



## University Budget Committee Meeting Minutes

**Date:** Thursday, November 19, 2020  
**Location:** via Zoom

**Members Present:** Interim VP & CFO Jeff Wilson, Co-Chair, and Provost & VP Jennifer Summit, Co-Chair, Interim VP Beth Hellwig, VP Jeff Jackanicz, VP Jason Porth, Senate Chair Teddy Albiniak, Ian Dunham, Andrew Ichimura, Kathleen Mortier, Gitanjali Shahani, Jerry Shapiro, Genie Stowers, Michael Goldman, Darlene Yee-Melichar, Associated Students President Andrew Carrillo and VP of Finance designee Carter Paulina Roa  
Non-voting members: President Lynn Mahoney, Dwayne Banks, Maria Martinez, Elena Stoian, Cesar Mozo, Mirel Tikkanen, Venesia Thompson-Ramsey, Tammie Ridgell, Jamil Sheared, Sandee Noda, Jaime Haymond, Deborah Elia, Kay Gamo

**Members Absent:** James Martel, Mary Menees, Amy Sueyoshi, Lark Winner

**Guests Present:** Ingrid Williams, Associate Vice President, Human Resources  
Jeny Patino, Executive Director, Housing, Dining & Conference Services  
Lori Beth Way, Dean, Undergraduate Education and Academic Planning  
Sophie Clavier, Dean, Graduate Studies  
Sutee Sujitparapitaya, Associate Provost, Institutional Analytics  
(list of all attendees furnished upon request)

**Committee Staff Present:** Nancy Ganner, Edwin Critchlow (Budget Administration & Operations)

Accompanying presentation to read concurrently and can be found here: [UBC Presentation Nov. 19, 2020](#)

~~~~~  
UBC Co-chairs called this meeting to order at approximately 10:05 A.M.

### **Agenda topic # 1 – Welcome from Co-Chairs**

- **Jeff Wilson** and **Jennifer Summit** welcomed committee members and meeting guests.

### **Agenda topic # 2 – Approval of Minutes from October 22<sup>nd</sup>, 2020 meeting**

- **Jeff Wilson** requested approval of the meeting minutes.
- Voting members motioned to approve; seconded and passed.

### **Agenda topic # 3 – Opening Remarks from President Mahoney**

- **President Mahoney** reported the CSU Board of Trustees (“BOT”) approved the budget ask from the Legislature for next year (see p. 99 of the [CSU Board of Trustees Full Agenda Nov 2020 Meeting](#))
- Remarked that even when budgets are flat, mandatory costs like health benefits continue to increase annually. At the BOT meeting, a trustee asked why CSU doesn’t use one-time funding to cover mandatory costs; Chancellor explained mandatory costs, like payroll, are recurring expenses requiring permanent funding (cannot be funded one year at a time).
- President reminded that payroll accounts for over 80% of the SF State budget annually.

- Also reported a trustee asked about “earmarks” (funds for specific uses), such as more faculty development funds for online education which BOT did not approve, as restricted funds cannot be used for unplanned expenses; gave example of the unforeseen pandemic, where funds earmarked for specific use could have been used for pandemic resources. Better for CSU and campuses to control use of funding where needed.
- Reported BOT approved full funding for SF State’s new Science building: \$150M one-time funds raised by systemwide bonds. This cannot be used for anything other than capital projects. (see p. 168 of the [Board of Trustees Full Agenda Nov 2020 Meeting](#) Thanked VP Porth and Dean Domingo for their work on this.
- Noted California received \$26B in revenue, which was not as bad as anticipated "[Budget 'windfall' in California as economy weathers virus" from SFGate](#) but California is facing a \$17B deficit by 2025. Pandemic remains uncertain and economic uncertainty continues, so advocacy work for CSU funding begins soon: <https://lao.ca.gov/Budget?year=2021&subjectArea=outlook> Encouraged all to advocate for full funding ask.

#### **Agenda topic # 4 – Human Resources Update**

- **Ingrid Williams** reported campus layoffs began with 131 positions within CSUEU and Teamsters; now reduced to 80 positions. CSUEU layoffs happened a week ago, Teamsters layoffs will be effective Monday.
- Human Resources is working with departments on reassignments to close work gaps caused by layoffs.
- The layoffs did not meet the goal of closing the budget gap, so a budget deficit remains. Human Resources received some early retirements occurring over the next few months.
- Encouraged all to do what they can to help close the budget deficit to prevent future layoffs.
- Thanked everyone for their patience during these very difficult months, as it’s painful for not only those laid off, but for the university as a whole.
- **Genie Stowers** asked if the “bumping” part is over (see definition from 9/24/20 UBC meeting, page 6 [here](#)).
- **Ingrid Williams** replied that since layoffs happened, that part is done so they are now helping departments move staff around in different areas to fill work gaps caused by the layoffs.

#### **Agenda topic # 5 – Budget Transparency topic: Navigating the Budget Website**

(see slides 7-14)

- **Elena Stoian** introduced the resources available on the new Budget Administration & Operations website (<https://budget.sfsu.edu>)
- Explained content is based on campus budget objectives: budget literacy, sustainability, transparency and accountability:
  - Budget 101 (budget literacy, glossaries, etc.)
  - Budget Process (timelines, operating and capital budgets, reserves, etc.)
  - Budget Systems (analysis tools, training guides, etc.)
  - Resources (forms, external weblinks, etc.)
  - Transparency & Accountability (reports for SF State and CSU, such as OpenGov access)
- **Teddy Albinak** asked if everyone can access the financial data warehouse, and what the criteria is for access.
- **Elena Stoian** replied access may be granted under Fiscal Affairs based on need, request and approval of their department financial manager. The data warehouse is transactional and can show multiyear trends.
- **Genie Stowers** suggested this explanation be shared in video format so the broader community can navigate the budget website.

## **Agenda topic #6 – Program Enrollment Trends**

(see slides 14-28)

- **Jennifer Summit** stated this presentation is in response to the Steering Committee's request, following Tom Enders' October UBC Enrollment presentation, for more granular program-level details.
- Slide 15 shows undergrad enrollment was relatively steady but overall shows a 11% decline since 2015
- Slide 16 shows the most dramatic decline in the grad division, showing a 42% decline since 2009
- Steering Committee wanted to bring to light the differences from program to program, college to college. Some are increasing enrollment while others see falling enrollment, and it's important to show these trends.
- **Lori Beth Way** presented undergrad course enrollment on Slide 18; FTES are how many students a program/college teaches, different than the amount of majors a college has. Ex: Biology teaches not only students in their majors, but also Nursing, Kinesiology, etc. Some colleges are disproportionately affected by declining enrollment, such as LCA which provides the most GE classes, so a decline in freshman hurts LCA disproportionately.
- Slide 17 shows gains and declines: Computer Science, Child & Adolescent Development (CAD) and Criminal Justice had the greatest gains. These were impacted before but no longer. In the CSU if a program is not impacted, it has to admit at the minimum eligibility for the system. When programs are impacted, they can increase eligibility standards, so as these programs came off impactation they gained students. Now, Accounting and Psychology are both impacted, but this works because they had more students than they could graduate which meant they were not serving the students well. Psychology has some of the greatest graduation rates.
- **Sophie Clavier** explained grad programs has a selective admissions process and limited capacity in accepting students, so looked at demand; submissions and (accepted) applications. Programs could have the capacity to take in more applications if they want to grow them.
- Slide 21 shows the programs with the most applications in the blue columns, and their enrollment in the orange columns; considerably smaller than the demand. Slide 22 same info, showing the past two years high-demand programs.
- Slide 23 shows some programs that don't have high demand, but consistent enrollment.
- Slide 24 shows programs with low demand and low enrollment over five years. Slide 25 shows the same, showing declines in demand and enrollment.
- The overall drop in grad enrollment should be contextualized; the high cost of SF housing, overall drop in grad enrollment in California, dropping international applications, etc. Looking forward, they'll study market, student demand and capacity.
- Slide 26 shows new and continuing students over six semesters, and slide 27 shows the bottom programs. Grad programs require even more granular data than undergrad, due to demand and capacity. There are 40% more applications than last year for grad programs, but it does not mean it will translate into yield.
- **Sutee Sujitparapitaya** shared Slide 28 showing the Institutional Research self-service IR dashboard which allows anyone to do more research into enrollment, student majors and classroom enrollment, course enrollment based on census data, etc. Info presented here about undergrad and grad enrollment can be found there as well, shown in many different ways. If more details are needed, Sutee encouraged contacting him directly. <https://ir.sfsu.edu>
- **Jerry Shapiro** gave appreciation for information presented and asked how the contribution of grad programs might be factored into enrollment allocation of campus resources in budgetary conversations. Many grad

programs provide a source of revenue to the university, either direct or indirect, and their being able to utilize campus physical facilities for training or classes.

- **Jenifer Summit** confirmed grad programs have the potential of attracting more students and the presentations showed their capacity to increase enrollment and tuition revenue. Grad programs are expensive to run because they're smaller than undergrad classes; a balancing act of potential revenue vs. potential cost, but there is more control over grad admissions which gives more latitude in determining where there is capacity for growth. Will take the question back to the Steering Committee to think about how to integrate the work of the UBC with the work of the Strategic Enrollment Advisory Committee.
- **Kathleen Mortier** remarked that coming from the GCOE, programs are costly as they have a supervision component and requirements for the California teaching credentials commission. Having this detailed information is helpful in thinking strategically across the units and how to keep undergrads and enroll them in grad programs. Is excited to learn more and collaborate with other committees.
- **Gitanjali Shahani** asked whether to be optimistic about Spring transfer enrollments.
- **Lori Beth Way** replied Spring transfer applications look strong, but are always small as compared to Fall.
- **Darlene Yee-Melichar** noted that several slides showed higher applications than enrollments, so students may not have been admitted to the programs they applied for. Asked if there is follow up on those applicants to redirect to other programs and capture those students.
- **Sophie Clavier** responded that students receive a survey which shows some students go elsewhere due to a better financial offers, cost of living or other factors, but it's usually a financial reason. They try to redirect students to programs they may not know about, and sometimes that works.
- In response to the comment about undergrads staying on for grad programs, that's been an effort Grad Studies has been working on. Last week they hosted an all-program showcase and invited undergrads, which had a good response. This is where the SF Scholars program comes in, with a blend of undergrad and grad programs, in a way that gives students a roadmap to faster completion to both their undergrad and grad programs. That helps with retention and grad enrollment combined, and they're starting to work on that.
- **Teddy Albinia** asked about long-term trends possibly repeating when in-person instruction returns, noting enrollment bumps in 2012 and 2015.
- **Jennifer Summit** responded that a one-time, temporary enrollment bump happened when they moved summer from CEL to State-side, which the campus did in response to declining enrollment. At that time, all students who signed up for summer were included in the Chancellor's Office enrollment targets, which is how campus gets funded and limited allocation cuts at that time. It's not something that can be repeated.
- Summarized that this presentation zoomed in on enrollment trends, but might help to also zoom out and look at demographic trends across California. The decline of college-aged students affects Northern California particularly hard, and helps contextualize what's been happening on campus. That wasn't predicted for many years but is being seen now, and COVID-19 might also be affecting it.

### **Agenda topic # 7 – Housing Update**

(see slides 29-35)

- Jeff explained Housing, Dining & Conference Services (HDCCS) is the largest auxiliary unit and similar to Parking and Transportation, has been devastated by not having on-campus operations.
- **Jeny Patino** presented the pandemic impact to their financial status. Gave a program overview about their financial obligations: operating expenses and debt service, and their reserves pre-pandemic which were \$31.5M per their mandated CSU reserve policy of 3-6 months of their operating budget.

- Showed past and present revenue comparisons, and considerations for HDCS on campus.
- **Genie Stowers** asked about the forecast for Environmental Health & Safety showing as “o”, and assuming we’ll still be in some form of a pandemic, seems worrisome no funds are allocated.
- **Jeny Patino** responded HDCS was funding a full time position for this and the services are still being provided, but they are not funding it.
- **Teddy Albiniaik** asked about a forecast for revenue this year. Expecting increase or decrease?
- **Jeny Patino** responded some student will return in Spring, but some have also left from Fall due to various reasons. Doesn’t expect a substantial increase.

### **Agenda topic # 8 – Steering Committee Report**

(see slide 36-37)

- **Jennifer Summit** presented accomplishments from the recent steering committee meeting: created this UBC agenda and reviewed nominees for the four (4) new Staff representative committee member seats.
- 18 nominations received from across campus. Steering Committee created an internal survey to rank candidates based on (1) interest in the UBC, (2) potential contribution to the UBC, and (3) diversity factor, such as Cabinet division, department, labor union, position at the university, etc.
- Co-chairs recommended names of the top four highest-ranking names to President Mahoney for approval and new members were appointed, beginning this December meeting.
- Announced new committee members: Jennifer Daly, Dylan Mooney, Evrim Ozer, Renee Stephens.

### **Agenda topic # 10 – 2021-2022 Budget Timeline and Process and recommendation**

(see slide 38-48)

- **Jeff Wilson** began his summary of the budget planning framework, and acknowledged the importance of this action, as it may seem routine; the process is typically between the Budget Administration & Operations office and the VP/CFO’s office, but now as a movement to bring the UBC into the budget process that will be unfolding over the next eight months, this is the first step; setting the milestones that will allow Elena’s budget office to kick off the budget process.
  1. Set milestones;
    - November 2020: CSU budget request that the BOT makes to the Governor and Legislature (currently underway).
  2. Scenario planning:
    - December-February 2021: SFSU Campus Budget Framework. President’s Cabinet works with leadership teams in the divisions and colleges responsible for planning and budgeting, who reach a set of budget assumptions based on enrollment and curriculum decisions in Academic Affairs, with a clear indication of state funding after a preview of the Governor’s budget in early January.
  3. Governor’s January proposal - January 2021:
    - January 2021: Governor’s Budget Proposal
    - February 2021: Approved scenario for campus planning. The UBC will be brought scenario assumptions for campus planning to begin to build the budget around the assumptions and direction received from the CSU, as endorsed by the UBC.
  4. CSU/State advocacy and negotiations
    - January – July 2021: CSU negotiates with State

- March 2021: Governor and Legislature negotiations
- 5. Campus planning iterations
  - April 2021: SF State begins budget meetings with Cabinets VP's, CFO and President to understand the divisional budgets.
- 6. Governor's May proposal
  - May 2021: Governor's Budget Revision
- 7. Final state budget
  - May – June 2021: Governor signs final State Budget by June 30<sup>th</sup>.
  - July 2021: CSU provides campus allocations "B-Memo" which identifies funds to each campus. Final campus working budget is approved. Budget is loaded into CFS in July and colleges divisions and departments will receive notification of their campus allocations.
- 8. Final campus budget
  - August 2021: SF State uploads FIRMS Budget Submission to Chancellor's Office.
- (see slides for further details).
- **Jeff Wilson** asked UBC members to endorse the milestones presented so they can begin developing the budget framework and process.
- **Darlene Yee-Melichar** asked about details for the legislative advocacy as mentioned on his slides and by President Mahoney. Asked if a campus-by-campus effort or if for the CSU as a whole, so that faculty, staff and students can be involved in the effort.
- **Jeff Wilson** replied it is system-wide advocacy, not campus-by-campus. Historically, there has been advocacy from students, faculty and staff organized by the collective bargaining units, so perhaps after the first of the new year you may see advocacy efforts being communicated. Ask for a motion to approve.
- Voting members motioned to approve; seconded and passed with a quorum.

#### **Agenda topic # 10 – RSO Workgroup Report (first reading)**

(see slide 49 – 61)

- **Genie Stowers** summarized the recommendation of the RSO workgroup to the UBC. Noted an RSO is a center or institute that does not provide a degree program, although it may be part of the curriculum.
- 1. Charge – review the current costs and budget models by end of November (very short timeframe).
- 2. Members of Workgroup – Andrew Carrillo, Ian Dunham, Sylvia Piao, Gitanjali Shahani, Genie Stowers
- 3. Process – reviewed various policies, met with RSO's, solicited input from Deans, reviewed all findings
- 4. Principles – RSOs are valuable to the university in many ways, all parts of the university should work to solve its fiscal crisis, and due short timeframe, workgroup cannot recommend specific cuts
- 5. Observations – existing policy may need updating for funding structure and self-sustainability
- 6. Macro Enrollment and Budget Scenarios – identified possible outcomes will be based on these two factors
- 7. RSO Policy Recommendations – noted where policy can be found [https://research.sfsu.edu/rso\\_policy](https://research.sfsu.edu/rso_policy) and recommended policy be updated to incorporate financial review and financial sustainability for new RSOs
- 8. RSO Cost Savings Recommendations – for existing RSOs, recommend they create a plan to become self-sustaining within 6 months (if not already), and become self-sustaining within 3 years, noting extensions and exemptions per approval of President. If unaccomplished, must explain status for extension or exemption.
- For new RSOs, recommended, per discussion with Michael Scott, ORSP: faculty should be encouraged to find other possibilities than centers or institutes, as they are very resource-intensive. General fund may only

provide seed funding, self-sustainability should be incorporated into the initial proposal, needs approval from the VP of that division, and no more than 3 years allowed for financial self-sustainability.

- Referred back to the given scenarios on her slides to recommend cost-savings, using the data presented by the Provost in her budget forums of approximate 2.5% needed for the budget gap next year, listed recommendations based on enrollment scenarios from “Most Optimistic” to “More Dire”.
- (see slides for further details of recommendations).
- Concluded the workgroup excluded currently self-sustaining RSO’s from these recommendations.
- **Michael Goldman** thanked the workgroup for their work and asked approximately how many RSOs are not self-sustaining and how realistic it may be to become self-sustaining in a few years.
- **Genie Stowers** replied 14 of the 21 are subsidized in some way, and how realistic depends on the RSO and why it was so difficult to make recommendations, as they differ so much.
- (see slides for further details of recommendations).

### Public Forum

- **Jeff Wilson** opened the public forum inviting speakers to limit their time to one question to allow everyone the opportunity to speak.
- **Barbara Eaton** gave gratitude for making the budget meeting/process more transparent and accessible for the campus community to observe and participate.
- **Danny Gabriner** thanked for the graduate program presentation and noted the Computer Science program had a large number of applications, and as was discussed, programs would be reviewed to see what it would cost to service more students. Also noted a large number of undergrad Computer Science majors.
- **Jennifer Summit** agreed the demand for Computer Science is soaring at the undergrad and grad level, and an increase in undergrad would increase the grad programs. The challenge is in supporting the programs to do that, in a tenure track hiring freeze across the university, except computer science, but it’s also very difficult to hire them in the Bay Area given our job market. Even Berkeley and Stanford are finding that those with PhD’s in computer science are difficult to entice. Demand will likely continue but the university needs to think strategically about how to increase capacity in a way that’s also realistic.
- **Christian Rodriguez** asked about programs that had very low demand and low enrollment; Classics, RPT, etc. – asked what the benefit is it to the university to maintain those programs.
- **Jennifer Summit** responded that closing programs works best when it allows the redistribution of the faculty workforce to other areas, but those who teach programs like Classics, for example, cannot teach computer science, so there’s less flexibility. The grad programs are the most expensive to run, so when those can be suspended, it allows that faculty to increase their teaching in undergraduate programs where there might be higher demand. One of the recommendations coming out of the Strategic Enrollment process is to take a holistic overview of the academic program mix, in light of the current enrollment demand.
- **Jeff Wilson and Jennifer Summit** noting no further questions, thanked everyone for their participation, and adjourned the meeting.

### Meeting adjourned approximately 11:50am.

- Next meeting: Thursday, December 17, 2020, 10:00 am – 12:00 pm

/nr-g