

# San Francisco State University

## Institutional Resilience

### Final Report



# Projected Financial Gap

SFSU’s UBC recently voted to approve an assumed ~5% unfunded mandate from the governor’s office, decreasing the projected deficit significantly.

	2025-26 <sup>1</sup>
<b>Total Resources</b> (Budgeted + Adjustments)	<b>\$341,899,288</b>
<b>Total Expenditures</b> (Budgeted + Adjustments)	<b>\$377,523,519</b>
<b>Deficit</b>	<b>(\$35,624,231)</b>

The University Budget Committee (UBC) approved a one-time use of \$10M to cover part of this deficit. The remaining \$25.6M must be cut from the overall institutional budget, including the administrative and academic enterprises.

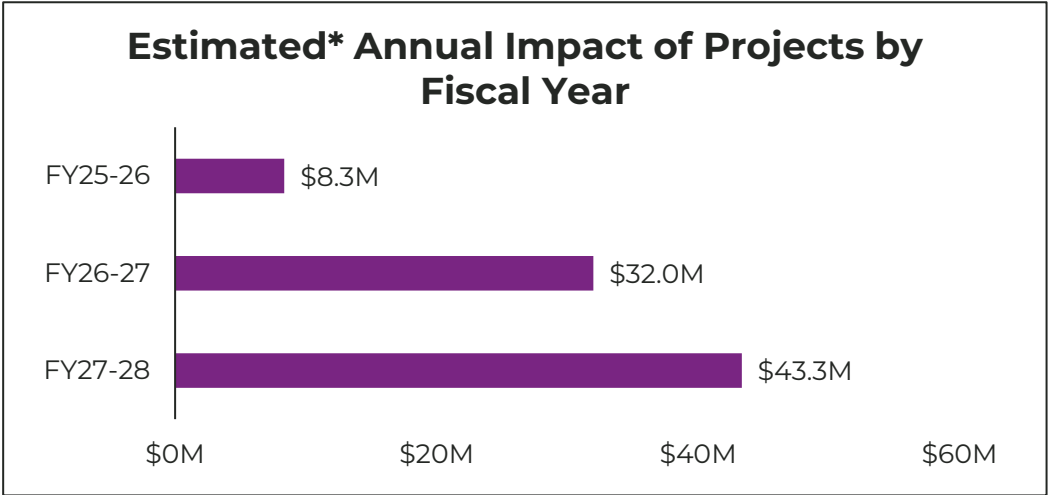
## Deficit Drivers

- Decrease in **tuition revenues** and corresponding reduction in state appropriations
- Increase in **financial penalties** for missed enrollment targets
- **Reinstatement of critical positions** closed due to Voluntary Separation Incentive Program (VSIP)
- Increase in **operating expenses, utilities, and risk pool** costs
- Implementation of proposed **state funding cuts**

<sup>1</sup>SFSU Budget Administration and Office analysis

## Huron-Identified Levers

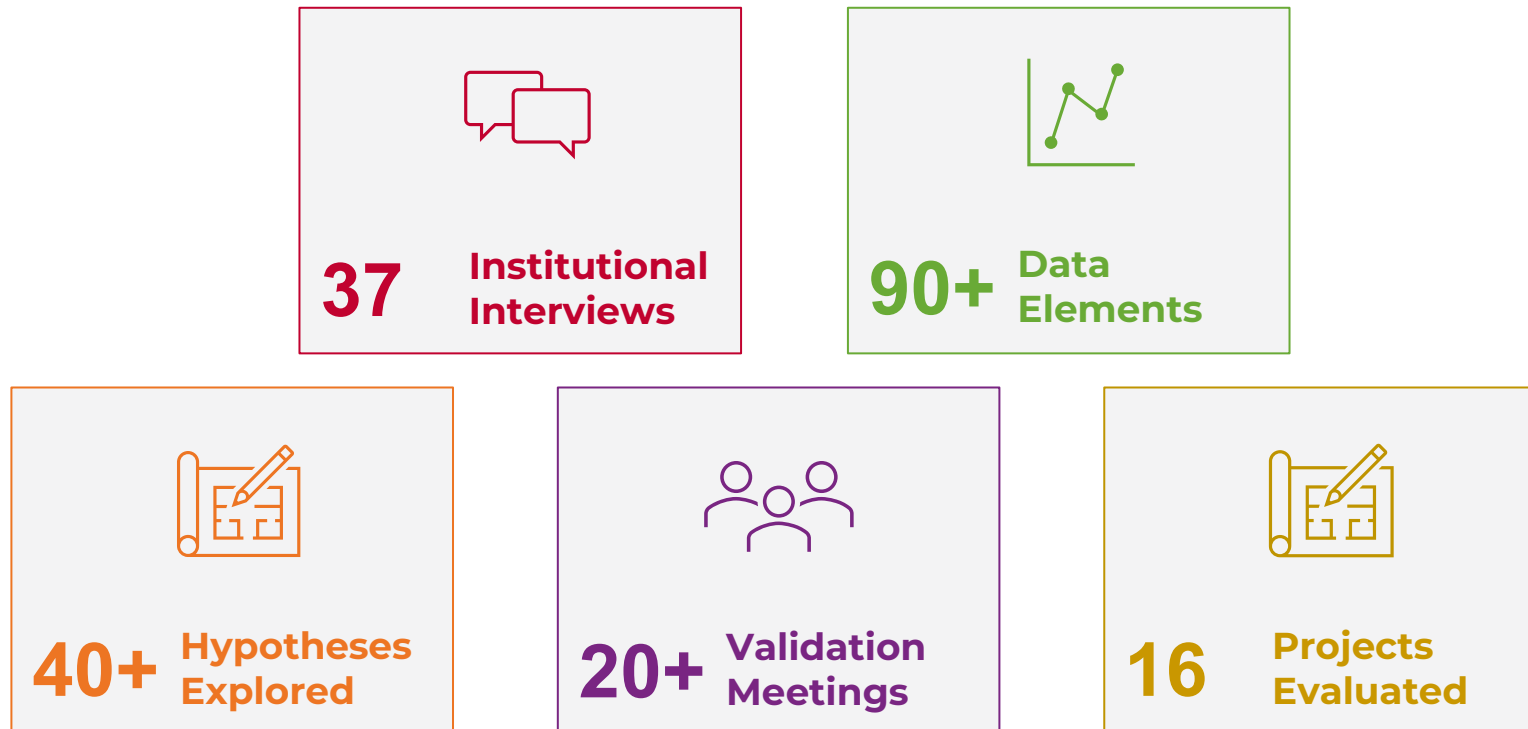
The cost reduction and revenue enhancement initiatives identified through this engagement are annually-recurring strategies that are likely to achieve cumulative effects over time as they ramp up to their full potential.



\*Estimates are calculated at either the low, midpoint, or high end of the financial benefit range based on assumptions around SFSU’s institutional context and position, as well as market conditions and feasibility of the specific projects.

# Huron's Process

Over the course of 5+ months, Huron has leveraged institutional, peer, and public data, stakeholder interviews, and customized models to assess the academic portfolio of SFSU.



The Steering Committee as well as functional and academic leaders at the institution worked alongside Huron to gather and reconcile data and validate findings to arrive at a list of options for recurring financial improvements.



# Recognizing SFSU's Strengths

Huron met dozens of campus leaders and stakeholders to obtain a thorough understanding of both the institution's strengths and opportunities for improvement.

## Mission Alignment

SFSU's **focus on social justice and accessibility** is a celebrated cornerstone of its identity and reputation, with the University's commitment extending to making a meaningful impact on the community.



## Readiness to Act

SFSU leadership are **cognizant of the challenges facing the institution** and have already taken steps to address financial and enrollment challenges in the past (e.g., reducing low-enrolled classes). Undertaking the **Institutional Resilience** project demonstrates additional orientation to action.

## Academic Excellence

SFSU is known for **pioneering academic programming**, such as the country's first College of Ethnic Studies, as well as high-caliber programming that meets **state and local workforce needs** like Nursing, Education, and Social Work.

# Recommended Projects Overview

Huron evaluated the projects listed below, with potential financial impacts totaling up to \$50M, largely dependent on how aggressively SFSU chooses to pursue each/any of them.

Project		Financial Impact Est.		Savings Bucket	Type
1	Academic Portfolio Adjustments	\$4.6M	\$9.0M	Academic Portfolio	Cost Savings
2	Student to Faculty Ratio	\$0.9M	\$4.1M	Academic Efficiency	Cost Savings
3	Instructional Capacity	\$3.4M	\$6.9M	Academic Efficiency	Cost Savings
4	Academic Structure	\$0.5M	\$0.7M	Academic Efficiency	Cost Savings
5	Managerial Capacity	\$1.0M	\$1.8M	Organizational	Cost Savings
6	Supervisory Titles with 0 Direct Reports	\$1.0M	\$1.8M	Organizational	Cost Savings
7	Centralization	\$0.6M	\$1.3M	Organizational	Cost Savings
8	Administrative Staffing Adjustments	\$2.1M	\$4.1M	Organizational	Cost Savings
9	Vacant Positions	\$2.6M	\$5.1M	Organizational	Cost Savings
10	Office Space	\$2.0M	\$4.4M	Space	Revenue
11	Procurement	\$0.7M	\$2.1M	Institutional Spend	Cost Savings
12	Athletics	\$0.7M	\$1.4M	Department Efficiency	Cost Savings
13	Student Retention	\$0.2M	\$3.9M	Retention	Revenue
14	Individual Giving	\$1.7M	\$2.4M	Advancement	Revenue
15	Donor Pipeline	\$0.3M	\$0.8M	Advancement	Revenue
16	Board Giving	\$0.5M	\$1.0M	Advancement	Revenue
Total Range:		\$22.7M	\$50.9M		

*\*Some benefits may not be mutually exclusive depending on the depth of pursuit and/or any interdependencies between projects.*

*†Analysis is based on averages found in programmatic case studies, extrapolated out to 20 theoretical programs*

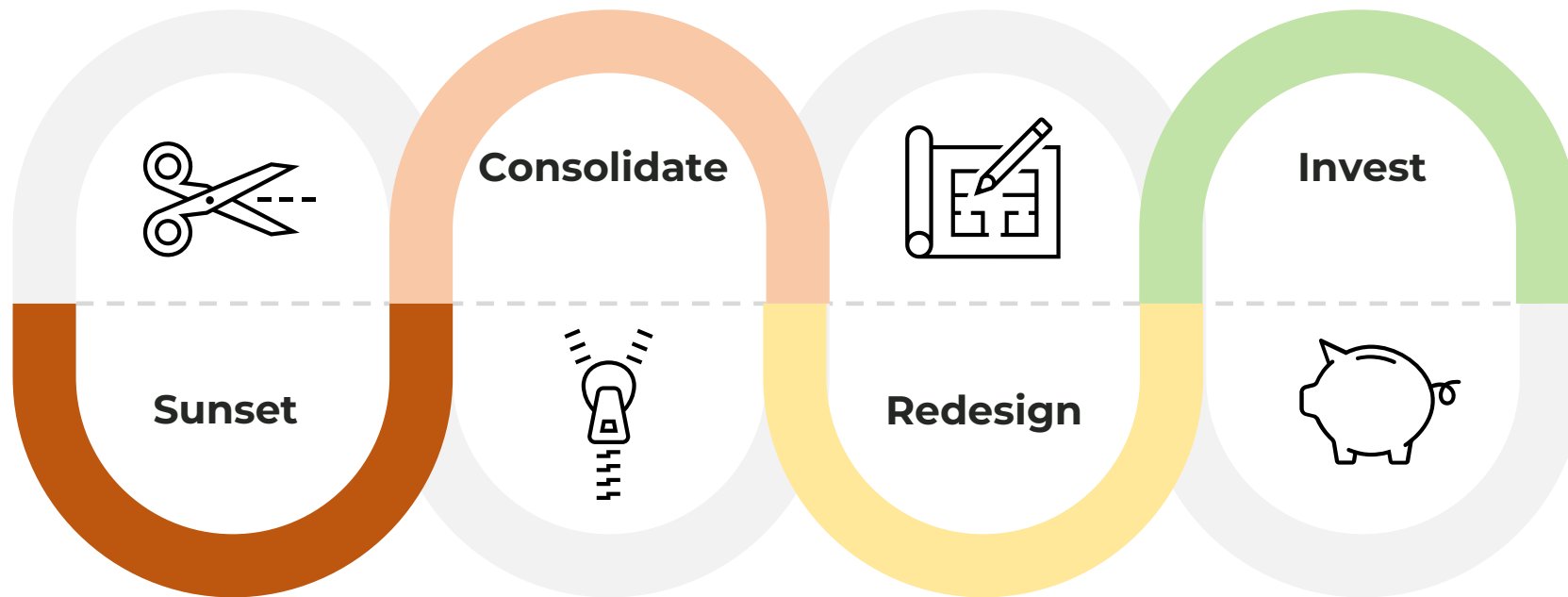
# Deprioritized Projects

Huron explored but deprioritized some projects surfaced by Steering Committee members for a variety of reasons, though a few may still be linked to some savings.

Function	Hypothesis	Reasoning
Academic	Open U	Huron did not have sufficient data available to investigate this hypothesis, and it would likely contribute only to self- support units as opposed to the general operating fund.
Information Technology	Computer Lab Utilization	SFSU functional leaders are already analyzing this hypothesis and were preparing to present findings to senior leadership.
Information Technology	Application Rationalization	Huron was unable to gather data related to pricing on existing application portfolio, but some of this financial benefit may already be realized through procurement adjustments.
Organizational	Shared Services	SFSU is already pursuing an opportunity related to shared services with other third- party support.
Space Utilization	Academic Space	Huron assessed occupancy of academic space and determined that the data does not suggest there is a viable opportunity for cost savings.
Space Utilization	Underutilized Buildings	At the suggestion of project sponsors, the team deprioritized projects that would not generate recurring benefit.
Space Utilization	Close Downtown Campus	After reviewing the financial transactions for this campus, it was determined that the revenue offsets from leasing the space when unused mitigated costs enough to make this a low- cost asset
Student Success	Industry Partnerships	SFSU is doing well at corporate philanthropy. While partnerships could be a tactic to enhance retention or student outcomes, Huron deprioritized this hypothesis because it is not directly tied to cost savings.
Enrollment	Funnel Analysis	Huron was notified of another engagement focusing on this specific topic, so it was deprioritized to mitigate redundant efforts.

# Portfolio Management Options

The makeup of an academic portfolio balances programs that perform at varying levels. When adjusting or right-sizing the portfolio makeup, the below levers can be pulled.\*



\*These levers refer specifically to what can be done when designing a balanced portfolio of programs. Economic levers, explored in separate sections, will apply to the operations of curricular delivery.

# In-Scope Programs by Discipline

The table below represents the number of departments and **unique** CIP codes by program level, excluding duplicate awards with multiple ‘concentrations.’

COLLEGE	# Depts*	# Bachelors	# Masters	# Doctoral	Total Programs
Business	10	4	4	0	8
Education	6	1	5	2	8
Ethnic Studies	6	5	1	0	6
Health & Social Sciences	13	12	10	1	23
Liberal & Creative Arts	22	30	22	0	52
Science & Engineering	9	17	17	0	34
<b>Total</b>	<b>66</b>	<b>69</b>	<b>59</b>	<b>3</b>	<b>131</b>

\*Department number includes “Dean’s Office” for each College to account for interdisciplinary programs

17 programs were listed as “Discontinued,” or “Suspended” and are excluded from this analysis

13 programs are new programs, having started within the last 4 years, and thus do not have sufficient completions data and are excluded

8 programs lack published data relative to the market and are excluded from this analysis



# Market Positioning Methodology

The positioning analysis scores each program across 6 performance metrics as outlined below. The market has been defined as the State of California.

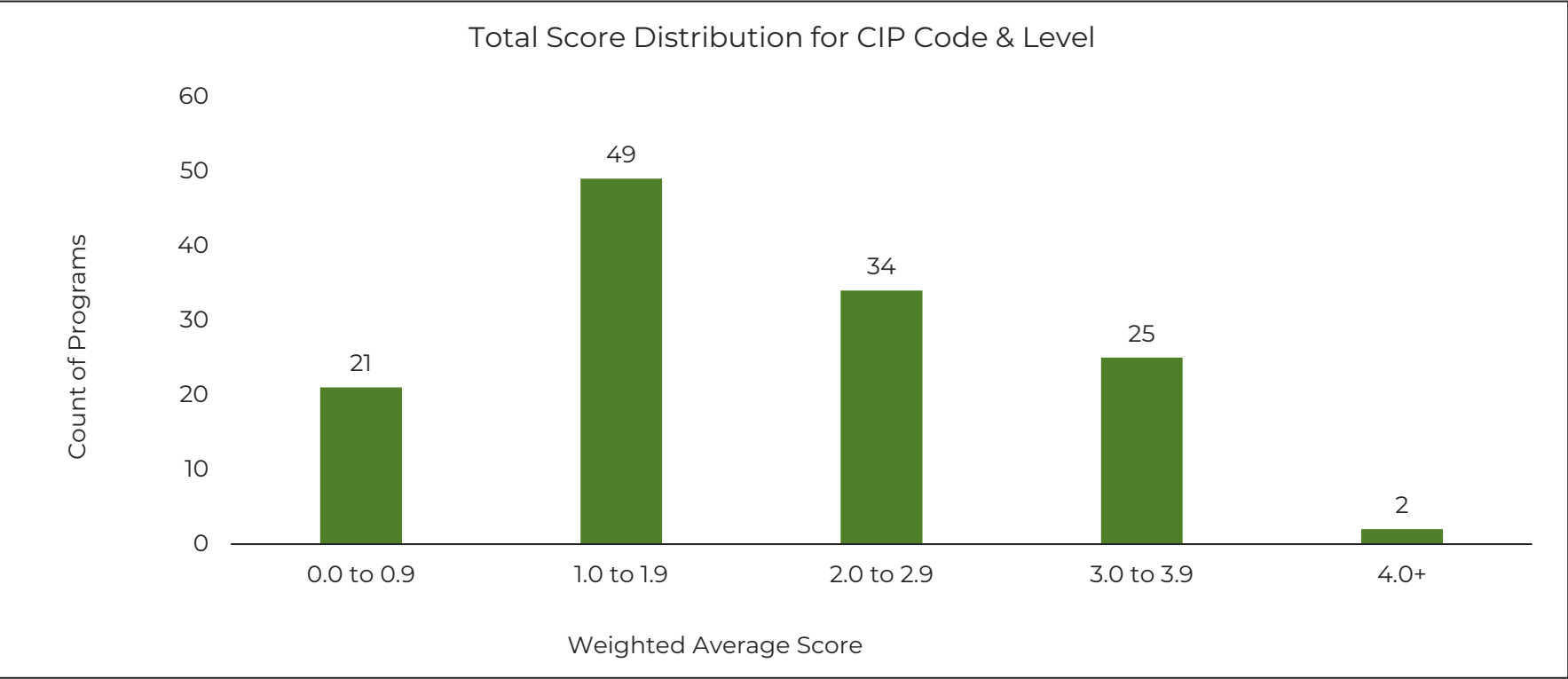
Weight	Metric	Score					
			1	2	3	4	5
17%	<b>Volume</b> of SFSU Completions in this program for AY2023	Score	5	10	15	20	25
17%	<b>Growth</b> trend in SFSU Completions of this program from AY2019 – AY2023	Score minimum	-5.0%	-2.0%	0.0%	3.0%	5.0%
17%	Growth trend in <b>California</b> market for student demand of this program from AY2019 – AY2023	Score minimum	-5.0%	-2.0%	0.0%	3.0%	5.0%
17%	SFSU <b>share</b> of regional market in this program AY2023	Score minimum	2.0%	5.0%	7.0%	10.0%	12.0%
17%	<b>Growth</b> trend in SFSU market share of this program from AY2019 – AY2023	Score minimum	-5.0%	-2.0%	0.0%	3.0%	5.0%
17%	10-year Compound Annual Growth Rate of <b>labor market</b> based on jobs requiring degrees with this CIP code	Score minimum	0.3%	0.8%	1.2%	1.6%	2.0%

The number of degrees conferred for a specific course of study in a given year. May be greater than the actual number of students who graduated, as Lightcast includes both primary and secondary majors. Both primary and secondary majors are included because a graduate with a dual major in mathematics and electrical engineering should be considered part of the potential supply for occupations that map to both majors.

The reference period for a completion year is July 1 of the prior year through June 30 of the current year.

# Market Positioning Findings

SFSU’s programs fall into the following scores distribution with only two programs scoring high enough across all six metrics to attain a total score higher than 4.0

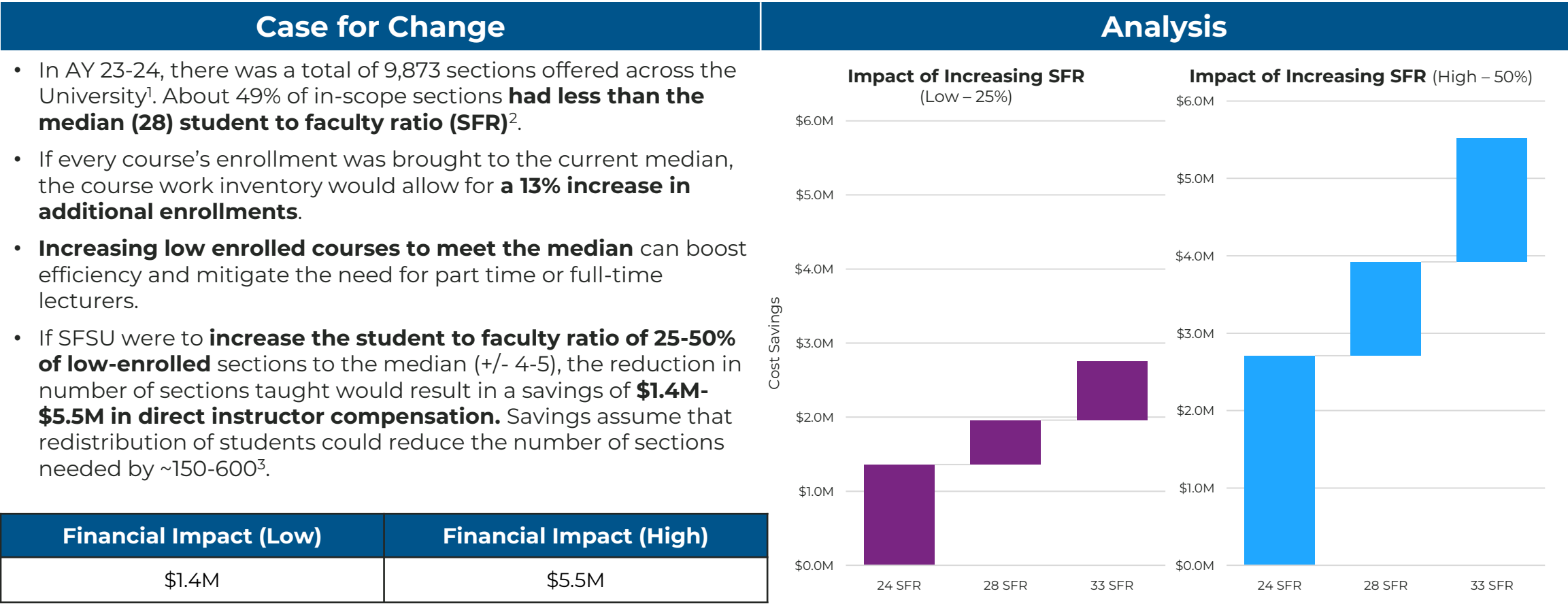


The Steering Committee was given this market information to consider as a potential input of many as SFSU currently explores portfolio management options through the Institutional Review Committee (IRC).

**These scores are meant to call attention to areas that show exceptional market potential, or that invite further scrutiny and assessment. They do not intend to diagnose, as data may lack important institutional context.**

# Student-Faculty Ratio

The median student to faculty ratio *by course* at SFSU was 28 in AY 23-24. About 49% of recorded courses fell below the median ratio, suggesting an opportunity to increase efficiencies.

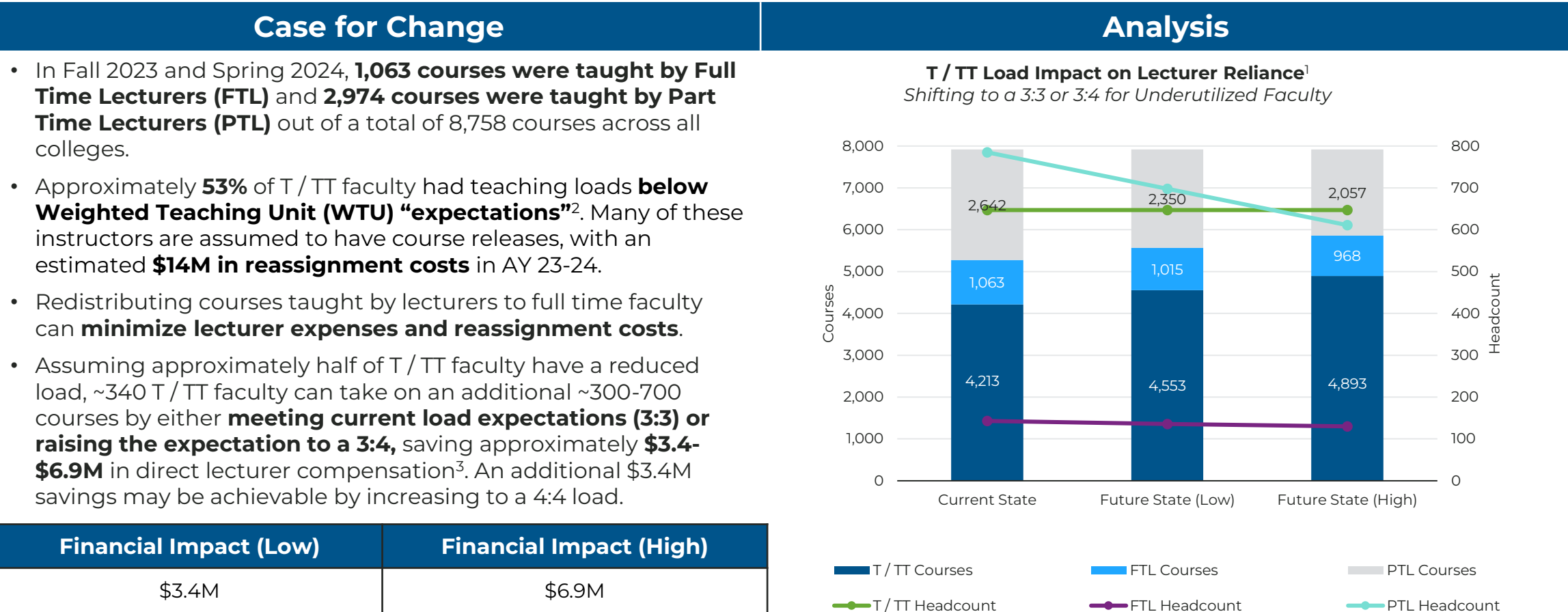


**Source:** Online Schedule Bldg Report AY20-AY23; All Years Census; 2023 Payroll  
<sup>1</sup>Section count does not include self support classes (i.e., ATHL, CEEL, CPEL, EXCO, CBE, CRSM, CSUIP, EXCH, ICE, and UCB).  
<sup>2</sup>Sections are considered in-scope if the section is undergraduate level and not a lab or supervision section. SFR calculation is based on headcount not FTES/FTEF calculation.  
<sup>3</sup>Cost savings calculations assume that lecturer reductions are proportionate to ratio of full-time lecturers (14%) to part-time lecturers (86%).

© 2025 Huron Consulting Group Inc. and affiliates.

# Instructional Capacity

Leveraging Tenure / Tenure Track (T/TT) faculty capacity to increase teaching loads can result in significant cost savings.



**Source:** Online Schedule Bldg Report AY20-AY23; All Years Census; 2023 Payroll

<sup>1</sup>Analysis excludes faculty in the Graduate College of Education who already teach a 4:4 load.

<sup>2</sup>Below load is defined as below 18 WTUs for T/TT non-GCOE faculty. A faculty with a variation of < -1 WTU was considered “meets.”

<sup>3</sup>Analysis assumes below-load T/TT faculty teach on average 5 courses / AY. Low estimate analyzes savings of meeting 3:3 load. High estimate analyzes increasing to a 3:4.

© 2025 Huron Consulting Group Inc. and affiliates.

# Academic Structure

SFSU’s student to department ratio is slightly above its comparators, suggesting a potential opportunity to reorganize disciplines alongside changes to the portfolio.

### Case for Change

- Changes to the academic portfolio may necessitate **changes in the academic structure** at SFSU.
- As our previous report highlighted, **SFSU is below the median ratio of students to departments** with a ratio of 341, meaning there is opportunity to decrease the number of departments to better align with comparators, which may also lead to a more nimble organization able to more quickly respond to an increasingly unpredictable higher education landscape.
- If SFSU were to **increase its student to department ratio from 346 to the median (402) or average (421)** across comparators, SFSU could reduce the number of departments by approximately 8-11.
- Cost savings from supplemental pay allocated to department chairs alone could results in **savings of approximately \$530K-\$680K**.

Financial Impact (Low)	Financial Impact (High)
\$530K	\$680K

### Analysis

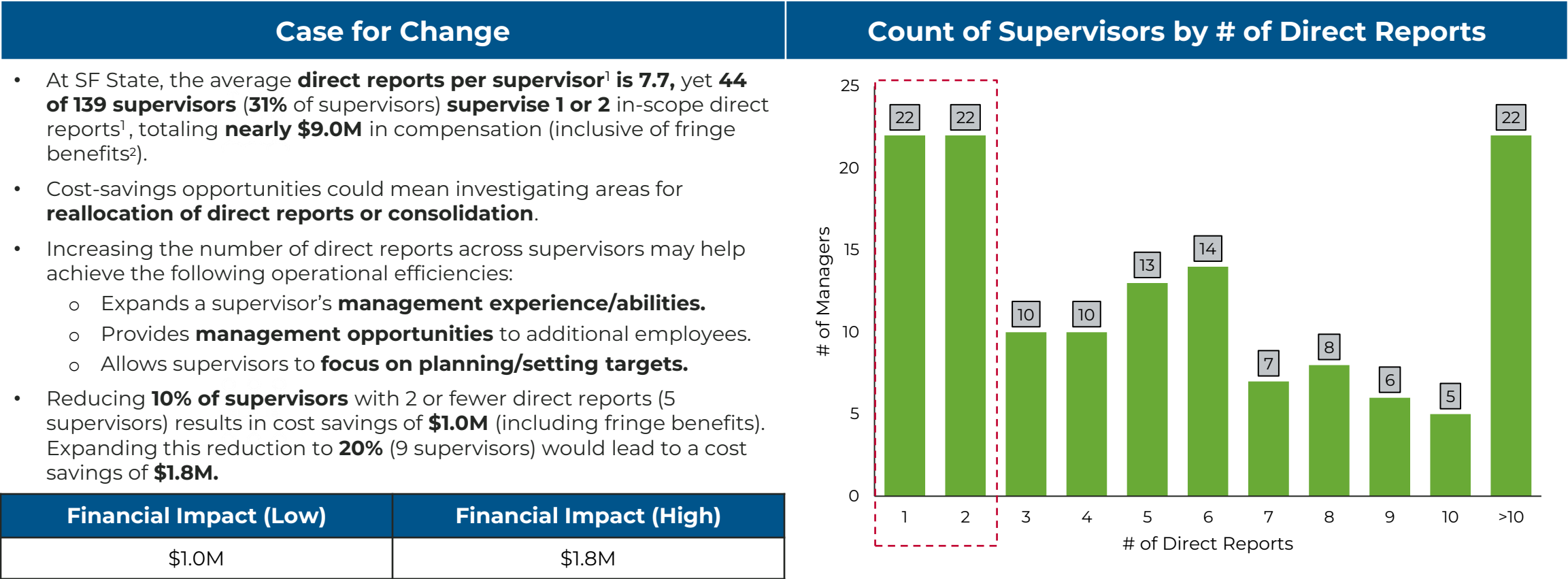
#### Academic Structure and Student FTE

University	Academic Colleges	Non-Academic Colleges	Student FTE per Department
UCB	15	2	350
UCD	10	2	420
SJSU	8	2	450
Sac	7	1	480
SFSU	6	1	341
UCSC	5	2	500
CSUEB	4	1	300



# Managerial Capacity

Over 30% of supervisors across all divisions manage two or fewer individuals, indicating an opportunity to address managerial capacity.



**Source:** SF State Employee Payroll for FY2023, SF State Employee Roster for FY2023  
Note: This data does not include vacancies. All full-time employees are included in the project scope. All Part-Time, Temporary, Student and Graduate Assistants, and non-supervising faculty are excluded.  
<sup>1</sup>Supervisors are any full-time Staff and Faculty with 1 or more direct reports.  
<sup>2</sup>Fringe benefits are assumed to be 50% of annual salary.

© 2025 Huron Consulting Group Inc. and affiliates.

# Supervisory Titles without Direct Reports

Supervisory titles across SF State reflect disparate levels of managerial responsibilities, presenting opportunities for cost savings.

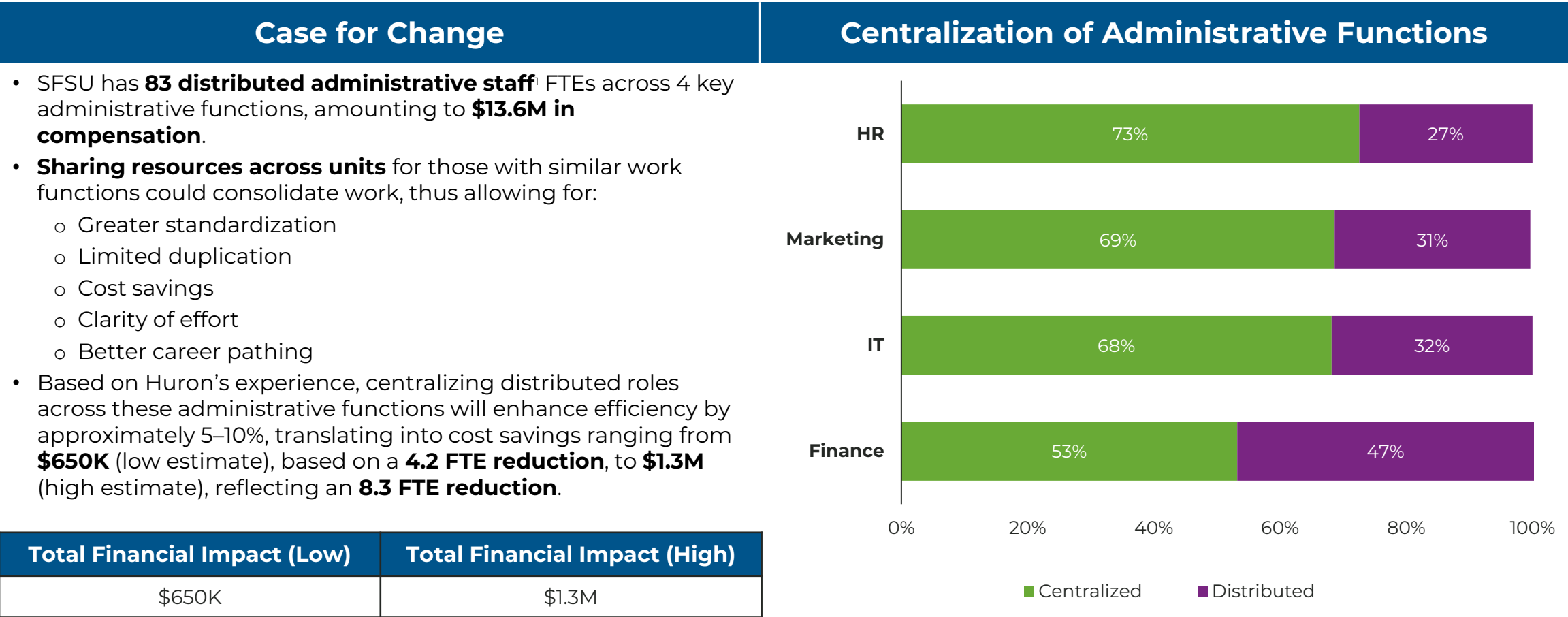
Case for Change		Supervisory Titles without Direct Reports		
<ul style="list-style-type: none"><li>Currently, <b>57 of 179 employees (32%)</b> have supervisory titles<sup>1</sup> without in-scope direct reports, totaling nearly <b>\$9.1M</b> in compensation (inclusive of fringe benefits<sup>2</sup>).</li><li>In some cases, supervisory titles without direct reports <b>may be necessary</b>, such as overseeing strategic initiatives, operations, etc. In some divisions, Directors may not be expected to oversee direct reports.<ul style="list-style-type: none"><li>Evaluating supervisor titles to determine which should assume managerial responsibilities is essential for ensuring <b>clear leadership structures</b>, improving <b>operational efficiency</b>, and optimizing <b>resource allocation</b>.</li></ul></li><li>Reducing <b>10%</b> of supervisor titles with no reports (6 supervisors) results in cost savings of around <b>\$1.0M</b> (including fringe benefits). Expanding this reduction to <b>20%</b> (11 supervisors) would lead to a cost savings of <b>\$1.8M</b>.</li></ul>		Cabinet	Supervisory Titles without Direct Reports	% Total Supervisor Titles without DR
		University Advancement	19	33%
		Administration & Finance	14	25%
		Student Affairs & Enrollment	13	23%
		Academic Affairs	8	14%
		Office of the President	3	5%
Financial Impact (Low)	Financial Impact (High)			
\$1.0M	\$1.8M			

**Source:** SF State Employee Payroll for FY2023, SF State Employee Roster for FY2023  
Note: This data does not include vacancies. All full-time employees are included in the project scope. All Part-Time, Temporary, Student and Graduate Assistants, and non-supervising faculty are excluded.  
<sup>1</sup>Supervisory titles are position titles that contain any of the following: President, Chief, Director, Manager, Provost, Registrar, Chair, Dean, Lead, Supervising, Head  
<sup>2</sup>Fringe benefits are assumed to be 50% of annual salary.

© 2025 Huron Consulting Group Inc. and affiliates.

# Centralization

Leveraging shared services and governance across 4 core administrative functions could generate additional cost savings through increased efficiency and resource optimization.



**Source:** SF State Employee Payroll for FY2023, SF State Employee Roster for FY2023  
**Note:** This data does not include vacancies. HR Staff reflect Staff only - Faculty, Student and Graduate Assistants are excluded.  
<sup>1</sup>Administrative staff are identified by working title.

# Title Analysis

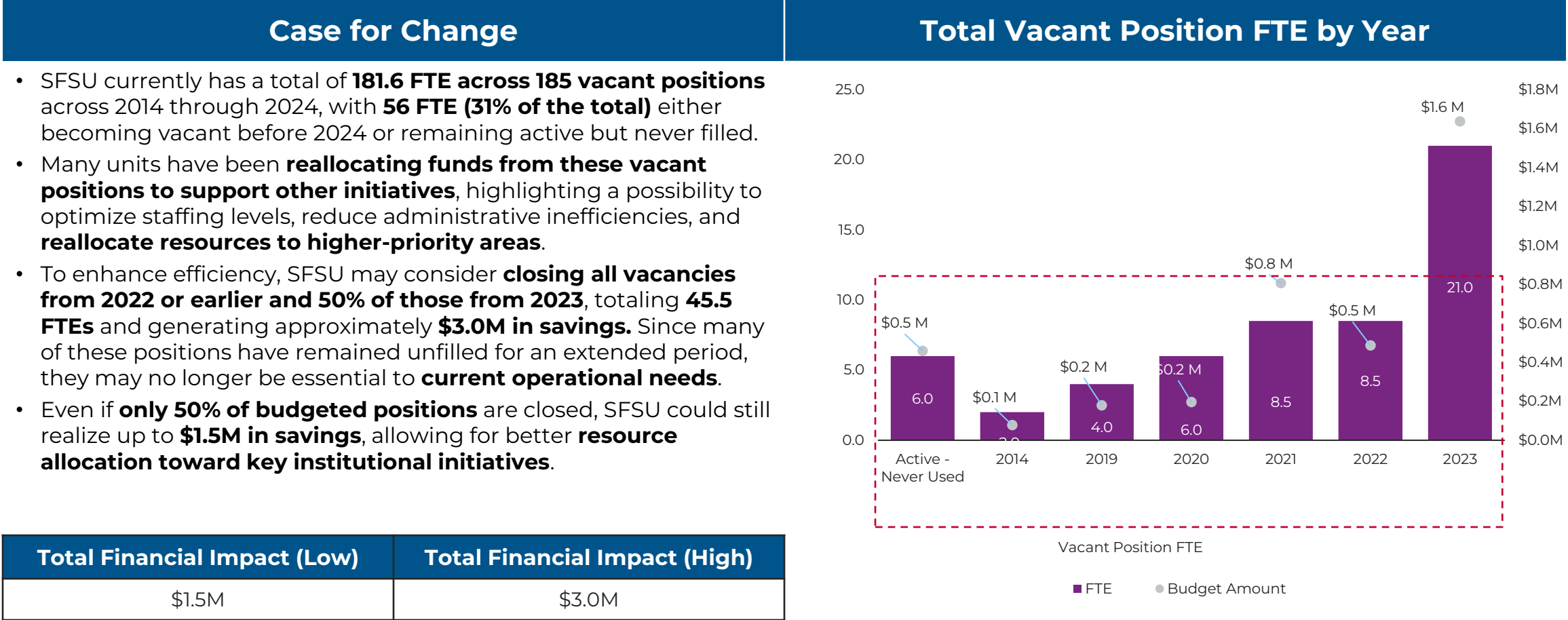
In addition to centralizing core administrative functions, SFSU may review job titles across 5 functions to ensure consistency, reduce redundancies, and align with industry standards.

Case for Change		Administrative Title Analysis Summary			
<ul style="list-style-type: none"><li>In addition to centralizing core administrative functions, SFSU may consider <b>reviewing job titles</b> to ensure consistency, eliminate redundancies, and align with industry standards.</li><li>SFSU may align FTE levels across five functions with national and internal benchmarks, targeting a total reduction of <b>154.3 to 157.5 FTEs</b> and generating <b>\$20.4M to \$20.9M</b> in cost savings over three years, depending on centralization efforts. Initial reductions should follow a <b>gradual, scalable approach</b> aligned with organizational capacity and <b>centralization progress</b>.<ul style="list-style-type: none"><li>Additionally, SFSU may consider investing in <b>51.7 FTEs (\$4.7M)</b> over the next few years to strengthen <b>three administrative areas</b> that are currently below benchmark levels.</li></ul></li><li>The estimated financial impact ranges from <b>\$2.1M on the low end</b>, reflecting a <b>15.7 FTE reduction</b> (10% of the 157.5 FTE target), to <b>\$4.1M on the high end</b>, reflecting a <b>30.9 FTE reduction</b> (20% of the 154.3 FTE target).</li></ul>		<div><div></div> = Financial Impact / Cost Savings<div></div> = Financial Investment</div>			
		Function	FTE	Ideal FTE	FTE Difference
		General Admin.	353.8	261.4	92.4
		IT	151.3 - 153.8	101.9	49.4 - 51.9
		Grounds Crew	16.5	9.6	6.9
		HR	28.0 - 28.4	23.7	4.4 – 4.8
		Marketing	17.2-17.5	16.0	1.2 – 1.5
		Custodial	84.1	119.5	35.4
		Financial Aid	18.8	28.1	9.2
		Admissions	23.3	30.4	7.1
Total Financial Impact (Low)		Total Financial Impact (High)			
\$2.1M		\$4.1M			

Source: SF State Employee Payroll for FY2023, SF State Employee Roster for FY2023  
Note: This data does not include vacancies. All Faculty, Student and Graduate Assistants are excluded.

# Vacancies (1 of 2)

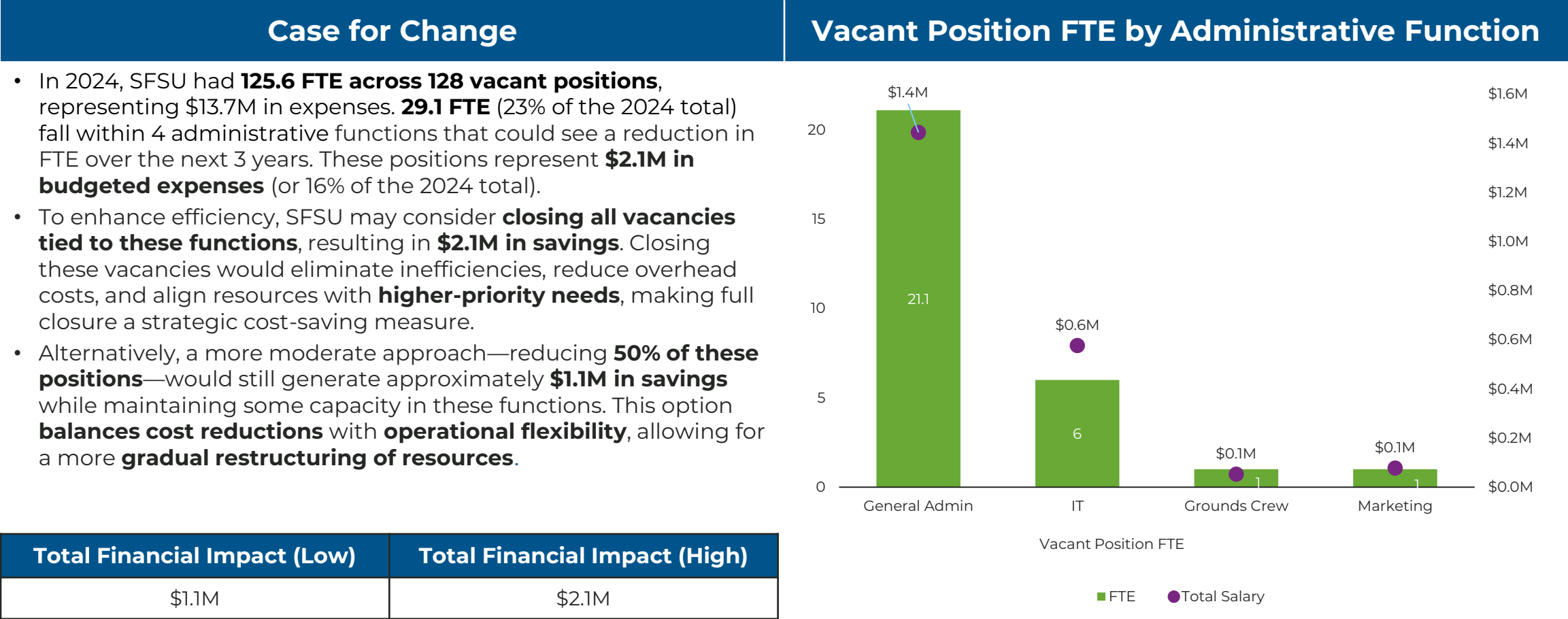
Vacant positions translate to higher costs for the organization and difficulty in deploying the expenses towards strategic initiatives.





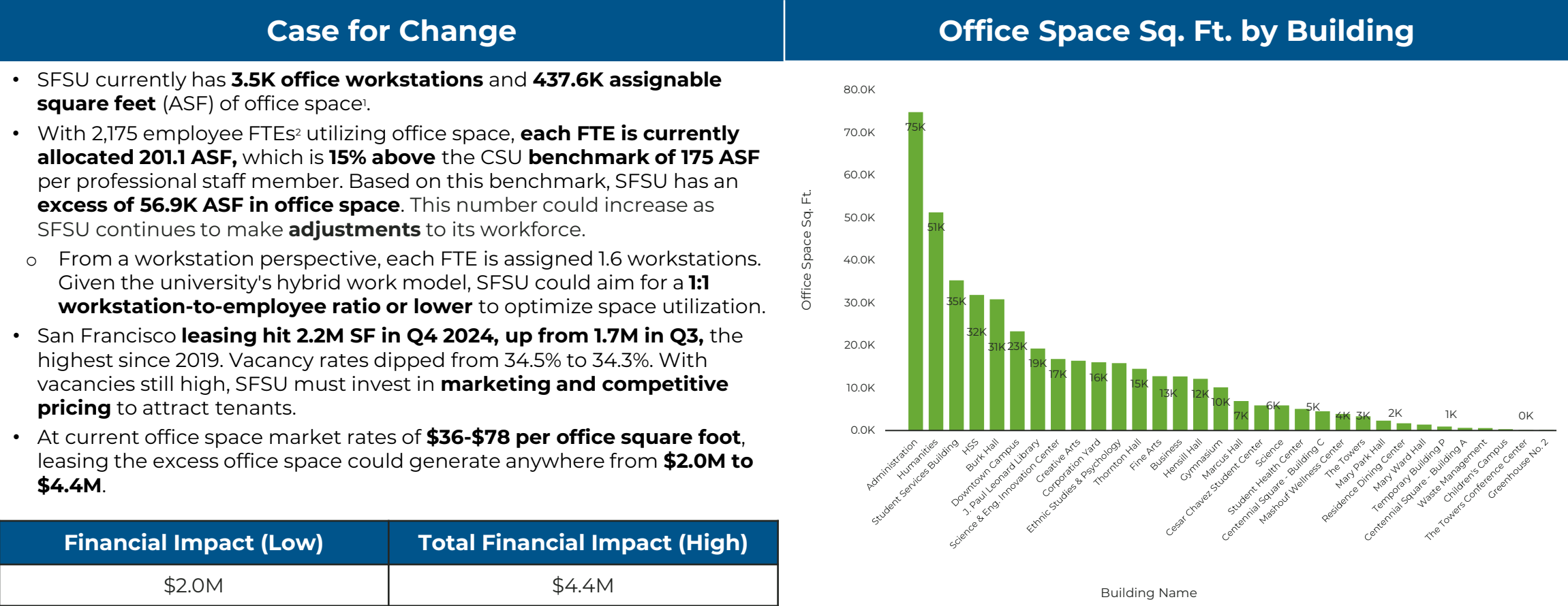
# Vacancies (2 of 2)

SFSU should close vacant 2024 positions tied to four key administrative areas to reduce inefficiencies, optimize costs, and reallocate resources.



# Space Utilization: Office Space

SFSU can evaluate hybrid work policies and data collection practices to address inefficient use of office space, which can be costly.



Source: SFSU Room List, California State Policy 9065 PROJECT DEVELOPMENT STANDARDS FOR OFFICES, Savills Q3 and Q4 2024 Reports, SF.gov, LoopNet.  
<sup>1</sup>Includes all Faculty, Administrative, and "Other" office facilities. Excludes student office space. Excludes Tiburon Building office space.  
<sup>2</sup>Excludes students, graduate assistants, and staff that would not have office space such as Custodial, Grounds Crew, Police, etc.

© 2025 Huron Consulting Group Inc. and affiliates.

# Strategic Sourcing

Preliminary analysis of procurement spend reveals opportunities for savings through improved spend management and vendor consolidation.

## Case for Change

- Huron analyzed SFSU’s **FY2020 – FY2024 procurement, totaling \$926.1M**, to differentiate categorized and not categorized spend
- Spend was categorized into addressable, non-addressable, and not categorized spend
  - \$377.7M** (41% of total spend) **in addressable spend** was segmented into **10 Level I** and **44 Level II categories**, providing insights into SFSU’s spending profile
  - \$539.6M** (58% of total spend) **in non-addressable spend** fell into **3 Level I** and **7 Level II categories**
  - \$8.8M** (1% of total spend) remained **uncategorized**
- Based on extensive experience with Higher Education clients, Huron estimates potential savings for SFSU **between \$650K and \$2.1M** (0.2% to 0.8% of FY2024 spend) through strategic sourcing initiatives

Financial Impact (Low)	Financial Impact (High)
\$650K	\$2.1M

## FY2020 - 2024 Addressable Spend – 41%

- Vendor spend that can be influenced by strategic sourcing efforts to achieve better pricing, financial incentives, improved supplier relationships, process efficiencies, service enhancement, demand and consumption management and optimization, etc.
- Example: Maintenance and Repair Products, Software

## FY2020 - 2024 Non-Addressable Spend – 58%

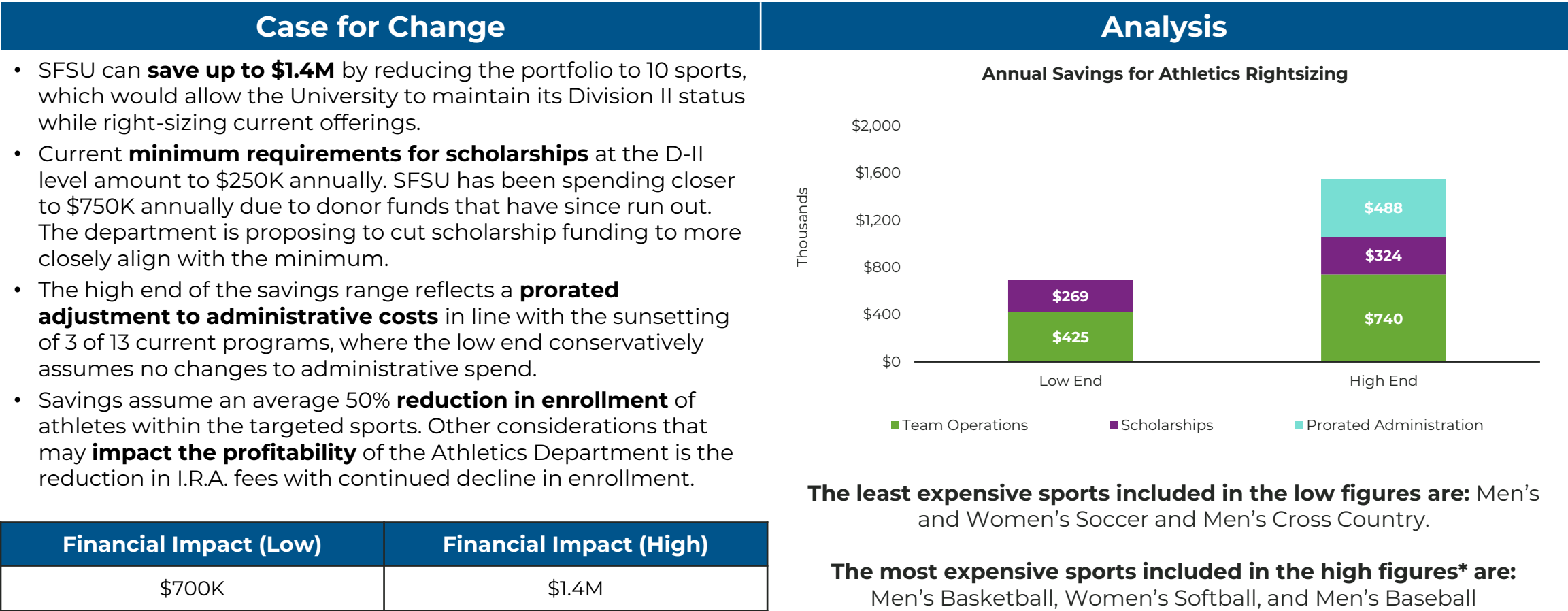
- Spend that is not addressable by strategic sourcing efforts
- Examples: Construction, Non-profit Organizations, Higher Education Institutions, Federal/State/Local Governments, etc.

## FY2020 - 2024 Not Categorized Spend - 1%

- Vendors with less than \$10K in FY2020 – 2024 spend are not categorized
- There are approximately 4.6K uncategorized suppliers

# Athletics: Right Sizing Portfolio

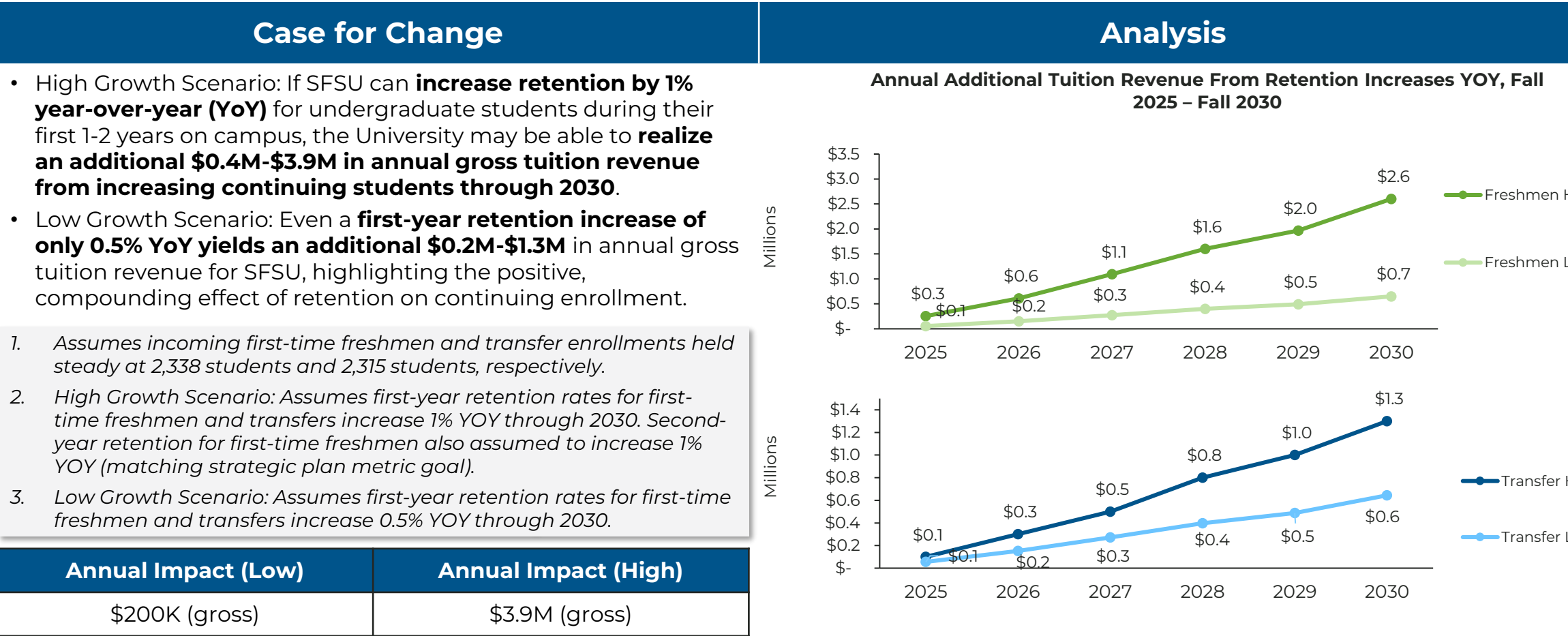
By reducing the Athletics portfolio to the minimum requirements of NCAA Division II status, SFSU could reach significant annual savings while maintaining its program.



Source: SFSU Employee Roster by Fiscal Year, SFSU General Ledger, Athletics Director  
\*In order to not violate Title IX requirements, only one women's team sport was included to sustain appropriate ratios

# Retention

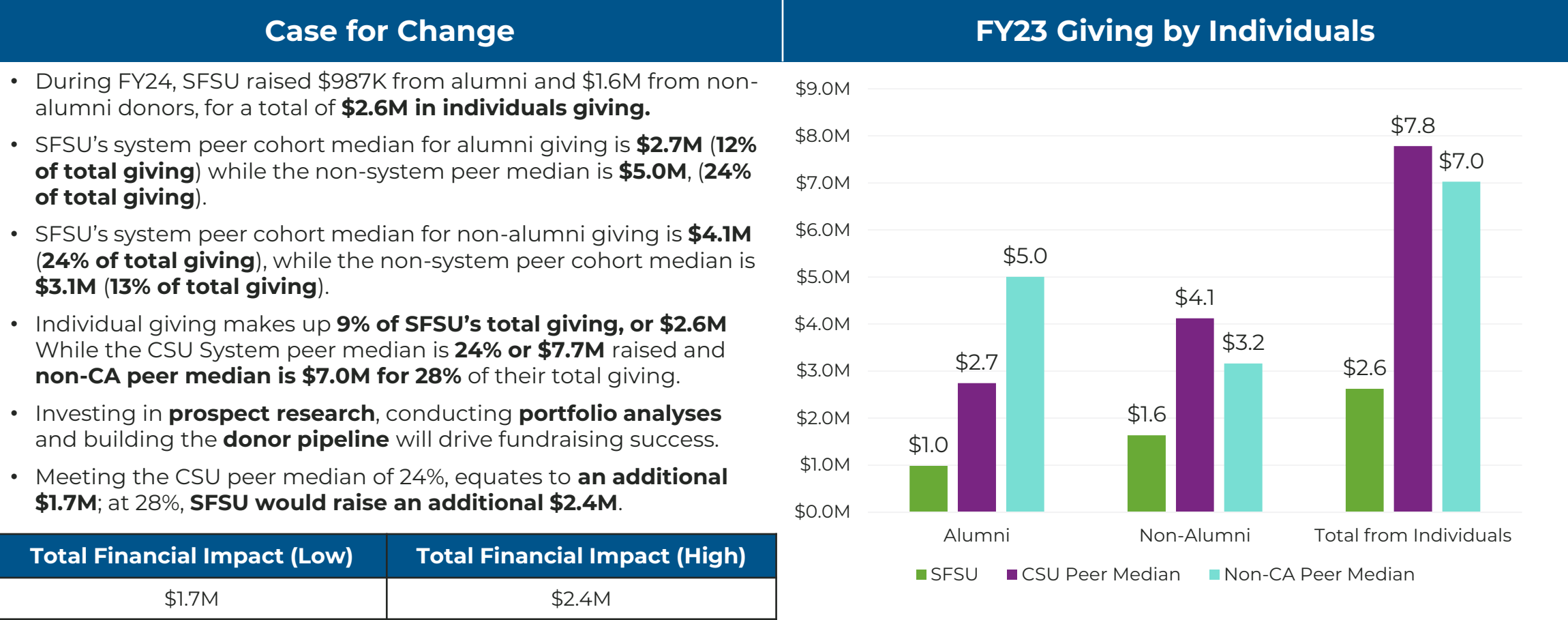
By increasing undergraduate retention for first-time freshmen and transfer students, SFSU may be able to earn up to \$3.9M annually in **gross** tuition revenue through 2030.





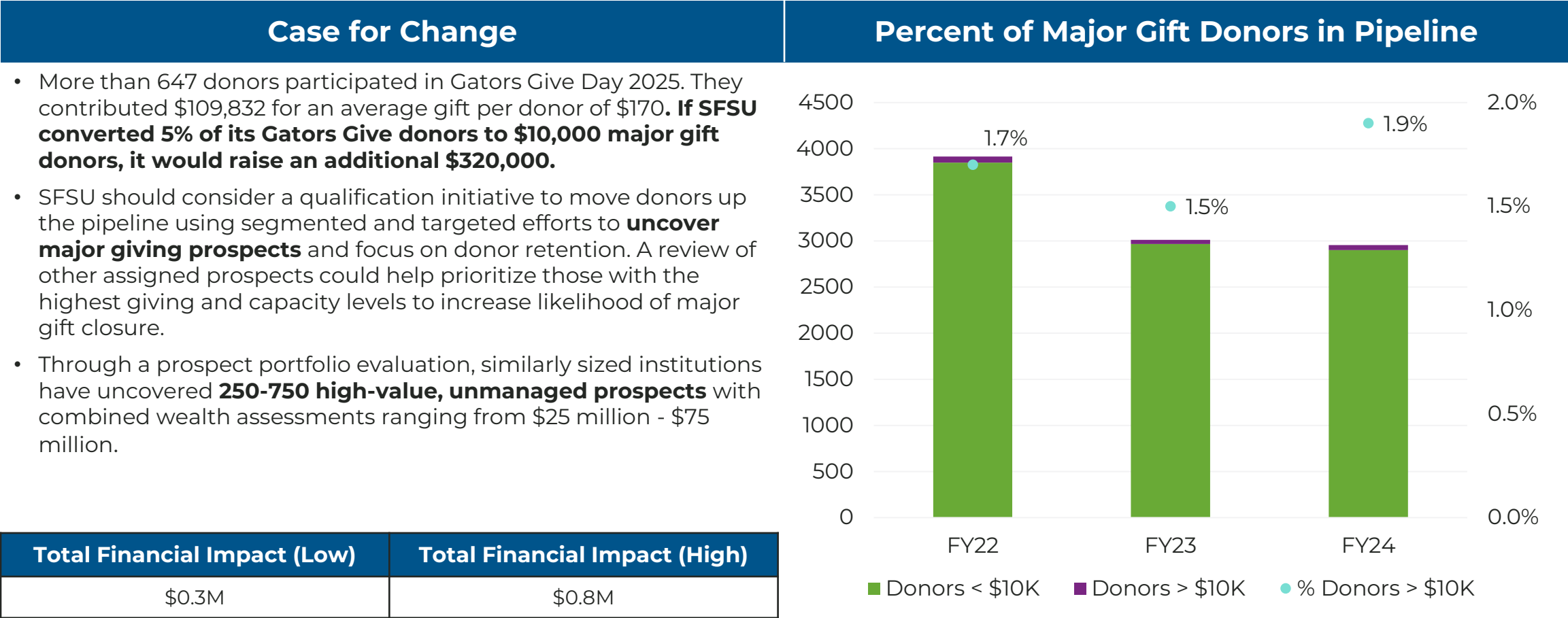
# Increase Giving by Individuals

SFSU can raise \$1.7M – \$2.4M in additional revenue annually by increasing total giving by individuals, including both alumni and non-alumni donors.



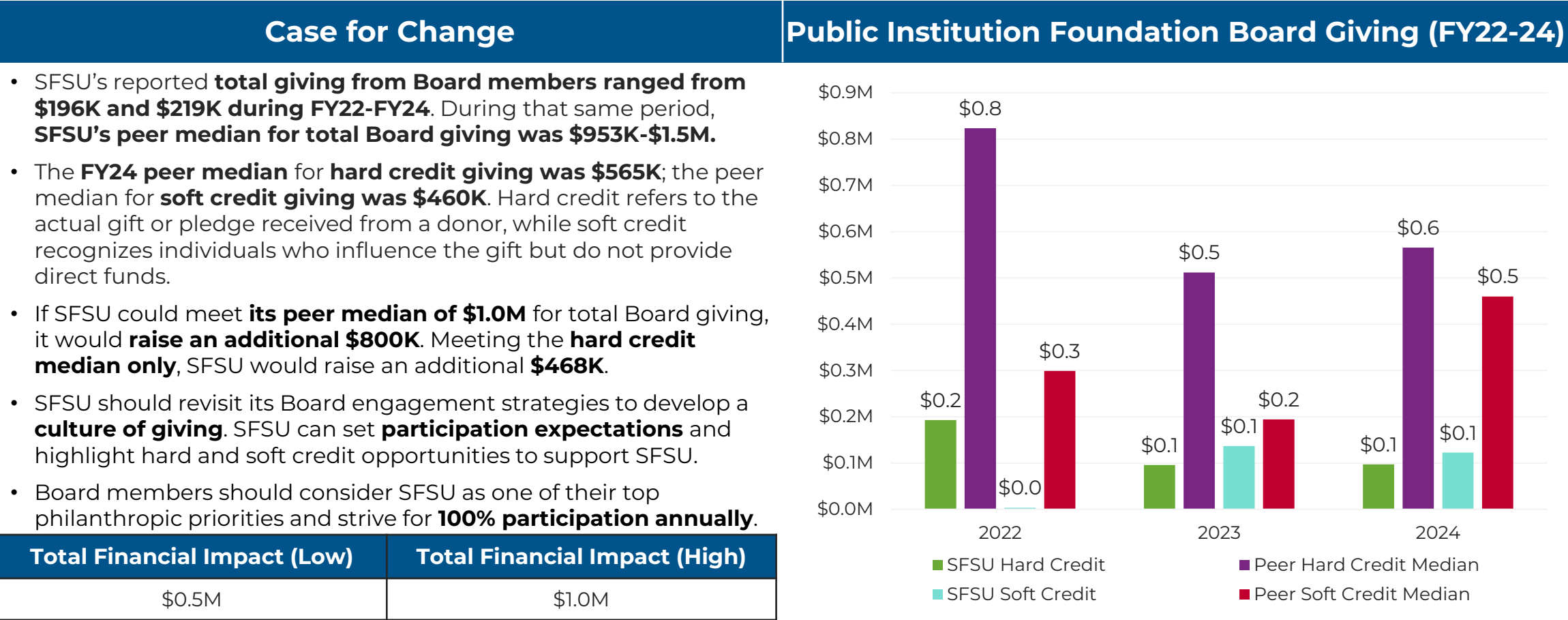
# Donor Pipeline

SFSU can generate additional revenue of \$300K to \$800K by improving its donor pipeline and upgrading more donors into major gift donors.



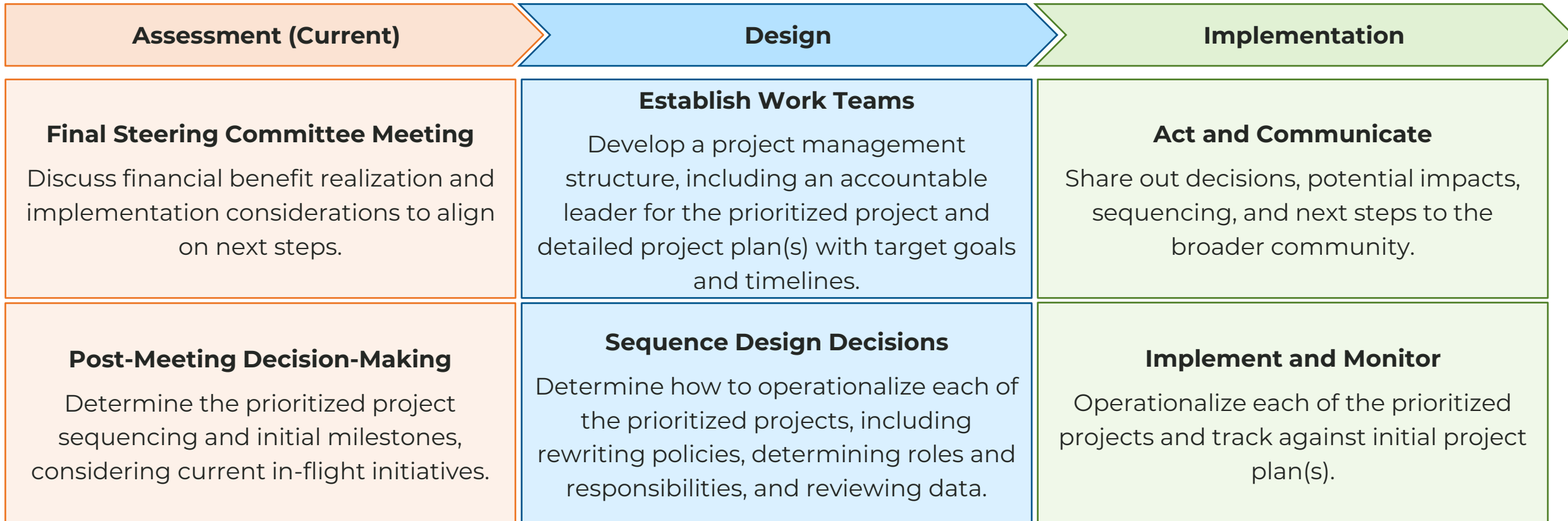
# Implement a Culture of Board Giving

By implementing a culture of Board giving, SFSU can raise between \$500K and \$1M in both hard and soft credit giving.



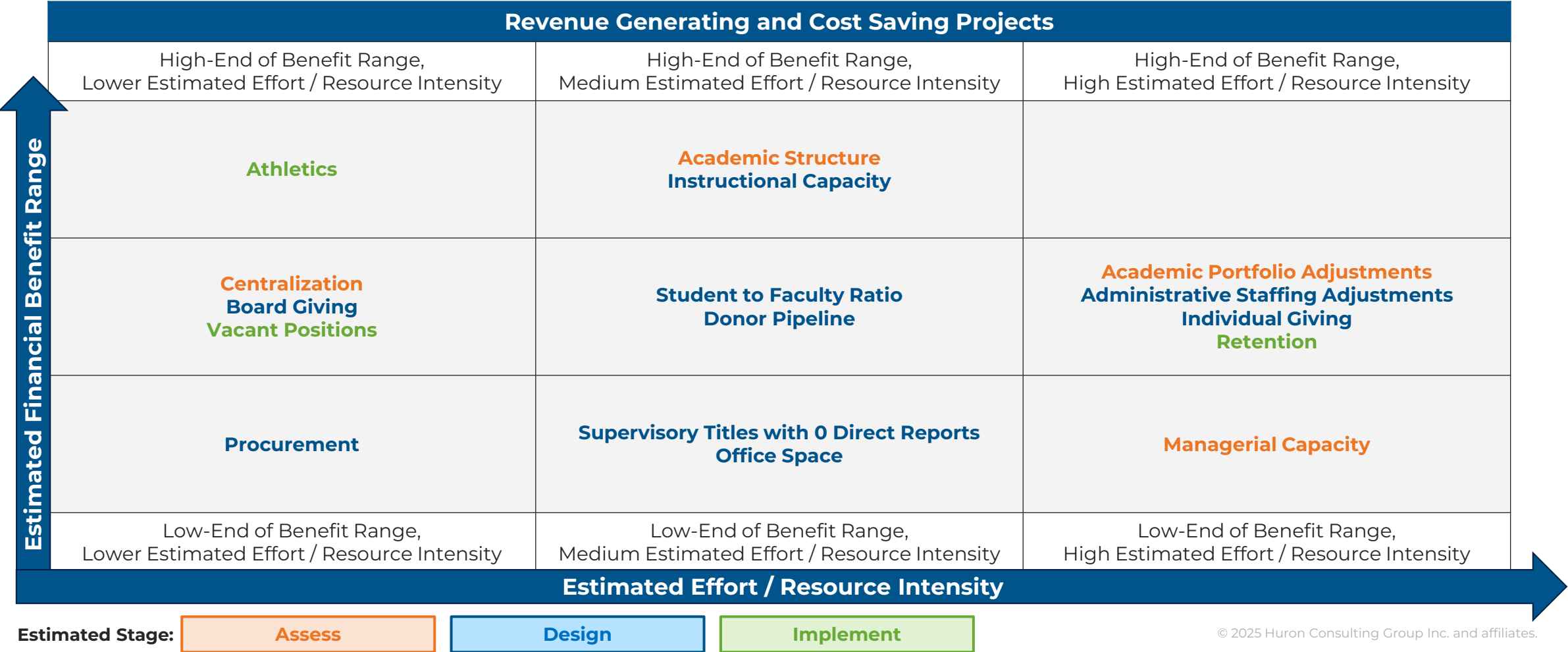
# Sequence of Activities

Dependent on SFSU's decisions, different projects may transition directly into design work while others may be more immediately acted upon.



# Financial Project Outlook

Based on the project complexity and SFSU’s progress to date, the below matrix highlights elements of the assumed current state for project implementation readiness.





# Implementation Roadmap

The following represents an illustrative timeline outlining actions and potential decision points as SFSU begins the next phase of work in achieving institutional resilience.

Engagement Tasks / Month #	April 2025	May 2025	June 2025	July 2025	Aug. 2025	Sept. 2025	Oct. 2025+	Proposed Owner
<b>Institutional Review Committee (IRC)</b>								
IRC assesses academic portfolio and makes recommendation on programs		★1						Academic Affairs
<b>Institutional Resilience</b>								
Huron concludes Institutional Resilience engagement								
SFSU finalizes cost savings targets for each fiscal year		★2						Finance & Administration
SFSU leadership prioritizes and scopes projects for implementation		★3						Executive Team
<b>Implementation</b>								
SFSU determines estimated effort for each project			★4					By Function
SFSU aligns estimated effort with internal team's capacity			★5					TBD
SFSU establishes appropriate project management structure								TBD
SFSU assigns project owners for implementation								TBD
SFSU initiates assessment, design, or implementation of projects					★6			By Function

## Key Implementation Decisions

- ★1 Does the IRC proposal meet savings targets within the desired time frame?
- ★2 How much of the **deficit** will SFSU aim to address with each fiscal year?
- ★3 What projects will SFSU **pursue** and in what order? How will outputs from other campus efforts **integrate** with Huron's?
- ★4 Does SFSU have the **execution capabilities** to be successful? If not, what expertise is needed?
- ★5 Do assigned team members have **capacity** to support? If not, how will gaps be addressed?
- ★6 Can prioritized projects begin **implementation**? If not, does additional assessment, design, or vetting need to occur?

# Appendix

---

## Project Glossary



# Project Descriptions

Project	Synopsis
<b>Academic Portfolio Adjustments</b>	Right-size the academic portfolio to accommodate the institution's 'new normal' of smaller enrollments by adjusting programs through sunseting, consolidating, or redesigning.
<b>Academic Efficiency</b> (Student to Faculty Ratio, Instructional Capacity)	Further reduce reliance on lecturer faculty and shift coursework burden to full-time tenure / tenure-track faculty by either increasing student faculty ratio for select classes or shifting workload expectations.
<b>Academic Structure</b>	Reduce the number of academic departments to achieve desired student to department ratio and streamline operations.
<b>Administrative Efficiency</b> (Managerial Capacity, Supervisors with 0 Direct Reports, Centralization, Staffing Adjustments, Vacant Positions)	Streamline operations, address inefficiencies, and make the best use of resources while staying aligned with industry and internal standards.
<b>Office Space</b>	Repurpose excess office space to generate revenue through external leasing opportunities.
<b>Procurement</b>	Improve spend management through supplier consolidation and strengthened enforcement of policies.
<b>Athletics</b>	Reduce SFSU's athletics portfolio to only include 10 sports while maintain NCAA Division II status.
<b>Student Retention</b>	Boost retention through targeted efforts that focus on underrepresented minority (URM) students and Pell-eligible students.
<b>Advancement</b> (Individual Giving, Donor Pipeline, Board Giving)	Generate additional revenues from strengthening components of fundraising operations including growing individual giving, building the major gift pipeline, and creating a culture of Board giving.