



University Budget Committee Meeting Minutes

DATE: Monday, May 21, 2018

LOCATION: ADM 560 (NEC Room)

MEMBERS PRESENT: President Les Wong and VP Ann Sherman (Interim), Co-Chairs
Provost Jennifer Summit (Interim), VP Luoluo Hong, VP Robert Nava, VP Jason Porth, Andrew Harris,
Nancy Gerber, Sheldon Axler, Singing Chen, Sheldon Gen, Andrew Ichimura, Nathan Jones, Jerry
Shapiro, Genie Stowers, Darlene Yee-Melichar Maria Martinez, Elena Stoian, Sutee Sujitparapitaya,

Guests Present: Dominique Cano-Stocco, Exec. Director, Gov't & Community Relations

Committee Staff Present: Nancy Ganner

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❖ UBC Co-chair President Wong called the meeting to order at 3:31 P.M.

### **Agenda Topic #1: Welcome and Announcements (President Wong and VP Sherman)**

- ❖ **PRESIDENT WONG** → Two quick things: I want to thank Ann publicly for stepping in as the Interim Vice President for Administration & Finance and doing a super job, so thank you. We also have a special guest: over to my right is Phyllis Carter, who is the new Vice President for Administration & Finance, and starts officially on June 1. We're looking forward to welcoming her.
- ❖ As all of you know, I use sports metaphors for information but this is really a special week because other than Commencement, which is obviously the ultimate event, our Women's Track & Field team are in North Carolina and are heavy favorites for a national title and we're very excited about that. The athletic folks are there today and the athletes will show tomorrow. I'm really quite proud of the team; they've done super well. As far as we can tell, it's the first time the Women's Track & Field has gotten into national finals as a team, so we're pretty excited.
- ❖ **ANN SHERMAN** → We're going to slightly modify our agenda today. Dominique is Agenda item #3 but she needs to leave a little early, so we're going to move her to the front and it will flow nicely

with the rest of our agenda and the President's remarks. In the interest of time since we have a very busy agenda today, I'll turn it over to Dominique.

**Agenda Topic #1: Governor's Budget Update: "May Revise" and Projections for June**  
**(Executive Director Dominique Cano-Stocco)**

- ❖ **DOMINIQUE CANO-STOCCO** → Thank you, I appreciate that. I'm excited because I actually have good news to tell, and I appreciate the opportunity to give you updates when major budget actions happen at the state level. In January I was here to talk about the Governor's proposed budget, and what we just had is called the "May Revise". That's when the tax revenues start to come into the State, so about 30 days later in May, they revise the economic outlook for the State, and then the Dept. of Finance comes up with new budget numbers that the Governor then proposes in the May Revise. That's what we'll talk about today.
- ❖ So this is where we were, as a reminder (Page 7 of Presentation). This column is what the Governor had proposed in January, which is that he would fund mandatory costs of \$31M. These columns shows what the CSU's ask was and what the Trustees approved. The Governor funded that in January, and continued to propose funding as \$31M in May. Also \$61M of our mandatory compensation costs, but if you see these red stripes here, he knew that our full compensation cost was \$122M, but didn't fund it. We can talk about that later and I can explain some of the politics behind that.
- ❖ That left our mandatory costs unfunded in the May revise, and the thing to remember is that the May revise is not the final budget: its part 2 of a 3-part budget process. Right after he comes out with his budget, the State Legislature and the State Assembly come out with their plan, and this is where the UC and CSU end up. If the Legislature gives us more, it backfills what the Governor hasn't provided.
- ❖ In May, he gave us a \$100M increase to the January proposal, so he did give us \$100M more, but he line-itemed it and focused it on infrastructure funding, which is great – we've been asking for these funds for a long time. We asked for \$15M this year and we got \$100M, and he did that to most of the State agencies to make sure they address the infrastructure costs that haven't been addressed for many years. Revenues came in significantly higher than expected and he wanted to share some of that, but he didn't do it the way we wanted.

- ❖ So we got \$100M more, but it's set aside so we can't put that towards compensation at the moment. He didn't add the \$61M we needed to cover our mandatory costs, and that left us negotiating for \$171M more in funding to get to the full CSU ask for next year (the full CSU ask was \$263M).
- ❖ I'd like to remind you we're not operating on a \$3.4M budget for CSU, but every year mandatory costs go up so the CSU budgets for that, then asks for more money. That \$263M ask is just the additional money.
- ❖ I get this question a lot, so I do want to show you this to add context (Page 12 of Presentation):. since the budget cuts that happened in 2008/2009/2010 -- the really awful years we were dealing with furloughs and massive cuts -- you've seen an increase, but you can see the pattern, and Noriko and I see this is as a negotiation. It starts off with the May Revise, and then we see what the Legislature does at the end. This will show you the number of years going forward that the Governor has proposed in January, the CSU request, and then what the final state budget is, and that shows you the general fund increase. We have seen increases go down in recent years, but there are still increases year to year, so I want to give you that prospective.
- ❖ I will warn you that the Governor has been warning he expects us to go into a recession soon. Next year's tax year will be the first year the State of California (or any State) deals with the federal actions that occurred and the impact to State and local SALT deductions. We should expect a more conservative Trustees budget next year, I'm suspecting, but we can pretty much expect the State to be a little more conservative next year, even though we've seen increases.
- ❖ Again, I want to remind you when the May Revise comes out, it's just a negotiation. The Governor is more conservative than the Legislature. I do have some fresher news than was in our budget PowerPoint -- some good news that came out of the Senate and where we expect the Legislature to go in the next few weeks. We're in a very strong advocacy phase, and many of you have received some materials that I sent out to you directly, showing a need to advocate for the full CSU budget ask to our Senate Democrats. The reason it was targeted to them is because the Assembly Democrats issued a support letter asking members to sign on for the full CSU ask, and we're happy all of the SF area Legislators that we handle relationships with, signed onto that Assembly letter. That's why the CSU targeted the Senate, and President Wong was nice enough to call our two local Senators and thank them for their support. We still have a little more advocacy to do, so I may be reaching out to you after we find out the final actions from the Senate in the Assembly in the next week. We may change our tact if we don't get the full CSU ask, and we may ask for a little more engagement on

State-level advocacy. May 30<sup>th</sup> is what the CSU calls the “Big Splash”. That’s when we have a social media day and we basically either thank the Legislature and the Governor for supporting our CSU ask, or we harass them nicely to make sure they get us over the line.

- ❖ You can always look for the very significant budget details on the Governors e-budget website (<http://ebudget.ca.gov/>) and if you look here, you’ll find a chapter that’s just on Higher Ed and it’s fairly easy to read, if you’re interested. You can see how it differs from January, and when the final budget comes out, you’ll see it here. I want to make you aware of this resource.
- ❖ Ok now for good news: as I said, the Assembly, by their own virtue, decided they wanted to make sure the CSU and UC got their full ask. They knew the January budget proposal was a shock to many folks and they were really worried about that disparity. What happened this week is really exciting; the Senate Budget Subcommittee accepted the Governor’s \$92M proposal which he made in January and in May, and they added the \$61M that we were missing for mandatory costs, and \$89.5M for access for enrollment.
- ❖ They decided we needed a 3% enrollment funded, as opposed to a 1%, so they gave us more than we asked for, which is also a mandate. We need to enroll 3% more students, but they’re going to give us the money for that. Then they gave us the \$75M for the Graduation Initiative. They didn’t add another \$15M in infrastructure because the Governor had already given us the \$100M for infrastructure. If you add that all up, we’re looking at an overall CSU budget of \$318M, instead of \$263M. That rarely happens, so we can celebrate for a moment cautiously, as it’s really showing a strong level of support from the Senate Democrats. The Republican numbers are not in play; they’re actually not pushing up against the CSU budget right now anyway so it’s not something we need to worry about.
- ❖ The Assembly meets today we’ll know tomorrow morning what their budget proposal is. The push right now is for the Senate and the Assembly to have the same exact numbers; \$318M in basically the same categorical funds for these areas. They’ll have a final discussion with the Governor, and when it comes in, it may be down a little from \$318M, but we should get to \$263M with no problem. For once I get to come in, feel positive and say good things. Any questions?
- ❖ **SHELDON AXLER** → I wonder about your optimism, because I believe it’s justified for the Legislature, but then the Governor has line-item veto power.
- ❖ **DOMINIQUE CANO-STOCCO** → Yes. He generally doesn’t do that with the CSU and UC budget – he’ll use the line-item when he’s really angry about a specific thing. As an example, last

year the Legislature and the Governor were angry with the UC, particularly with the Office of the President with respect to their audit, and they withheld the \$55M until they met their agreements. They already signaled, including the Governor, that they'll give the UC the \$55M once they have their May Regents meeting and incorporate all that was needed, so you get a signal early on if they're not happy with something in your budget ask, and they want you to negotiate that in advance. He doesn't really like to just do a line-item veto without giving people the opportunity to negotiate or pull back. We have no indication of that, and we would, so that's why.

- ❖ Robert knows this best; and Noriko and I are normally the naysayers. We feel really positive, and it has a lot to do with the advocacy that people have done, and the support and the years of work to get the Legislature to support CSU and UC the way they have, and also because years of cuts and how that's impacted students. Students are some of our best advocates so that's why I think we're in better shape, and we would hear if there were issues. Sometimes it's the Republican Caucus that will say 'we don't want that money going to Higher Ed' and want it going somewhere else, or you have major fires in the State – you know in advance when there's a sticking point, unless we're in an economic downturn.
- ❖ **GUEST JAY ORENDORFF** → This 3% growth: is there that much over-enrollment in the CSU to warrant that much? I know on our campus we're having trouble hitting targets, so I wonder if that's really feasible?
- ❖ **LUOLUO HONG** → We're not SoCal.
- ❖ **DOMINIQUE CANO-STOCCO** → I don't know the full answer, and some folks like President Wong and Luoluo would know better, but there was a hearing last year in the Legislature by some of the campuses that are over-enrolled and the Legislature is trying to get that over-enrollment over to the other campuses.
- ❖ **LUOLUO HONG** → We talked about this in Cabinet this morning. The Southern California campuses are in a completely different mode than in Northern California so we're all experiencing enrollment challenges in the North part. Ideally, if in fact this goes through, and there is the 3% increase, our hope is that Enrollment Management will have a strategic enrollment management practice in the system and over-allocate that increase to the Southern campuses where they're seeing that demand, and not necessarily to the northern.
- ❖ **DARLENE YEE-MELICHAR** → I want to thank you for your report. It sounds very positive moving forward, and we still have some work to do. The State-wide Senate met a couple weeks ago

where we heard from the Chancellor, and he said that if we made the top three or four priorities in terms of the Legislature, then we were more likely to get more of the funding. My question is two-part; first; do you know where we stack up in terms of the priorities? Second: was there any discussion amongst the Senate and/or the upcoming Assembly in terms of helping to make some of these allocations sustainable, rather than one-time funding? Was there any on-going dialogue about sustainability of the CSU campus moving forward?

- ❖ **DOMINIQUE CANO-STOCCO** → I can't answer your first question with authority because it depends on who you talk to about the #1 priority. The Senate has a different opinion than the Assembly. The Governor feels that infrastructure is a major issue, so that fluctuates. We generally have support within the Legislature and the Governor's office. The Governor's focus is on community colleges, infrastructure and the Rainy Day fund. We wouldn't be in his top three, but we generally are in the top three with the Legislature. That generally is the case but it depends on who you talk to at any given moment, and at this time of the year everyone's bartering. For the Senate to give us more money than we asked for, it rarely happens so that's a major signal that they feel with the increased revenues in the State, they should favor those that have needed it, and Higher Ed and K-12 are big line items in the budget. They made sure they gave us the big chunks of funds, like \$100M for infrastructure, while the money is there.
- ❖ The full \$75M in Grad Initiative: last year we asked for that, and also for the next few years, but they haven't wanted to fund it. They funded it only at \$12.5M last year, if I recall correctly, in one-time funds so that's the difference. That's an indication of their support level. The second part about sustainability is something they talk about on a regular basis, but then it becomes a larger conversation that every state agency's compensation costs are always going up, so that's why he focuses on the fact he thinks we're headed for a recession and the need for the Rainy Day fund.
- ❖ The Legislature generally won't commit politically to setting any of this in stone, because it's a pretty large number and then in 2-3 years if we're in a recession, and then we end up with a budget that looks like budget cuts, real ones, and they don't want to take that on politically. It's safer for them to give one-time funds. It's also a way to have some control and exert some political control over the CSU and UC, even though they're autonomous. The only way they can really control UC is with this dollars, and they don't want to give up that control. Does that make sense?
- ❖ **DARLENE YEE-MELICHAR** → Yes it does. Thank you.

- ❖ **PRESIDENT WONG** → Let me give you a good example: that rumor was circulating around the Senate and the House prior to the May Revise, and everyone thought they had agreement that we were in the top three and we were, but it had no effect on the May Revise budget. You always have to be careful about it - there are no such things as promises.
- ❖ **DOMINIQUE CANO-STOCCO** → If you have any questions, Noriko and I work very hard to make sure the most recent budget information is on our website (<https://govrel.sfsu.edu/>) updated and there's a lot of information on there so please utilize it as a resource, and I thank you all for your support.
- ❖ **LUOLUO HONG** → Is this something we can share with our respective teams?
- ❖ **PRESIDENT WONG** → I would like it to be held for now.
- ❖ **ROBERT NAVA** → Thank you, Dominique, President Wong. As Dominique mentioned, the Assembly Budget Subcommittee is going to review this initiative at 9:00am tomorrow, so can we ask Dominique to give us a report tomorrow on what action happens at the Assembly. She will get information from the Sacramento office and she can get it to the University Budget Committee, so you know what's happening on the Assembly side. We've had several Assembly leaders, Jose Medina and our own Phil Ting, who have been very supportive, and Jose and the Assembly have been advocating very strongly on this for CSU and UC on this budget. I do share guardedly the optimism you're expressing today. We'll see tomorrow and in the next two weeks what happens.
- ❖ **DOMINIQUE CANO-STOCCO** → I'll check in with you, Robert, when we have an update. We should know by or before noon. Again, the Assembly can have very different numbers but if they're close to the same allocation of the Senate and that's been the request, then they don't have to have a protracted budget negotiation. Even if they don't, it doesn't mean anything bad, it just means there's more time for them to barter, and our budget will be uncertain for little while. It's not a bad thing, but if the Assembly comes in tomorrow and meets the Senate proposal, then it's really good news.
- ❖ **PRESIDENT WONG** → Just to be honest with everyone, I'm a much more pragmatic person, and I would be very cautious about your optimism.
- ❖ **DARLENE YEE-MELICHAR** → Can I ask a question? You talked about in your PowerPoint presentation about a May 30<sup>th</sup> "Big Splash" with social media; how can we, as faculty, be helpful to our campus and system?
- ❖ **DOMINIQUE CANO-STOCCO** → When we get the specifics on that, I'll share with Robert, and then we can send it out through the Cabinet on the social media ask. It'll be specific hashtags about

the CSU, either a “thank you” or “support the CSU full budget ask”, pictures of the campus mascots that the CSU’s have been working on to spell out a message. They’re working on that right now so once we have the content ready to go, people can send it out via Facebook or Twitter. We’ll send it out as soon as we get the final material for May 30<sup>th</sup>.

- ❖ **PRESIDENT WONG** → Many of you have heard my favorite Midwestern phrase: “Better to have a plan and not need it, then to need a plan and not have one.” That’s the cause of my caution and probably not nearly as optimistic as Dominique is, but that’s okay because “hope springs eternal” and we ought to be able to see the upside because we have a good sense of what the downside is. So let me start pragmatically by telling you where my head is and where the Cabinet is:
- ❖ Right now, the only thing we know is that the Governor has \$92M in the budget and \$100M in deferred maintenance dollars. We do not know how the \$100M will be distributed to the campuses. Everyone’s optimistic in that we would get our normal share, 7% or whatever is coming down the pike. I’ve heard nothing about that. There has been a lot of talk of the Chancellor holding on to a certain portion of that and distributing the remainder. Some campuses are in much worse shape than others, so there still is a pretty sizable discussion on how the \$100M will be distributed and we hope to find out soon.
- ❖ We were asked to submit to Vi San Juan our top three or four deferred maintenance priorities that was sent out in the middle of last week. That’s our proposal, and I’ve not heard how they’re going to handle the priorities at all. They made a distinction that I struggle with, and Jason helped clear my mind about it: there is “deferred maintenance” and then “critical infrastructure”, and they’re funding the deferred maintenance, but not the critical infrastructure. I called Jason and said to put in the sprinklers for Hensill and Thornton Halls, as that was critical infrastructure, but it’s *not* being considered in the \$100M.
- ❖ The Cabinet has been working on different scenarios, as you’ve heard before. Being guarded and a little pessimistic, but also optimistic as well, we’ve had several meetings including a very long evening meeting, and I want to thank the Cabinet for that. We tried to look at the scenario the Chancellor has put in front of the CSU Presidents; given there’s no increase in the \$92M and the likelihood of a 1% budget cut in our General Fund, which is very likely. That 1% adds up to about \$3.685M, so that dinner topic was ‘how could we cover that’? Through efficiencies, through better processes, by strategic decisions laid out over a couple years. For example, we entertained the



thought that maybe we'd cover 90% of that \$3.685M in the first year, and then push the remainder into the next budget year, so we looked at a variety of different ways.

- ❖ As you know, I've insisted on a 5-year rolling budget plan, so instead of trying to take off these big chunks every year, and it gets progressively worse if you do that -- are there advantages in spreading that out over 3-5 years? We have buildings to build, we've got plumbing to fix, we've got salaries to cover and we're not being given a great big picture on how to do that. We decided to look at how he might cover that money in 2018/19 by efficiencies and by strategic maneuvers.
- ❖ There's been a lot of ideas, and I'm certainly open and willing to receive any ideas from UBC. We wanted to do this without job losses, without significant budget cuts to areas, and we actually do believe we could do it by improved processes, efficiencies and perhaps a strategic outlay of our costs. I've asked each of the Cabinet areas to prepare two of their highest priority strategy recommendations and we'll start monetizing those.
- ❖ We'll put that list together and share it with you, as well as issue a proposal to the community, so that nobody thinks we're doing this planning in the dark. Keep in mind \$3.685M is a lot of money at the individual level but in terms of a large university budget, it's about 1%. I really do think we can cover that and maybe I'm being a little too bold, but deep discussions have occurred in all the Cabinet units. One of the rules I had is that we're not going to do an across-the-board reduction -- we're smarter than that, so that's why I'm asking the Cabinet areas to prioritize some efficiency strategies and then we'll go over those and see how we can do that. I thought I'd call on both Jennifer and Robert to give you a flavor of some other things going on in their prospective units.
- ❖ **JENNIFER SUMMIT** → I can share some of the thinking and I've talked with some of the Deans about this already; Academic Affairs comprises about 70% of the total campus budget so given our share in it, it makes sense for us to be contemplating significant cuts. We did look at efficiencies and where we can create those, and one is computer refresh. We do that every three years, but other campuses do it less frequently; if we moved it to four years, it would constitute a significant savings for the campus in the aggregate, so that's one.
- ❖ Another, and this is just to say the obvious if you know where our budget is; most of our money is in salaries. In the past we have made cuts to our non-instructional budget in order to preserve the instructional budget, particularly in our tenure-line hiring, so this is one of the reasons the advising center, for example, was decimated since 2008 and in retrospect, with regrettable effects to student success.

- ❖ For us, the most obvious cut for us to make is to our tenure-line faculty hiring. Other campuses are doing complete hiring freezes. We don't want to go there, but we are discussing a multi-year hiring deferment plan, which means we would do reduced faculty hiring next year, with the plan of refilling those positions over succeeding years in ways that are linked directly to enrollment, because after all when we are successful in meeting our retention and student success goals (remember retaining our students at greater levels does mean an *increase* in our overall enrollment), that puts extra strains on the campus that we need to be prepared for. This is not a quick fix and it's not something we want to do rashly, but it is something we're prepared to do, if we do so in the context of a multiyear plan that involves restoring those faculty positions and building them back up.
- ❖ **ROBERT NAVA** → Similar to what the Provost was suggesting, from an Advancement standpoint, our division is the leanest and smallest on campus, but the old saying in K-12 goes, “when you have to make reductions, you cut away from the classroom”. That's true, and we're going to attempt to look at some creative ways of managing this. We want to maintain our Campaign, and in consultations with my colleagues, I don't want to make reductions that will impact our focus on the Campaign. We're at \$80M and we're making good progress towards the \$90M and we'll go public next year, but in terms of efficiencies, we're looking at some positions that are open which we may just hold, to see what the rest of the year looks like. I've had some initial conversations with my Senior Advancement team and our budget folks, to come up with a plan to bring back to the President and Cabinet. That's where we are right now and will be more specific in a couple weeks.
- ❖ **PRESIDENT WONG** → This is one of the hardest discussions we've had and will continue to have. One of the ideas that came up is the inequality on the reserve accounts that we have across the Cabinet areas; it's pretty dramatic. Academic Affairs is such a large piece obviously, larger than the President's office, as we're a tiny piece of the budget. There are a lot of very healthy institutions that establish a common target for reserve funds and the rest is used as emergency funds that are swept up and then re-used. We don't know how to do that yet, and I've been studying that at a variety of institutions. I've been amazed at how both effective, and how it's such a major habit-change that is for us. Usually reserve accounts stay in the location where it reserves, or was created, and saved. I think one has to take at least an opportunity to ask ourselves “would we benefit if we took an institutional approach that reserve accounts would be x% of your operating budget”, and put that as a point and everything that you might incur above that is simply held for potential emergencies, etc.

- ❖ I would remind you of two things, and Luoluo was referring to it; that 3% enrollment demand for us -- I don't think we can meet it, to be realistic. We have struggled for three years to break even, and haven't been able to do it until this year, I believe. For them to suddenly say "unless you raise your enrollment at SF State by 3%", all it really is, is a budget cut, because we wouldn't be able to. We have to be realistic about that.
- ❖ The other thing is that the whole financing of the 3<sup>rd</sup> year of the labor contract is still unknown. Even though the contracts have been "signed, sealed and delivered", the system has no idea how they're going to pay for year three: 2019/2020. The realist in me says in the past, some share of that has often been passed onto the campus. I don't want to ruin Dominique's optimism at all, but I'm sitting here thinking "hmmm, I've got that potential bill, this potential bill, etc."
- ❖ Truth be told, we're going to be fine. It gives us an opportunity to look at efficiencies and process management. I've been talking with the Cabinet to talk much more about customer service quality; that we respond to students and the public, etc. in much more dynamic ways, so there are a lot of things out there that we can get better at. That's where we are right now.
- ❖ Dominique is absolutely correct that the effort into push hard in Sacramento is in the phone calls. I've been calling folks from our district and they're in, but it has to accumulate, and like she says there's the hope that the Governor maybe meets a target goal where the Assembly and Senate agree. She's correct – if they agree, things are looking good, but he still has until June 30<sup>th</sup>.
- ❖ **ANDREW ICHIMURA** → Quick question on the potential solutions to a budget problem, if there is one: would those be enacted if the budget comes close to or exceeds the optimistic projection - is that still just a plan that could be done, this year or the following year?
- ❖ **PRESIDENT WONG** → I'm going to be cautious and say that this plan will always be ready to go. If the budget comes in at those high levels, we would have to submit to the Chancellor how we're going to spend all that money. That's a much easier task, than to cut. Those are the two models that are out there. I have to admit to you all, and I will share this with Dominique and Noriko, I do think the optimism is mounting at a very realistic way, but I didn't want to set the stage for any misunderstanding of that. If it came in at that higher number, we would sit down and discuss. I wouldn't want to spend it all in one year, so we'd look at what the strategic maneuvers in terms of hiring faculty, infrastructure issues, and can we lay them out in ways over time that are the best use of the money. Did I answer your question?

- ❖ **ANN SHERMAN** → It would also depend on the form which it took; if it's based on a number of years, if it's one-time money – that's really going to make a difference.
- ❖ **SINGING CHEN** → Many are retiring. Have we done research on the faculty if we're going to have a hiring freeze and what impact that would have on the quality of teaching?
- ❖ **PRESIDENT WONG** → We're not freezing anything – it's a deferment. Instead of looking at hiring year by year, we're looking at a 3-year window, so you might get 10 less this year, but you might get 10 more next year, so there's no net loss. We're trying to think of that with staff as well.
- ❖ **ANDREW HARRIS** → The systemwide proposed 3% enrollment increase -- is that increase in FTEs or is that *all* the students, because we never want to be driven by incentives from outside, but, of course we're always driven by incentives from outside. That would reframe how I think about retention.
- ❖ **LUOLUO HONG** → Typically it's benchmarked towards the resident FTEs target, so I see no reason why it wouldn't be 3% in *total* resident FTEs, and how we get to that would be up to each campus.
- ❖ **ANDREW ICHIMURA** → One other comment, and I don't want to divert the topic too much, but in terms of retention; students and paths to graduation I'm very supportive of and I'm sure we all are, but I wanted to mention retention of faculty and retention of lecturers. If we're going to have targets and we're going to have increased numbers potentially, I'm not quite sure how we're going to meet that in terms of our being able to deliver in core classes and service classes across the portfolio of things we offer in departments within the colleges. I'm thinking locally in our chemistry and biochemistry department, having just lost 2 - 3 of our most experienced lecturers who are unable to make ends meet with what they offer as salary here and can do better elsewhere. I think this is a perennial problem for departments in colleges.
- ❖ **ANN SHERMAN** → We're going to hear more about that in our next presentation.
- ❖ **ANN SHERMAN** → I want to make a couple comments about the details for our campus. When we look at that \$122M and the additional expenses for salaries, for our campus that equates to about \$6.64M in compensation increases and almost \$1M for healthy retirement costs. When you look at our portion of that \$122M, we're looking at about \$3.65M in our 1%, but those aren't our kinds of numbers that we're balancing. In addition, what we've talked about before, we've had additional increases generally. Our benefits costs over the last few years, have crept up on us, as well as some of our utility costs, have been increasing for a variety of different reasons, not least of which we're

losing water through our hot water with pipes that are broken, so we're talking about ways to address positions, as those have compounding affects for us.

- ❖ There's the salary base, there's the salary increases, and there's the benefits associated with them, so thinking about ways to defer positions. Really good job design is going to become more and more important. We can think about ways to enlarge someone's position, for example, and give them a more interesting job without having to hire a second person to do *two* uninteresting jobs; not only do we create a better work force and more satisfaction for employees, but we're also saving one entire person's benefits cost. We need to be thinking about creative ways to run our campus that enable us to get our work done in ways that also help drive satisfaction for people, so that we don't have turnover and find it easier to recruit people, because we can offer maybe slightly increased pay for one job, rather than pay for two, plus two benefits. Lots of ways we can go about that and we haven't really started to explore that a lot yet.
- ❖ **LUOLUO HONG** → I can give a very concrete example. Our dispatchers for our University Police have extremely high turnover. I think we can all agree that when you call 911 on campus, you would like a knowledgeable, capable dispatcher who will know how to refer you to the appropriate resources. We had six dispatchers on the books for quite some time and have never been able to keep them all filled for the past several years, and they're paid a very low rate. What UPD did is eliminated one dispatcher position, and then put the dollars for that position into increasing the compensation and the classification of the other five dispatchers, so we can get a better dispatcher and retain them longer, and the irony is we actually end up with a salary savings that can be reinvested for some other use. That's an example of how we in Student Affairs & Enrollment Management are creating efficiencies.
- ❖ Same thing in our other program areas: exempt employees will usually be compensated at a higher rate, which is attractive from a retention and skill point, and they also they work the job, so it's less costly in the long run to then compensate employees who are in a lower classification, not as skilled but then if they work extra, that needs to be overtime or other kinds of compensation. We're actually getting a better, more skilled employee with increased capacity that in the end, results in salary savings and we have a better workforce to serve our students. That's what we're doing in our area.
- ❖ **JENNIFER SUMMIT** → I'd like to add to that, because I think your question was specifically about lecturers and faculty and obviously this is a response that relates to staff more than faculty. I think our new budget model puts a special pressure on our lecturers, one of our goals next year is

that I'm asking Faculty Affairs to undertake an in-depth analysis of our lecturers; how we hire them, how we support them and also how we retain them. There's wide inconsistency in how we hire, retain and train our lecturers, so I think this new budget model puts a new pressure on really making sure that we're doing that right and following those practices.

- ❖ **PRESIDENT WONG** → Thank you.

#### **Agenda Topic #2: Approval of Feb. 1, 2018 Meeting Minutes (VP Sherman)**

- ❖ **ANN SHERMAN** → Before we turn it over to the next conversation, we have to approve the last meeting's minutes. Does anyone have any corrections to the February 1<sup>st</sup> minutes?
- ❖ **Motion to approve suggested, seconded and passed.**

#### **Agenda Topic #4: B.A.C. Update including Marginal Cost of Instruction and CEL MOU's with Colleges (Provost Jennifer Summit)**

- ❖ **JENNIFER SUMMIT** → This has been a great discussion and I noticed the time has been marching on so I'm going to run through my presentation at hopefully sufficient speed to leave us time for Q&A, because I think that's the most important part. I do have an update to give you about CEL but I'm going to push that to the end and see how much time is left. I'd like to walk us through our budget model because I'd like to take advantage of VP Carter's presence to summarize our progress, think about where we are now, and also look forward to next year and anticipate our big steps ahead.
- ❖ First and always, I want to emphasize what the Academic Affairs budget is for, and that is, meeting the needs of our students for the sake of academic excellence, student retention, graduation and success. We do a Senior Exit Survey (see Page 19 of presentation) every year and we're preparing to do it again this year, which asks the same questions every year: "if you did graduate in the time you expected, what's the main reason why not." Now there's a lot of reasons students do not graduate in the time they expect, but what we hear overwhelmingly, is the lack of availability of courses for 36% of the students whose graduation is delayed. I can see our faculty members nodding. The 2<sup>nd</sup> question is "if changes were made, what would have improved your overall SF State experience the most?" Lots of things would have improved their experience, but overwhelmingly what they cite is

course availability, because when the courses are not available, they have to stay an extra and year that adds to their expenses and delays their graduation, as we hear.

- ❖ The other thing they point to is a need for better advising. To me I see that as two sides of the same coin; if they were better advised, then they would better understand what alternative courses they could take to the ones that were not available. So it's with that urgent need to increase course availability in mind, that we created the Academic Affairs Budget Advisory Council. It was created last year, and it took a deep dive into how we budget.
- ❖ Now, what does budgeting have to do with course availability? It turns out, everything. Our budget has never been aligned with enrollment, and our enrollment planning has never been aligned to our curricular needs. I won't say never, because apparently in the mists of time before 2008 we actually did have a much more sensitive and responsive budget model, but since 2008, we moved to what we've come to call the "augment system". This means we're funding necessary courses on the fly and in real-time, as students are registering for classes and they don't get in, then we add more and we're able to catch them. The Chairs hate it almost as much as much as the Office of Academic Resources, so we created the Budget Advisory Council to see our how we can create a new model to eliminate the Augment System and find a different way of pegging our budget allocations to our enrollment needs. (see Page 20 of presentation).
- ❖ The first thing we needed to do was to determine the Marginal Cost of Instruction (MCI); figure out what additional enrollments actually cost for the curriculum. Then, we established enrollment targets and projections for the colleges, so that we could align their college budget with their anticipated enrollments.
- ❖ (see page 21 of presentation) Those of you who were here in 2017 recall we had a visit from Debbie Brockwell, a consultant from San Luis Obispo who does this work across the CSU. For those of you who are curious, or nostalgic, the meeting is all recorded on our AA BAC webpage. It was fantastic. She walked us through the model of how she determines the MCI, and it's essentially this (see page 22 of presentation): she takes the Tenure Track FTEF multiplied by the average Tenure-Track salary plus the Lecturer FTEF x the average Lecturer salary and divided by FTES, and that's what gets us to this magical formula, which is the MCI. Directional Costs are the MCI multiplied by the FTES. It's dynamic; as our enrollments change, so does the cost of instruction, but because we have the MCI we know how much more to add in order to meet those needs.

- ❖ Now, we've been calling it Direct Instruction Cost because there are a lot of things that are not included in this, for example, lab fees. There are a lot of instructional costs that we did not include, and there are a lot of incremental costs along with those. Staffing needs, for example – we didn't take into account. As enrollments change, they also bring in other requirements, but we decided to hold those off until we can look at them more systematically next year by way of benchmarking, which I'll talk about at the end of my presentation.
- ❖ Once we determined what the MCI was, we worked with the colleges in order to set those, then we set the enrollment targets. Sutee and Lori Beth worked very hard with the colleges to determine how their enrollments across the University counted out as FTES in each college. So, for a college in a department you're going to have enrollments who are not only your majors, but then also majors from other departments who are taking your classes. The way we determined this was through the Induced Course Load Matrix (ICLM) which felt like a very equitable way to figure out what were the course offerings that each program had to create for increased enrollments.
- ❖ Sutee and Lori Beth created enrollment targets for each of the programs in specific areas. One of the reasons we moved to the emergency of Augments was that in 2008, all of the programs were teaching their major-required courses, but pulling back on their General Education courses. Instead what we did was to set targets for each of the General Education areas that pertained to specific programs and then to give them those targets in advance and then let them determine how they were going to fill them. We're going to be monitoring enrollments but what we don't want to be doing is offering these classes and filling up these courses on the fly, the way that we do now.
- ❖ Because we have the MCI, we know how to peg it to enrollment, when we have growth we also know how much that growth is going to cost us and *where* specifically it's going to cost. For example, we know it's going to cost in new writing classes in LCA or new math classes in COSE, for example.
- ❖ This is the formula we used; we based the MCI on the year 2016/17 which was the fullest curriculum we were able to offer, and we use that to figure out what the base was, and then we use that adjusting it to project forward to show how the MCI is going to relate to enrollment needs next year. We can go into that at greater length if it comes up later in questions.
- ❖ Right now, I want to speed ahead and think about how we projected the enrollment needs, because that's the other critical part of this. We have much better data analytics at our disposal this year than we have in the past and this has allowed us to work with the programs to anticipate here specifically



where their enrollment needs are going to come from. (see Page 27 of presentation). This is a report for the College of Business, which tells them which of their courses are most overloaded in which programs, so that as they're planning ahead for next year, both in terms of course offerings and also in terms of faculty hiring.

- ❖ We know where their areas of greatest demand are. For example, Finance has 100% enrollment ratio – this means that as soon as they open a course it is automatically filled to and beyond capacity. Whereas Economics has an enrollment capacity ratio of 97% so they have the luxury of that additional couple percentage points. Labor studies has 61% enrollment ratio – this is because they offer an online course that has an enrollment of, I believe 700, and so they will always look like their courses are under-enrolled (see Page 30 of presentation). Their enrollment ratio tells them which are their overloaded courses. This is what percentage of their courses are filled to or above capacity. This is what helps us put it into perspective – were ideally aiming to have larger green margins. Green margins are called Balanced Course Ratios and that means that the enrollment is going to be between 70%-90%, but if we have more classes in that area then it means there is space for students to move in and they're not going to be filled before registration. This helps Business see how many of their courses are balanced vs. how many of their courses are overloaded.
- ❖ Its critical information for their Chairs are they're doing their own planning, so let me give you a quick example: each of the Chairs had access to this material and Tom Thomas in Management was able to use this and then dive down and figure out which of his courses were filling automatically to capacity so that he could direct lecturers to those courses before registration period. What he found was that he had actually 100% balanced classes that meant that none of his classes were filled above capacity because he was able to anticipate and meet demand. Ok so we were able to do this across the board over this last year and we received recommendations to add 242 classes and to reduce 144 class that means classes that were not filled to capacity. We also were able to look at the enrollment ratios which I showed you those with a % of the course that were overfilled from the beginning and we were able to strategically able to add 51 courses in those areas. So this is the big payoff and I know it's going to be hard to read this, but let me tell you what we have here and what this tells us, because this represents a massive efficiency and triumph.
- ❖ We'll start at the bottom; what we found out is that last year and over this past year, students took .24 average credit units more than they did the year before. This is fantastic because students are

taking more classes which gets them closer to graduation and it means they're less likely to be delayed, than the ones we heard from in the beginning.

- ❖ We know that we also had more students. In fact we had about 1,800 more undergrads from the Spring 2017 to Spring 2018 so we had a lot more students on campus taking a lot more courses, but we only added 14 more sections. That's because we were able to increase the capacity of some of our classes, but when we increased them, we only increased them by an average of .4.
- ❖ In the aggregate across the campus, that meant a lot more students taking a lot more classes without having to add more classes. So in the end that had a massive efficiency for us both in the way that we were able to offer courses but also in the way that students were able to take them.
- ❖ That's where we are this year and we're very pleased with this kind of progress. (see Page 33 of presentation). Looking ahead next year, we want to we want to look at the non-instructional costs of instruction. That means thinking about the lab fees, the staffing, as well as assigned time. It's clear to us that we need to be much more systematic in the way we track and monitor faculty assigned time, which counts as another indirect cost. We also want to benchmark our staffing levels with like-programs, and there are a number of ways we can do that. One is the Delaware Cost Study that we've been very interested in at BAC. Finally we'd like to establish cross campus communication and collaboration, to make sure we're all working together in a way that uses these benefits for the sake of our students.
- ❖ So that was what I hope was a breakneck run through my presentation, but I hope that it means we have a few minutes for Q&A. Any questions?
- ❖ **NANCY GERBER** → A couple questions; the title of your presentation on the agenda says "CEL MOUs with Colleges" so I'm hoping to see what that's about. I'm also happy to see the benchmarking because one of the criticisms has been a feeling that we're relying too much on past practices that were not necessarily ideal in some of the colleges. Departments felt they were sacrificing a little educational quality to try to increase sections well beyond the size they should be, in an effort to try to teach as many students as we could, so the benchmarking we're hoping will address that.
- ❖ **JENNIFER SUMMIT** → The benchmarking is critical because we set the MCI based on student/faculty ratios that were essentially created in the wake of 2008, and you're absolutely right; it's clear to us that the way we want to stabilize is by looking at student/faculty ratios in like-programs, on like-campus.

- ❖ I can take us through these CEL MOU's but I'm going to suggest we make that its own presentation at another time. CEL has been through a lot and I think that it's looking forward to a much more stable future. I think it deserves much more time than we can give it now.
- ❖ **JENNIFER SUMMIT** → Thank you.

**Agenda Topic #5: Update on the 2018-19 Enrollment Projection (Associate Provost Sutee Sujitparapitaya)**

- ❖ **SUTEE SUJITPARAPITAYA** → I wanted to give you an update on 2018/19 enrollment projections. The information we have now is different than last time I presented, because we've received our AAO ("Accepted Admission Offer") students that have already put down deposits. This usually translates to about 81% that show up. It's a very good indicator that gives us a better understanding of how many of them are going to enroll.
- ❖ (See page 37 of presentation) This slide shows our First Time Freshman (FTF) and new transfers for Fall 2018. We don't have information on Spring 2019 yet – that starts August 1<sup>st</sup> – 31<sup>st</sup>.
- ❖ If you look at First Time Freshman (FTF) in Fall 2017, last year's census compared to upcoming Fall 2018, we have about 1,148 more applications this upcoming year than last Fall, and we admitted 1.6% more students than last year.
- ❖ Then when you look at AAO's in 2017, we're about the same as last year; but 4,583 is the largest FTF enrollment in SFSU history. Dominique mentioned if we want to grow 3%, we have to increase this number another 10%. So we have to have about 5,050 to get 3% next year on new admits.
- ❖ Same thing with transfers; we did have about 7,500 less applications for transfer than last year because this year we don't have as many redirects. We had only 7 or 9 this year. Single digits, rather than 7,500 than last year, because the Chancellor's office changed the process; instead of giving us all the redirects, they filtered out only qualified transfer students. If we look at Transfer AAO's, we may be able to keep up – it's only 143 AAO students less than last year, so we gained a lot of ground in terms of AAO's. As a result, we project about to be 3,566 (See Page 38 of presentation) so over time, we're going to get the largest enrollment for FTF, and then for Transfers, it's probably going to be about a good number lower than last year, but still sizeable.
- ❖ (See Page 39 of presentation) When we compare against CO's target, we only look at CA residents. We don't have Credentials – it's still open, and the Graduates enrollment applications are still

coming in. If we have new FTF or Transfers coming into like I described, let us assume we have the same as last Fall for Credentials and Graduate programs, and then Spring semester exactly the same as new students for last Spring -- we're going to come in about 1.6% below target for CA residents.

- ❖ For non-residents, it's probably going to increase a little bit based on AAO's coming in, so we're going to reverse the trend where we have declined two years in a row, and we're going to go up slightly for upcoming year for non-residents.
- ❖ That's the end of my presentation. Any questions?
  
- ❖ **SHELDON AXLER** → I think it's appropriate that almost all of our discussion focuses on undergraduates because that's the predominant place where our students are, but I hope we don't forget about the graduate programs, because when I look at the numbers, they're like 2,000 below where we were when I came here in 1997. The two reasons we should think about trying to seriously increase our graduate enrollment: one, is that we're really good; our Master's Programs are the best in the Bay Area. This is where we excel. Berkeley is primarily in the PhD business and their Master's programs are almost an afterthought, but we really offer excellent, excellent Master's Degrees. It's very underutilized having gone down by about 2,000 in the last 20 years.
- ❖ The other reason, is that in terms of what the Provost was talking about in the Marginal Cost of Instruction; we have a lot of graduate courses across the University that have an enrollment of 10, and the marginal cost of raising that to about 15 students is essentially \$0, because a new section would not be needed. If a lot of undergraduates are added to our enrollment, then new sections need to be added and our cost goes up. In comparison, increasing the number of graduate students somewhat could be an efficiency. We are really down in the number of graduate students and we need to get it back up.
- ❖ **DARLENE YEE-MELICHAR** → I'd like to piggyback on Sheldon's concern about graduate programs and graduate students. I think that about 30 years ago, our campus had approx. 25% of our student profile as graduate students. Now, I believe at one of these UBC meetings, I've heard that it's maybe 10% or 11% of our students profile, so I, too, am concerned about the downward trend of our graduate student numbers. One of the things I was excited to hear about at the campus Senate meetings was the opportunity to only help facilitate graduation as students succeed for our undergraduates, but to make graduate programs an incentive for our undergraduate students to be

retained. That is: complete your undergraduate program, and then facilitate and interface a streamline into a graduate degree program, right here at SF State. You don't have to go elsewhere; stay here for the graduate degree. I think the "stretch" degree or the "4 plus 1" or whatever you want to call it is really exciting or me. I teach in Gerontology, which is struggling to get our students in the door because there are so many jobs out there they're getting high salaries for.

- ❖ Another thing our campus might want to address is something the CSU did, which is the redirect of the students from other campuses to our campus. The problem with the redirects is that the students may be placed here, but they may have homes, families or jobs they can't move away from.
- ❖ One of the things we might want to think about doing and I restarted in Gerontology, is working with other programs in the College of Health & Social Sciences, where we're redirecting within our own campus. If there are graduate programs that have a lot of applications where they can't accept over a certain number of students, when those denial letters go out to those students, and since I work with some of the Chairs, we created a little insert that says "we're sorry we can't accept you this year, but have you thought about another degree program at our campus?". So those students have already submitted their application and paperwork to our campus, that are already in our system - rather than lose them, we might recapture them by redirecting them to another degree program.
- ❖ These are just comments and ideas about our graduate programs.
- ❖ **SUTEE SUJITPARAPITAYA** → Thank you.

**Agenda Topic #6: State University Grant ("SUG") Award (Maria Martinez, AVP, Enrollment Management and Elena Stoian, Executive Director, Budget Administration & Operations)**

- ❖ **ANN SHERMAN** → Next on our agenda is Maria Martinez, our AVP for Enrollment Management and Elena Stoian, our Executive Director of Budget. I asked them to speak about our SUG awards because there's a lot of misunderstanding on campus about what SUG (State University Grants) is all about, so I'll ask you both to be very efficient today because we have one more agenda item which is Jason's, and we put this off a couple different times so I want to make sure we have a moment to get to everybody.
- ❖ **MARIA MARTINEZ** → I'll try to be very brief as well. I want to give you some definitions. SUG is a State University Grant, sponsored or provided by the Chancellor's Office (see Page 44 of presentation). It's meant to offset the cost of tuition for our California residents. Only for California

residents. It's meant to provide the SUG to only the most needy students and families, and it's administrated by our Financial Aid offices across the CSU. You can get info about it by going to the Calstate website.

- ❖ The Chancellor's Office provides some basic criteria on who is eligible for SUG, however, it allows each campus to develop campus-based policies and procedures on how to implement SUG. For SF State, SUG is available to both undergraduate and graduate students. As I said, it's provided to CA residents and also for reviewed and approved AB540 students. It follows the Pell eligibility criteria; the students cannot exceed the criteria for Pell, which is currently that students and families cannot exceed the family contribution. This comes from the information that students enter in their FAFSA.
- ❖ As you can see in 2016/2017 the rate of which Pell eligibility was based is increasing from 2016 into 2019. Prior to 2016, it was \$5,300 or less, and the 2017/18 it was \$5,328 so it's increasing a little bit. We heard that we're going to have a 5% reduction in SUG, so we're keeping it at \$5,328 even though the federal government has actually increased that range a little bit slightly. SUG recipients also cannot have other types of fee waivers. For example, student veterans are not eligible for SUG because they already have a different kind of waiver, or if they have CalGrants then they cannot be receiving SUG. It should only be SUG alone that they're receiving and no other grants or subsidies. To be eligible, students must have filed their FAFSA during the priority deadline, which is around March 2<sup>nd</sup> every year.
- ❖ Finally, SUG recipients cannot exceed 25% of their unit enrollment to complete their degrees, so for example in a 120 units degree requirement, that can't exceed 130. If a student has enrolled in over 130 units, then that student is no longer eligible for SUG. So that's our criteria.
- ❖ For our campus award limits every semester (see Page 46 of presentation): – Undergrad is \$2,871 per semester, for Graduate students its \$3,588. These values cannot exceed the basic cost of tuition. Enrollment requirements are that students need to be full-time status which is 6 units or more for undergrads, and 4 – 6 for graduates if they're part time.
- ❖ This is only awarded for the first Bachelors or the first Masters. For example, if a student is attending pursuing a 2<sup>nd</sup> Bachelor's they are not eligible. But a student can come here for their Undergrad and come back for a Master's degree, so that student is eligible for the Master program.
- ❖ I wanted to take a moment to explain how we allocate SUG for the Summer Session, because as you know we have several sessions over summer. SUG allocation is really based on Fiscal Year and our Summers Sessions straddle the Fiscal Year. Our R1 session is June 3 – July 7 this year, for example,

so students enrolled in our R1 sessions in our allocated SUG dollars, that goes to the Fiscal Year allocation for the 2017/18. If a student is enrolled in the other summer sessions, which are in the later parts of summer, then those SUG dollars are included in the coming 2018/19 fiscal year. For this year, we looked at our R1 student because they're already enrolled, and later for the 2<sup>nd</sup> part of the summer sessions, we'll be looking into that enrollment.

- ❖ (See Page 48 of presentation) This slide shows you a breakdown of CA residents receiving SUG; the ones in purple are the ones receiving SUG, and the blue bars show you *not* receiving SUG. As you can see, there's really a proportional number of recipients vs. non-recipients every term.
- ❖ This next slide (see Page 48 of presentation) shows you the SUG awards against the CA resident recipients and also showing you proportional awarding, vs. the number of students enrolled here at SF State meeting eligibility requirements.
- ❖ If you have any questions, I'll pause for a moment, then Elena will talk about how SUG award dollars compare against the revenue.
- ❖ **ELENA STOIAN** → Thank you. (see Page 50 of presentation) What I was trying to do was to compliment what Maria did, to show it in the revenue perspective. I ran two reports from our data warehouse system ("DW Reporting System") and I started with Fiscal year 2016/17 and 2017/18. I would have liked to do a deeper dive before we moved summer into the State side, but I didn't have the breakdown by Summer/Fall/Spring to show the difference between when we had Summer in General Fund, and when we didn't.
- ❖ As you can see in the revenue of 2015/16 compared with 2016/17, we have had a drop in revenue, but we picked up again in 2017/18 due to the tuition increases and getting closer to the target. However, SUG is not impacted by the revenue; SUG is impacted by need.
- ❖ If you look, you can see the increase in SUG awards, even with a drop in revenue, and in 2017/18, the same increase in SUG awards vs. the revenue, because we have to fund the need. If the student has the need to award the grant, then we receive it.
- ❖ Also this last slide (see Page 51 of presentation), I show the net revenue by term, because what we actually have left in the books to budget is the bottom line. The way we record the revenue is as an accrual coming in as a receivable, we just offset when the SUG comes, and that provides the net revenue what we have left to budget for the other expenditures and for the other Cabinets. Thank you.

- ❖ **ANN SHERMAN** → So, for your general information, as we look at the total numbers here, our net campus obligation for next year is \$45,011,000 in SUG money, so this is not a minor number for our overall campus. We can spend more than that, but that's our minimum campus obligation. Over \$45M.
- ❖ **GUEST VICTORIA MENZIES** → Do we ever translate those dollars into the FTES to see what that looks like?
- ❖ **ELENA STOIAN** → It was on the slide before, and the PowerPoint will be on the webpage soon.
- ❖ **DARLENE YEE-MELICHAR** → I'd like to share with you that at the Statewide Senate meeting about two weeks ago, the systemwide Senators wrote and passed a resolution that dealt specifically with the SUG program – a call for full funding from the State. I really appreciated your report because what happened was that the State, many years ago, fully funded the SUG program, and then in 1992 the fiscal crisis hit and they stopped funding us and they took it away from the line item. The Board of Trustees decided to step in, and this is why we have what we have on our campus, as well as the other campuses. I don't know where it's going to go, but we did put through this resolution which I'll be glad to forward (please see handout) to you if you'd like to share it with the UBC. We are asking for full funding, as a separate line item in the budget.
- ❖ **ELENA STOIAN** → Overall for CSU, we asked for \$600M in SUG.
- ❖ **DARLENE YEE-MELICHAR** → Yes, and that's a lot of money. I'll forward the information.

**Agenda Topic #7: Center for Media Arts Funding Sources and Capital Improvement Plan Submittal (VP Jason Porth)**

- ❖ Postponed until next meeting.

**Agenda Topic #8: Open Forum; Ten minutes, 3-minute limit per speaker**

- ❖ (No speakers present)

The meeting adjourned at 5:10pm.

**Remaining UBC Meetings for 2017/2018 Academic Year:** July 27, 2018