



University Budget Committee Meeting Minutes

Date: Thursday, Nov. 16, 2023, via Zoom

Voting Members Present: Robert Collins, Jennifer Daly, Deborah Elia, Iese Esera, Michael Goldman, Mari Hulick, Jeff Jackanicz, Crystal Kam, Gretchen LeBuhn, David Miller-Shevelev, Dylan Mooney, Jamillah Moore, Irina Okhremtchouk, Tiffany O'Shaughnessy, Shrey Patel, Jason Porth, Irving Santana, Eugene Sivadas, Venesia Thompson-Ramsay, Alaric Trousdale, Jeff Wilson

Non-voting members present: Chanda Jensen, John Kim, Katie Lynch, Lynn Mahoney, Cesar Mozo, Sandee Noda, Tammie Ridgell, David Schachman, Jamil Sheared, Elena Stoian, Sep Mondrek for Brad Erickson

Guest presenters: n/a

Members Absent: Daniel Gabriner, Emiliano Balistreri, Ashkan Forouhi, Tim Jenkins, Genie Stowers, Amy Sueyoshi

Meeting coordination: Nancy Ganner, Mariela Esquivel

Accompanying presentation can be found here: [UBC Presentation Nov. 16, 2023](#)

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UBC co-chair VP Wilson called the meeting to order at approximately 10:03 A.M.

### Agenda topic # 1 – Welcome from Co-Chairs and Agenda review

- **Jeff Wilson** welcomed committee members and guests.
- Noted Provost absence due to Chancellor's Office meeting.
- Agenda reviewed, guests reminded of the ways to contact UBC including Office Hours on November 17<sup>th</sup>

### Agenda topic # 2 – Member roll call

- Quorum established.

### Agenda topic # 3 – Approval of minutes from Oct. 19, 2023 UBC meeting

- Minutes approved as submitted.

### Agenda topic # 4 – President's Message

- **Lynn Mahoney** acknowledged this hard semester amidst difficult internal and external issues. Externally, the CSU-wide concerns and implications of global politics are having effects on everyone. CSU has reached an impasse with two of its unions; CFA and Teamsters. Collective bargaining is handled centrally at the CSU, but tensions resulting from negotiations are felt locally on campuses. One strike occurred this week on campus, and another will happen in early December. The CSU settled with other unions; she heard an interview with CSUEU Exec Director Jim Philliou and Chapter President Sandee Noda ([Gator Talk 11/13/23](#)). CSUEU is the largest union, and they achieved success for CSUEU employees with a 17% increase over 3 years and the return of steps. Still, she recognizes public employee salaries have not kept up with the cost of housing in California.
- The campus resizing is the internal issue. She met with CFA leadership about who to blame for SF State's enrollment decline, and maintained its no one's fault. More can still be done to increase student recruitment/outreach, and to increase availability of student housing (its easy to forget the achievement of getting the funding for new student housing at West Campus Green). All are working on retaining students, as one of the most important aspects of this issue. Even with these efforts, SF State will never return to the size it once was. National and State demographics have changed, and there is also increased competition with the UCs engaging more transfer students from the community colleges. The campus will be smaller, no matter what.

- These issues are not new. This has been discussed at UBC for several years, with some UBC members noting a “worst-case scenario” maybe needed, and this is it. Some adjustments have been made since then: many [CSUEU staff were laid off in Fall 2020](#), and in some instances, gradual reductions are happening. Reductions to class schedules were not made, and the pandemic was disruptive to planning. Fall 2021 saw smaller class sizes for physical distancing, but there was federal funding to help at the time ([HEERF](#)). Last Spring, Academic Affairs presented their budget at UBC where it was clear the necessary adjustments had not been made to begin resizing for the multi-year budget realignment. This is the year it all caught up, which explains the pain experienced now.
- Many terms have been floated, but the campus has not declared financial exigency. This is not the same crisis of 2009 when [campus experienced furloughs](#). This is a resizing, and it’s especially painful now for lecturer faculty. She met with CFA recently, whose role is to protect its membership; her role is financial solvency for the university. Its mission cannot be met if it becomes financially insolvent/reaches financial exigency.
- Students are asking about the rallies. Met with an alum from [KOED yesterday](#) who asked about using one-time funds. One-time means once – it cannot cover ongoing compensation costs. Jeff Wilson will discuss the reserves, much of which are restricted. Reserves have been used every year to cover the deficit and some has to be maintained for coming years. Millions have been lost in tuition revenue with enrollment declines. If the students aren’t here, then there’s no tuition to be collected. The Chancellor has already published the budget [reallocation plan](#) which is an \$11M reduction.
- Next steps include greater transparency at levels equivalent to UBC in Academic Affairs and the colleges. Workforce planning continues in order to meet the university mission, support student needs and offer required services. Is deeply grateful for the work done with shared governance at the Senate, and shared gratitude especially to department chairs, who are at the joint of this painful time.
- No questions were asked.

#### **Agenda topic # 5 – Divisional Budget Strategies: University Advancement**

- **Jeff Jackanicz and Venesia Thompson-Ramsay** opened with a refresher on the nature of and purpose of University Advancement overall (see accompanying slides).
- **Gretchen Le Buhn** asked about the figures in parentheses shown in slides, if negative or positive.
- **Venesia Thompson-Ramsay** clarified on the Operating Budget slides, the first row is positive – its cash or revenue coming in, but its reflected as negative as it decreases expenses, and so it ties back to the [PBCS system](#). The first row is revenue, the cuts are shown in Salaries and Wages, and Operating Expenses decreased as well.
- **Gretchen Le Buhn** asked where the \$579,736 figure came from.
- **Venesia Thompson-Ramsay** replied it’s adding the \$754,426 minus the (\$174,690) = \$579,736. So whatever was received from the Foundation, the university took it back in General Funds.
- **Michael Goldman** asked to break down the \$1.25% from the endowment as mentioned by VP Jackanicz, which should be about \$830,000 into operations for Advancement. Asked what it was used for.
- **Venesia Thompson-Ramsay** responded it’s in the Foundation budget revenue, not reflected on that slide. 1.25% would be about \$1.8M for this fiscal year. Advancement is asking the Foundation to invest \$830K into University Advancement for operating the Foundation. It includes costs such as accounting and business services like bookkeeping, annual audits fees, cutting checks, A/P and A/R, etc. Also legal counsel fees for the Foundation’s attorney and insurance costs for board meetings, supplies, hospitality, etc. to operate the Foundation. The remaining \$1M goes towards that.
- **Alaric Trousdale** asked about the MyStory ad campaign and if it’s paid for out of operating expenses and how much is being spent on it.
- **Vicky Lee** noted that’s an SMC project started a few years ago and it may be hard to separate the cost for that specifically, as they’ve been doing a lot of different projects over last few years ago and it’s an ongoing project with different campaigns.

- **Guiselle Nuñez** shared their budget for media is about \$350K. As seen in the latest marketing strategy presentation its not limited to just media, as they also support additional yield work that helps moves prospective students through the pipeline. The MyStory is brand awareness and an enrollment campaign; they had \$350K for media buys and another \$100K-\$200K for specific yield campaigns to support the AAO (Accept Admission Offer) cycle, retention, melt -- different projects that need to happen throughout the year, plus additional funds set aside for the website project.
- No further questions received.

#### **Agenda topic # 6 – SF State Budget Update**

- **Jeff Wilson** shared that this update will sound familiar because its information that's been communicated over the past few months; the final 2023-2024 budget will be revised when employee compensation for 2023-2024 is resolved. The CSU is in negotiations with CFA (California Faculty Association), one of its largest collective bargaining units.
- Information on the 2024-2025 has not been received yet at the university-level budget. Assumptions and scenarios will be presented at the UBC December meeting, to prepare for the revised multi-year budget realignment plan. The divisions need to start their planning and that's why it will move forward in December to prepare for the next milestone in the budget process; the Governor's January budget proposal for 2024-2025. Typically that happens mid-January and whatever is gleaned from that proposed budget will be presented at the first UBC meeting of the Spring (February). As information becomes available, updates will be provided at UBC.
- (see accompanying slides).
- No questions received.

#### **Agenda topic # 7 – Divisional Budget Strategies: Office of the President**

- **Noriko Lim-Tepper** presented and broad and brief overview of the budget of the Office of the President. (see accompanying slides)
- No questions received.

#### **Agenda topic # 8 – UBC Feedback**

- **Jeff Wilson** prefaced the presentation stating this is in response to feedback received in various ways by UBC, including Office Hours, emails, direct comments to UBC members. UBC Steering Committee will revisit feedback for two reasons: the first is the amount of feedback being received and how to respond in a way that's helpful. The feedback included conceptual ideas about budget while others are specific direct questions.
- Explained in the past, UBC was simply presentations, and a few years ago UBC made a decision to be a more deliberative body that endorsed recommendations and budget strategies to the President. With presentations-only, there was not as much room for those activities, so the Steering Committee will come back to the full UBC to try to address the amount of feedback currently being received, and how to incorporate into these meetings without having 2 hours of presentations-only.
- Today's responses include one from Academic Affairs which John Kim will respond to, and one about SF State's reserves and designated balances (see accompanying slides).
- **John Kim** replied as to the \$1.5M restoration to the lecturer budget (see slide).
- **Jeff Wilson** replied as to a breakdown of the 2022 – 2023 reserves and designated balances (see slide).
- **Lori Beth Way** reminded this is happening in connection with the that CSU multi-year budget realignment.
- **Mari Hulick** asked if there is a breakdown on how this was distributed to various colleges departments?
- **John Kim** said he has a document from Human Resources that lists the entitled 1.0 time-based lecturers that this was mainly based on, so he could break that down by college and department.
- **Mari Hulick** clarified if a college has a certain number of 1.0 lecturers, then that's the money they received back.

- **John Kim** confirmed, and though there were some cases such as a visiting professor who was fixed in that same lecturer pool, this was the main category of expense. Most were in CLCA or CoSE.
- **Irving Santana** asked if this meant non-1.0 lecturers would not return for the Spring.
- **John Kim** replied any entitled 1.0 time-based lecturers should not be impacted by this.
- **Jeff Wilson** presented a response re: SF State's reserves and designated balances (see accompanying slides).
- **John Kim** asked about the total \$104M – looking back a few years if the number was higher, asked if that would have included any Federal Covid relief funds that had been carried forward.
- **Jeff Wilson** confirmed in fiscal years 2020 and 2022 there were funds recovered or paid that resulted in higher balances, which are measured once a year.
- No further questions received.

#### **Agenda topic # 9 – Public Forum**

- **Mari Hulick** asked about the article in [Misson Local](#) and the reported numbers, and if they were misreported or true. Also asked about additional funds, such as IRA funds which are tied to enrollment, and funds tied to instructional equipment that some departments are heavily reliant upon. Even with great faculty in the classroom, if the equipment doesn't work the education is incomplete. Would like to see at a future UBC meeting that equipment funds are part of the overall strategy – that there's a strategic approach to the resizing.
- **Jeff Wilson** replied / asked others leaders to help confirm: there no plans to lay off tenure line faculty. A lot of information was provided to the Mission Local reporter in a short amount of time, yet they chose not to use it.
- **John Kim** repeated there is no discussion about layoffs for tenure track faculty, nor making it impossible for tenure track faculty to get tenure. There is a commitment when tenure track faculty is hired, and those processes will stay in place. Future hiring will be done very carefully given the budget situation and will be balanced with tenure track faculty who are resigning/retiring.
- **John Kim** also added from his prior slides re: the \$1.5M restoration, the colleges have to balance the money they have with their priorities and what they need to do. Some of that will come from changing the class sizes/class schedules/their offerings, but it's clear after a full review some areas are still over-budget. The reductions are about finding balance by the end of the year because they're getting salary savings from other areas. The notion that the budgeted amount of money in the lecturer faculty line corresponds directly to a reduction in the number of classes taught classes is false. That's not the way a college is going to manage its resources.
- **Lori Beth Way** added on behalf of the Provost, the university is currently searching for 25 tenure track faculty and as John Kim stated, this was done very carefully and is less than those who departed/retired. 15 of those 25 are "cohort hires", aimed specifically at Latinx and Black student success. Confirmed they are not laying off tenure track faculty - they're actually hiring 25.
- **Ifeoma Kiddoe Nwankwo** thanked Lori Beth for reiterating this. Will have a conversation at Chairs Council later re: factual information. The campus does not exist apart from what's going on in the world overall and as scholars, teachers and educators, there's opportunity to lead in advancing factual information.
- **John Kim** also spoke to Mari's comment about IRA funding which is important not only to CLCA but other colleges as well. Similar fund categories include IRA paid by students, instructional equipment requests, miscellaneous course fees and carryforwards.
- Going back to the question about why the reduction had to be made for Academic Affairs from the lecturer pool line was because there is little operating expense funding in the Academic Affairs budget. They are looking closely at the kinds of proposals coming forward for IRA funding, which are evaluated by the IRA Advisory Board. IRA funds are paid by students, so less students will affect this kind of fee funding as well.
- As was mentioned by the President, Academic Affairs will be creating a budget advisory group to work on the multi-year budget realignment with representation from staff, faculty, Associate Deans, CBO, chairs, etc. to make sure there is good representation to help address some of these issues and departments dependence on funding

for things that are basically curricular in nature. Is receiving nominations from Staff Council, Academic Senate, Deans Council and others. Hopes to convene the group in December to get started.

- **Alex Hwu** asked for confirmation the university reserves do not include any carryforwards.
- **Jeff Wilson** confirmed that's correct.
- **Alex Hwu** asked for confirmation if that means carryforwards will have to be used first before reserves to handle overall need or budget reduction.
- **Jeff Wilson** confirmed if it's within the ability of those carryforwards to be used for that purpose. Funds that came from the State cannot be redirected, such as to support [Stop AAPI hate](#), to address the university's budget situation. Those funds are part of the [Budget Act](#), and cannot be changed.
- **John Kim** replied to a comment posted in the Chat by Irving Sanatana about the number of students required for IRA funding – how many students are needed for revenue funding to reach a level needed for approving proposals. He reiterated IRA funding/revenue is based on assumptions of the number of students enrolled and expenses can be projected from that. For Fall 2023, as the semester had the lowest enrollment seen in decades, the IRA Advisory Committee would need to fund proposals from that.
- No comments received.

### **Co-Chairs adjourned the meeting approximately 11:41 AM**

- Next meeting: Thursday, December 14, 2023 from 10:00 AM – 12:00 PM via Zoom

-end (nrg)

### **From the Chat:**

09:56:57 From Nancy Ganner to Everyone: Welcome everyone! Serenade in Blue album by Larry Vuckovich (BA, '75) playing for your ears this morning. You can find it on Spotify.

10:21:54 From Member, Dylan Mooney to Everyone: Thank you for the context on this issue!

10:22:05 From Member Michael Goldman to Everyone: Thank you!

10:32:13 From Matt Itelson to Everyone: Thank you, Venesia and Jeff! As she mentioned about centralization, I was in SMC in the early 2000s (when it was called Public Affairs), went to LCA and now back in SMC where it all began. Go Gators!

10:36:29 From Member Mari Hulick (she/her) to Everyone: Thank you Gretchen, this slide is a bit confusing.

10:42:30 From Member Alaric Trousdale to Everyone: Thank you!

10:43:48 From Member Katie Lynch (she/her/hers) to Everyone: AAO= Accept Admission Offer

11:03:06 From Lori Beth Way to Everyone: As a reminder, all of these reductions were necessary because of the multi-year budget realignment plan.

11:04:51 From Lori Beth Way to Everyone: Additionally, as President Mahoney explained, sections for lecturers are tied to enrollment.

11:05:00 From Member Mari Hulick (she/her) to Everyone: @Member John Kim, do you have a breakdown by college/department on where the money was restored?

11:07:56 From Nancy Ganner to Everyone: all past UBC info can be found on the UBC webpage here:

<https://adminfin.sfsu.edu/university-budget-committee-o> - scroll down to find meeting info according to date

11:16:10 From Nancy Ganner to Everyone: The Designated Balances & Reserves Policy can be found on the UBC webpage: [Designated Balances, Reserves and Carryforwards Policy 05.2023.pdf](#)

11:23:49 From Member Mari Hulick (she/her) to Everyone: Thank you Jeff! We just need to hear from authorities that the reporting was wrong.

11:24:36 From Member Mari Hulick (she/her) to Everyone: John, This will help the anxiety among our Assistant Professors.

11:36:34 From Member Mari Hulick (she/her) to Everyone: @Member John Kim, what is the breakdown of that group? How many faculty, how many staff, etc

*11:36:56 From Member, Dylan Mooney to Everyone: Staff Council will be meeting with John Kim tomorrow.*

*11:38:23 From Member Irving Santana, Music AOC (he/him/friend) to Everyone: Thanks John for this helpful information. Do we know the number of enrollment required that IRA fundings consider to approve proposals? Most of the requests come from classes that run in a yearly basis but the funding they get is not always guaranteed so it makes it hard to plan for student projects.*

*11:39:55 From Member Mari Hulick (she/her) to Everyone: Also, we have to remember that a very large part of the IR budget is earmarked for the Library.*

*11:40:27 From Member Mari Hulick (she/her) to Everyone: Thank you*