 campuses? \$758 is among the bottom 5 campuses. SLO and Channel Islands have student fees about \$3700 above tuition, and that makes a difference you can see when you visit campuses.
- **ANN SHERMAN** → (Presentation shows how current enrollment numbers affect our fees). Cat II replicates enrollment, and Cat III fees not as much affected by enrollment. As I mentioned, we're seeing a sizeable number of requests for these fees.
- **JENNIFER SUMMIT** → I noted same amounts requested fees in 2014/2015 and 2016/2017, but there is a valley in 2015/2016 where we were requesting far fewer fees. Why?

- **ANN SHERMAN** → We still had requests, but the revenue was different. This can be a result of which courses were taken vs. which had fees, or enrollment in those courses or whether the courses cost more than the fees themselves.
- **GUEST: BRIAN FAHNESTOCK, INTERIM AVP, FISCAL AFFAIRS** → We don't record the fees by the course – we go by revenue. We have to look at enrollment numbers and have to dig further down to find out why.
- **GUEST: ALAN JUNG, AVP, ACADEMIC RESOURCES** → It could also be that Cat III fees are primarily for labs and activities, and those tend to be smaller classes and enrollment may not affect them much. Ex: COSE and HSS fees. Typically these classes are in high demand and are less sensitive to overall enrollment.
- **SHELDON AXLER** → A potential Cat III fee can be textbook costs, a model other universities have adopted. Textbooks can be very expensive - a chemistry textbook can be over \$200. Surveys tell us many students don't buy textbooks, only 50%-60% are buying them. There is a disadvantage to not having a textbook – some students might be getting by listening to lectures, or sharing textbooks, but this is not as good educationally. Some universities are using a course fee to include the textbook, so instead of \$200 that half the students buy, a course fee of \$40 cover all students and textbooks. Publishers cut good deals because they cut into the used book market and they get 100% penetration rather than half, and it solves the equity issue. We're all here for student success and this is something that would save them money and 100% of students will have it, financial aid covers this fee for students that are eligible, so it's a win all around. I think we should look into it.
- **GUEST: ALAN JUNG, AVP, ACADEMIC RESOURCES** → We're actually doing a pilot this semester for three courses, but only PSY 200 passed – the others were rejected by the student fee committee. Primarily because they thought students could get the resources cheaper on their own. They're appealing, but this has been going on for a while. It was spearheaded by Brian Beatty, a joint effort by the bookstore and UCorp and the student fee committee, but when it came down to it, they rejected it. They wanted to provide the student with an e-book at a reduced cost or to buy a hardcopy at a reduced price.
- **GENE CHELBERG** → PSY 200 is going to give us some experiential data, if it works
- **GUEST: ALAN JUNG, AVP, ACADEMIC RESOURCES** → We'll be revisiting it over summer to give a better overview of fees. We were constrained by the format of the student fee committee.
- **GUEST: JASON PORTH, EXEC. DIRECTOR, UCORP** → UCorp worked with Follett 3 years ago with an opt-in called Include-Ed, where all students who opted in could pay \$280 for *all* their course materials, but some faculty members listed textbooks as “optional”, and they had to be listed as *mandatory* materials, so people felt they had been misled. Cal State East Bay is launching something similar for all students, rather than the opt-in model. We'll see how successful they are.
- **DARLENE YEE-MELICHAR** → Also at the systemwide level, the CO is pushing out affordable learning solutions initiative and that also calls for faculty to consider using ‘open education resources’ which are supposedly free or very low cost. It really forces the faculty to consider resources they may not think is the best for their class, but it supposedly offsets the financial concern for the students.
- **JENNIFER SUMMIT** → Brian Beatty has been very aggressive in pushing that out and succeeded in saving students millions, and there are areas we could move more aggressively in deepening the penetration in the textbook market, but I think we should be proud of our leadership role in this effort.

- **ANN SHERMAN** → Cat IV fees are fines, transcript fees, etc. and it's good to see a drop in these fees (except for the MBA fee).
Cat V fees are least affected by enrollment, such as CEL, as they drive their enrollment through their offerings, facility rentals, food services and parking. Parking is a concern and we should have a discussion about, as we drive students towards more public transit via the Gator Pass. This has the potential to decrease parking revenue and that's what pays for our Bart shuttle buses, which will now have more students. We have to be careful not to cannibalize these services - there are already long lines for the shuttle, and students have to understand the 28 bus is a second option in either direction.
- **SHELDON AXLER** → Why the huge jump in food services in 2015/2016 (referring to presentation)?
- **ELENA STOIAN** → We switched vendors, Chartwells to Sodexo, and we also changed the accounting; in the past we recorded only the net, and now we record the revenue and the expenditures along with the net.
- **ANN SHERMAN** → Cat V fees not as directly sensitive to enrollment. They can offer different types of programs, we can raise the rates with relative ease without going through much student oversight, housing will determine who to offer it to, which types of students and how much their utilization will be, and what kinds of relief it might be offering. There's more flexibility around these types of fees that allows us to maintain a predictable level of income regardless of enrollment. Having said that, as we have fewer students and fees are still high, we're going to experience basic market pressure we need to be cognizant of.
- **PRESIDENT WONG** → Are these fees itemized on the students bill?
- **ANN SHERMAN** → Not exactly. It says "Summer Tuition" and "Mandatory Costs".
- **PRESIDENT WONG** → I'm wondering if we should be more consistent about how we label these things. I've not had a public person or parent ask me about itemizing because it's on the website, but I did get a question about the student/parent "sealed bill" and are we being open about what is charged. It's more about transparency and I honestly responded I wasn't sure how descriptive they are.
- **LINDA OUBRE** → The MBA fee has been impacted by enrollment. Do we care where the money flows? MBA enrollment has been flat, but our Executive MBA which is self-support, has much higher charges for students and is going up, but that money comes to campus in CEL and to the college in terms of CEL trust funds. I'm wondering if that might be part of the conversation we have as a campus? We should do what the market dictates for students, which is the more specialized and executive-type program. COB is happy with the income, CEL gets 20%, and campus gets 5% of that (part of Cat III fees).
- **ANN SHERMAN** → The issue is you shouldn't have long-term commitment for these trust fund expenses, for example, tenure lines, because funds run out.
- **DARLENE YEE-MELICHAR** → I recently discussed with the Provost possible new revenue streams to address enrollment issues. Many of the students are professionals with jobs in biotech and health and human services that work for companies who offer tuition reimbursement, so many aren't affected by the tuition because their company pays for it. I'm wondering if one of our strategies moving forward is to capitalize on the professional development for people who need continuing education to stay in their jobs (nursing, etc.). Maybe we capture them through certificate programs, since most don't want a full degree.

- **JENNIFER SUMMIT** → That's a complex question but the answer in a nutshell is something Deans Krickx and Dean Oubre are actively pursuing, and some other colleges are looking at various partnerships with employers that create programs for their employees.
One of the things that has kept us as a campus from using CEL funds as much as we could, is an artificial and inaccurate understanding of restrictions of using CEL funds. The statute allows for much greater flexibility of funds that can be used for capital projects - Northridge built an entire building with those funds. You are right to be identifying this as an untapped resource, and it's on front burner for us.
- **PRESIDENT WONG** → Another good example is that we asked our coaches use available rooms this summer for sports camps, which we've not exploited much as all. We have soccer programs starting to think about that, baseball, etc. The dorms are a source of revenue that sit relatively empty all summer, but we don't have a formal conference services program that many other schools have. It's great to hear a faculty member asking a good business question about how we can contain costs while building revenue. There's a lot of good thinking on campus that could be more entrepreneurial like that.
- **ANN SHERMAN** → It's important to note that enrollment affects more than simply tuition, and all the fees impacted have multiple effects to our campus in a variety of different ways.
- **PRESIDENT WONG** → To close the fee discussion is to answer the question "How can we contain cost and elevate revenue? One of the reasons I asked Ann to look at these fees was to take a serious look at what habits we should have, such as a revolving calendar of fee reviews. Often the fees haven't been touched in decades and the faculty member is suddenly realizing the supply costs are rising. How can we be more strategic? We can't wait until we go to the student fee committee only to be tuned down. We have to think about a fee review schedule so we don't have this situation. For example; we discovered the rental fee for our tennis courts haven't changed in nearly two decades. We proposed raising the fee \$1 and the renters were upset, because they were paying so little and that was considered a lot for them. If we were alert about the low fee, that would not have happened. We're not very good at laying out a review process. Our faculty realizes when they teach a class we're losing money, because the fee for that class might be so low but the cost to offer that course is so high. We need to get our arms around it as we go forward so the first step isn't the student fee committee.

Agenda Topic #6: Updating Committee Charge:

(Proposed new charter, By-Laws, Membership Terms)

- **DARLENE YEE-MELICHAR** → This is a good compilation of all the versions and it makes sense to do that. On Page 4 of the new document, Item III, B: Three year terms for faculty and possibly staff, but three yrs. might not be enough. I feel in my experience of several terms, if you're a new member it takes a while to acclimate to the committee and understand your role to be an active participant. Three years isn't enough. My suggestion is at the end, where it says "Six Faculty and Academic Senate will annually nominated for the second term", we might consider "faculty may serve two terms before rotating off to allow for new replacement representatives". If that's acceptable, on the last page, at the top where it says "after three years, members *second* term expires". They may not want to serve again, but they have the option to be nominated, so they can bring what they have learned and be allowed that opportunity.
- **SHELDON GEN** → The Academic Senate's Strategic Issues Committee ("SIC") was asked to review this document in their role of take up the budget as their area of concern, as the President has asked for

budget transparency. Conveying SIC's general perception: the charge and scope is broad and seems to be incongruent with the schedule and agenda of the UBC, with limited meetings, and you can't create a budget in that amount of time. The first part of the charge says we are to advise the President, which we are congruent with, the next is to create a budget, which I don't think we're doing -- I think there's a subset of this committee that is doing as part of their jobs, but not in the context of this committee. The third part is oversight and accountability, which is the big piece that this charge encompasses. I think the schedule could possibly be congruent with, but I'm unsure if we're doing it now. I'm new to the committee and I'm learning a lot, but I'm unsure I'm contributing much as far as being accountable to the university. This is a really broad scope and if we needed to do all these things, we'd need to be meeting every week.

SIC's recommendation is to add a fourth part: in a support and advisory role to the President, is an access point for faculty and community voice to get into the budgeting process, and they would like to see that part expanded, as part of their look into transparency. This can be for the university constituents in general to provide input into a formal budgeting process. So, broader on the advice side, not on the creation side.

- **SHELDON AXLER** → Part of the old document is wildly inappropriate, for example, it includes that this committee will have the right to allocate university reserves. This is inappropriate since it meets only twice a semester.
- **ANN SHERMAN** → We included all versions because different people worked on different ones over the years.
- **PRESIDENT WONG** → Let's take the input and see if we can achieve some issues that have been raised. Let's keep the process of getting it up-to-date open.
- Note: Faculty term changes made to document as recommended by committee member Darlene Yee-Melichar.
- Further changes at next meeting.

Agenda Topic #7: Future proposed meeting dates:

- **ANN SHERMAN** → Nancy Ganner is trying to set future UBC meeting dates.
- **STAFF: NANCY GANNER** → Professor Gen suggested last meeting we should meet according to the Governor's budget releases, when we have items to review. I deferred to Elena Stoian to suggest dates, so currently proposed for six meetings per year:
 - September 2017
 - December 2017
 - January 2018
 - March 2018
 - May 2018
 - July 2018
- **PRESIDENT WONG** → In consideration of the comments made, it seems you want more frequent meetings as we head into May, fewer in the Fall, and as the state budget heats up, more in the Spring and Summer. Let's see if we can be more strategic.

- **LINDA OUBRE** → Faculty are not officially working in the Summer, even though it's good budget time, and May is horrible for faculty and college staff as well. The final state budget release is in July so you may have to pay faculty to come in
- **DARLENE YEE-MELICHAR** → Also, if we use the current charter, two of us faculty will rotate off so we'll have to go to Senate for two new ones in the Fall.

New Topic:

- **PRESIDENT WONG** → You may have heard yesterday the state auditors released a large document of the use of MPP within the CSU and they used six campuses of prototypical of campus audits of which we were one. The report is available online including the analysis of MPPs here at SFSU. We will have a response explaining some of the issues that were raised next week. From my vantage point as President, the critique of our use of our MPPs and our system was pretty minor stuff, in particular to comments about a small overcharge. There were some process issues we'll have to pay attention to, but they were not critical. In the relative number of employees to MPPs, we are the leanest of the six. We did increase the number of MPPs, predominantly development officers needed to raise money. Ann's team has been working with them for months it seems, but we look pretty decent. Please read the report and let me know if you'd like to talk about it.
- **DARLENE YEE-MELICHAR** → Thanks for sharing. Can you please send us a link, and the response, if appropriate?
- **Note: link can be found here:** <https://www.bsa.ca.gov/pdfs/reports/2016-122.pdf>
- **PRESIDENT WONG** → One of the parts people aren't going to understand is that my predecessor banned the use of MPP 1's and that created an inappropriate bulge of MPP 2 and 3's, so what we've been going since 2012 is trying to normalize the curve, so we will see an increase in MPP 1's because it was banned for so many years. It'll help redistribute the way MPP's are paid. If you eliminate a category, it bulges in other areas. I didn't want anyone on this committee surprised by the report.
- **ROBERT NAVA** → The campuses that were reviewed included Fullerton, Cal State LA, San Diego State, SFSU, Sonoma, SLO and the Chancellor's Office. We're preparing the responses to the items we addressed in the report and I want to acknowledge Dominique Cano-Stocco who joined our campus in February. She and Noriko have been working closely with Alison and Ann's team and have helped prepare the responses.
- **DOMINIQUE CANO-STOCCO** → The concern from a government relations standpoint is not so much the audit is anything to worry about, but it's sensitive because we're a few weeks away from the May revise and our budget is out there and we're asking for more money than the Governor has proposed.
I will be meeting on Monday with my colleagues across other campuses to push for our full budget ask at the state level. Phil Ting is also having his budget meeting on Wednesday, and there is some sensitivity and it's to insure we respond appropriately and make sure the legislators know we have a good handle on things, as the information can be politically charged and we don't want them to use it as a bargaining chip in the budget process. Ann's staff has been very helpful in helping us get the information so we can work together to give the right response.
- **ANN SHERMAN** → I would say the campus in the last several years has made a very strategic attempt to re-level these positions. The refusal to use the MPP1 created a number of problems in the colleges as well as the ground and custodial crews, which had 1 supervisor for nearly 150 staff.

Supervising consisted of time reporting, so we've made strategic attempts to increase our MPPs, within reason. When I did our initial reviews, it was half of the CSU average. Two years ago, I anticipated adding 30 in that first year or two, and the report shows 22, so we're still making progress along our immediate goals. It has been very deliberate and I'm satisfied with the responses.

- Meeting adjourned. Next meeting is scheduled for July 13, 2017.