



University Budget Committee Meeting Minutes

Date: Thursday, Feb. 22, 2024, via Zoom

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

Non-voting members present: Deborah Elia, Christine Hintermann, Chanda Jensen, John Kim, Katie Lynch, Cesar Mozo, Christine Hintermann, Tammie Ridgell, David Schachman, Elena Stoian, Sep Mondrek (for Brad Erickson), Venesia Thompson-Ramsay

Guest presenters: Ingrid Williams, AVP, Human Resources

Members Absent: Emiliano Balistreri, Ashkan Forouhi, Tim Jenkins, Iese Esera, Genie Stowers, Lynn Mahoney, Michael Goldman

Meeting coordination: Nancy Ganner, Mariela Esquivel

Accompanying presentation can be found here: [UBC Presentation Feb. 22, 2024](#)

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UBC co-chairs called the meeting to order at approximately 10:04 A.M.

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

- Jeff Wilson and Amy Sueyoshi welcomed committee members and guests.
- Agenda reviewed, guests reminded of the ways to contact UBC including Office Hours on February 23<sup>rd</sup>.

### **Agenda topic # 2 – Member roll call**

- Quorum established.

### **Agenda topic # 3 – Approval of minutes from Dec. 14, 2023 UBC meeting**

- Minutes approved as submitted.

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

- President Mahoney absent.

### **Agenda topic # 5 – Voluntary Separation Incentive Program**

- Ingrid Williams shared an overview of the program, eligibility requirements, the incentive/severance pay, application timeline and details (see slides).
- Dylan Mooney remarked if roughly 1,100 people on campus are eligible, asked about the decision-making process and faculty/staff equity: if 100% of the applicants for the available slots are faculty, then staff aren't really eligible (and vice versa). Asked how it can be fairer for all employees.
- Ingrid Williams replied priority will go to employees with the highest years of service, whether faculty or staff.
- Tiffany O'Shaughnessy requested clarification on how many spots are available, and if faculty could FERP and apply to this program as well, or only one or the other.
- Ingrid Williams explained it's too early to tell how many employees will take advantage of this program. The amount available for the program was estimated based on average salaries last year; \$3.5M, which came to about

80 positions -but it depends on who applies to the program. If faculty are going to FERP this summer, since they would not be separating from the university, the amount they would get is limited. If they are not going to FERP, the amount would be higher. Any faculty/staff interested in the VSIP should submit an application ([via Docusign](#)).

- No further questions received.

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

- **Jeff Wilson** remarked this presentation may be dense, as it's a catch-up from the December UBC meeting budget discussion. It will include a recap of the CSU budget request from the Governor's January budget proposal, an LAO report that was recently issued, and a revision to the SF State multi-year budget plan.
- **Elena Stoian** presented the CSU budget request (see slides).
- **Jeff Wilson** added that yesterday the Legislative Analyst Office released additional information that the revised deficit has increased to \$78B, so the situation is not improving.
- **Danny Paz Gabriner** commented it sounds like the CSU is potentially agreeing to additional \$144M funds but with these revisions from California that may change. Asked when the campus will know, and what would SF State's portion be.
- **Elena Stoian** replied it was included in addition to the base request. Since the campus is funded based on the compact and the compact is already deferred, it will not be received.
- **Jeff Wilson** clarified it was requested, but it was refused.
- **Chris Bettinger** asked what the \$170M in unspent monies is that the State is threatening to sweep back.
- **Elena Stoian** responded those are prior-year funded capital projects which haven't been submitted to the Governor's office yet for full funding, so they're deferred. They are based on cash flow, not commitments. This campus is not one of those – the affordable student housing project is moving forward.
- **Jeff Wilson** presented the SF State multi-year plan realignment plan update, as presented at UBC in Spring 2023 with assumptions and conditions. The first revision was presented at the UBC December 2023 meeting, and this is the second revision (see slides).
- **Danny Paz Gabriner** commented it's scary to see the changes from just two months ago. Asked about one-time funds – even if all unrestricted funds are used, seems there still aren't enough to get through three years with the current plan. Asked why the plan to address the deficit is based solely on declining enrollment, and if increasing expenditures to help increase enrollment is possible.
- **Jeff Wilson** explained about over-correcting, with the need to monitor not only the budget but also the actual performance year-to-year, while making adjustments throughout the years vs. addressing it all in one year. This is why it looks like there aren't sufficient one-time funds for the out years. If this scenario plays out over those years, then there will be reliance on one-time funds and/or making additional reductions in costs to address the difference.
- **Katie Lynch** added the campus is making strategic investments in order to grow enrollment, but has to be realistic when it comes to budget planning to avoid unexpected situations. Acknowledged Danny is part of incoming student operations and can see all the efforts implemented to counteract declining enrollment. A report came out today that the UC's are driving further competition with the CSU, and taking students that might typically transfer from a community college. These are realities the campus needs to accept, so when it comes to budget planning it's responsible to plan for a realistic scenario so the campus is prepared. Enrollment projections are revised every semester and if there any is sharp growth, it will be presented at UBC. However, the landscape shows if there's any growth, it will only be moderate.
- **Amu Sueyoshi** remarked other CSU campuses are experiencing deeper declines, and that's thanks to the hard work this campus is engaging in. Even if enrollment doesn't increase, it doesn't reflect how hard everyone is working to keep enrollment from declining further.

- **Alaric Trousdale** asked about campus reserves; how they differ from one-time funds, what the current state is and what impact these projections have on them.
- **Jeff Wilson** noted the topic will be presented in depth later in the meeting agenda. Generally, the central reserve is undesignated and can be used to support general operations of the university, including the deficits presented. That's why it's called a central reserve, while other parts of carryforwards or designated balances are either earmarked legally or contractually by the State of California for specific purposes. Those have less flexibility, and others are designated at the campus level for projects and initiatives.
- **Dylan Mooney** acknowledged it's difficult to discuss and plan for these issues with so many unknowns. Agreed over-correcting can potentially cut things we don't need to cut, but hopes for the best while preparing for the worst. Would like to see some of that data for the "what-if" if the compact falls through. In particular, the possibility the CSU could take out loans to cover that portion of the compact that would be deferred, and then the Governor would pay it back in following years. Asked if there was any indication where the loans would originate from, and if the individual campuses would be taking out those loans or if taken centrally at the CO level.
- **Jeff Wilson** replied the general direction is they would be centralized at the CO, who would conduct an interfund loan for the \$240M to allow the campuses to fund operations according to their portion of the State allocation. If the campus received full funding in 2025-2026, then the interfund loan would be repaid. There is so much speculation at this point there are no other insights on this.
- **David Miller Shevelev** acknowledging the budget adjustment was reduced from 5% to 3% percent and the CO has guidelines of what cuts they want to target each year due to the 2% difference, asked if there is risk of a 7% cut in future years to catch up with other campuses.
- **Jeff Wilson** replied there is no suggestion of that, but perhaps it may be 3% for more than 3 years. Encouraged all to watch the [January Board of Trustees meeting](#), particularly the Committee on Finance. President Mahoney presents to the Board of Trustees about the campus budget situation and there is additional information including a summary by a Board member recognizing budget problems not only at this campus, but across the system.
- No further questions received.

#### **Agenda topic # 7 – Carryforwards, Designated Balances and Reserves**

- **Jeff Wilson** prefaced the presentation reminding this update is in response to [the Carryforwards, Designated Balances and Reserves policy UBC recommended](#) and the President approved in 2023. This is an update in terms of how the policy has been implemented and the financial information (see slides).
- **Danny Paz Gabriner** asked re: about the \$14M in operating funds potentially available as one-time funds and self-supports. Housing has \$9M in carryforwards and asked if that can be used to support enrollment.
- **Jeff Wilson** replied its something they're looking at. Of the campus self-supports, housing is under more scrutiny with regards to their balances and reserves. They are expected to have six months of reserves, and while \$9M is not six months of reserves, they took a big hit due to the pandemic. Those funds support housing operations and the balance is insufficient to introduce new programming and, they are investing funds in recruitment. There are seven events throughout California and housing is playing a big role in supporting the events financially to recruit students from other parts of California to attract them to housing.
- No further questions received.

#### **Agenda topic # 8 – Academic Affairs MBRAC (Multi-year Budget Realignment Advisory Committee)**

- **John Kim** prefaced the presentation explaining the committee is called the Multi-year Budget Realignment Advisory Committee (MBRAC) and is focused on Academic Affairs. The committee is an advisory to help determine and gather information and for the Academic Affairs process of budget realignment. This Spring, the committee will be focused on Academic Affairs Operating Expenses (OE). In the past, colleges and departments

had to use money other than recurring funds in its operating budget to fund OE. That can be interpreted as core planning, but does not protect money needed for urgent things.

- The first step in developing plans for building OE into the general operating budget is to conduct a comprehensive survey of OE across Academic Affairs. This is a fairly comprehensive task and may be the first time it's been done systematically in the last 20-30 years. The goal for Spring is to finalize this work in enough detail to help inform next year's budget plan for Academic Affairs. With the severe budget reductions, there may be opportunities to start building it into the budget plan.
- MBRAC will begin with the largest units: CoSE, LCA, LFCOB, HSS and Academic Technology. By end of April, they're hoping to complete GCOE, CoES, the Library and other units in Academic Affairs such as DUEAP and Grad division. By the end of May, the hope is to have a fairly complete collection of information and data organized to help finalize the budget plan for next year, which needs to be finalized by end of June 2024.
- Over summer they could complete a final report to build OE into the budget plan for Academic Affairs, and also identify other sustainable means for funding OE.
- (See slides for MBRAC members)
- **Alesha Sohler** asked if the remaining potential members have been reached out to.
- **John Kim** replied they have, and he is waiting on their deans to confirm there are no conflicts.
- No further questions received.

#### Agenda topic # 9 – Public Forum

- No questions asked.
- **Amy Sueyoshi** remarked (re: MBRAC) Academic Affairs can get through this together, and it will require everyone's participation. All departments should participate in some kind of curricular revision (which can depend on if courses are concentrated). If it's a grad or undergrad program with a large number of lower division courses, it could mean something as simple as reducing a baccalaureate degree by 3 units, and having tenure track faculty teach at least one lower division course. These are things that could be considered. Asked every department, even if great strides have been made in the past 5 years, to streamline curriculum to participate in some kind of revision to get through this enrollment decrease. Is confident this can be done if everyone pulls together.
- **Jesse Garnier** asked about the lecturer targets he received as chair recently, which seemed late in the cycle that would normally be expected. Was given a financial target that was small, and its the first time a dollar amount was attached to that process. As a chair for 2 years, considered that may be a legacy practice and asked if this is a signal that chairs will have more direct budgetary control over those numbers, as opposed to things like FTES.
- **Amy Sueyoshi** acknowledged it's difficult to build a schedule under challenging circumstances. There is a target to be reached, and deans received an email from her in terms of scheduling to try to meet those targets within the dollars allocated. Some deans may be giving dollar amounts while others use other targets. Doesn't know the specifics of his college, but shared that if the target can't be met by adjusting class sizes/adding a few students or making other adjustments like tenure track faculty teaching at least one course in lower division, or reducing the number of electives, then it just depends on credential requirements and what can be done. These are the types of things departments can work out collaboratively. The dean's offices have more of a college-wide view, but active participation from the departments is needed which is why he may have received additional financial details.
- **Jesse Garnier** asked that if there are conditions that could conflict with accreditation requirements, what would be the framework to be used.
- **Amy Sueyoshi** responded the campus absolutely does not want to risk accreditation, and conversations can be had if things do not seem possible.
- **John Kim** added other colleges have done this process historically in different ways. He is not prescribing how departments should change their processes as some solutions may not be appropriate for all, but some steps can

be taken. It helps to understand the problem so chairs and deans in similar positions can work more closely together to come up with solutions. Is happy to share guidance to help get things on the target track.

- The FTES targets need to be met but all should think about how those targets translate into the need for students to make progress to graduation. Frustrated students will not return to campus, which will make things worse.
- **Mari Hulick** commented she may need to put courses on “tentative”, but if they show demand, asked if they will be able to take them off ‘tentative’. Her department has increased caps significantly where they could, and other classes they could not as the size is restricted by the fire marshal/health and safety regulations so they’re at limit.
- Some departments are expensive on paper and is happy to see some MBRAC members who understand this and can articulate the needs of those departments, especially biology and theater/dance as both departments are more expensive than lectures. Asked if exact numbers will be shared on where the melt occurred and what year students were in, to help departments be proactive.
- **Amy Sueyoshi** remarked when she was in Ethnic Studies, they had a robust waitlist. More sections can be opened if there’s demand, with one caveat: there’s no doubt that as the university becomes smaller, it cannot offer the same number of electives in the GE area. For example, instead of offering six different classes, maybe offer four. If there’s a class with high demand but it’s not necessary for graduation, then a choice needs to be made and maybe a section is not added. The campus will continue to offer classes that are needed.
- Re: melt, in terms of getting students back, Katie and Lori Beth are doing a great job with first and second years, but improvement is needed in third and fourth. Those are in the majors, and asked Katie to elaborate.
- **Katie Lynch** added they’re looking at students on the retention side and those that were lost. They will be reviewing post-census and cleaning any errors which involves a lot of work from registration, admissions and other teams on campus. Then they’ll move forward with analysis and bring to UBC and Chairs Council to ensure everyone has the information. Sutee just completed an incoming student melt analysis to better understand what factors drive students lost over summer between orientation, registration and actual enrollment.
- **John Kim** added re: placing classes on ‘tentative’ is reasonable and important, especially if demand is unknown. However, if a class is added after the schedule is published, a classroom may not be guaranteed to fit the schedule needed. Encouraged use of ‘tentative’ but not overuse to cause additional constraints. Some classes may need computer labs, currently capped at 25, but they might create larger capacity computer classes because in the long term this might alleviate some issues.
- **Christine Hintermann** shared resources in the Chat, as she keeps hearing from employees their surprise about budget concerns. Web sources including [Calmatters](#), [EdSource](#) and [Inside Higher Ed](#) report on these topics with podcasts, videos and phone alerts for updates. These news sources impact the campus and reiterated that everyone should pay attention, as they report on what’s happening across the CSU. Hearing President Mahoney (at the BoT meeting) and at this meeting was like a shock doctrine for her, and she’s able to come to these meetings more aware, especially with what’s happening at the K - 12 level and the impact it has. Also shared the BoT meeting’s Finance Committee discussion link ([here](#)).
- No further comments received.

#### **Co-Chairs adjourned the meeting approximately 12:02 PM**

- Next meeting: Thursday, April 21, 2024 from 10:00 AM – 12:00 PM via Zoom

-end (nrg)

## From the Chat:

10:01:50 From Nancy Ganner: Good morning everyone, and welcome! Guests, please add your last name, and members, please add Member before your name please. Thanks

10:11:16 From Amy Sueyoshi (member): Forgot to mention that President Mahoney sends her deepest regrets for her absence. She has both Advocacy Day in Sacramento and then the Presidential investiture in San Jose!

10:13:34 From Aaron Kerner: Sorry was that 600 teaching folks and 500 staff? So 900 altogether?

10:13:55 From Mari Hulick (she/her): 1100 altogether :-)

10:15:35 From Noortan H: CPaGE staff are self support staff can they also apply for this program if they have 10 years of service?

10:27:03 From Member, Dylan Mooney: It seems a little problematic if only one group has access to the program (even unintentionally) - we also run the risk of undercutting programs or overloading the remaining employees if we do not pay attention to some elements of even distribution.

10:29:33 From Nancy Ganner: you can email Ingrid at [workforce@sfsu.edu](mailto:workforce@sfsu.edu)

10:40:15 From Michael Scott: LAO is currently forecasting a \$78 Billion state deficit.

<https://lao.ca.gov/Publications/Report/4850>

10:42:02 From Nancy Ganner: member questions, then guest questions. please raise your hand and the host will call on you

10:49:41 From Member David Miller Shevelev: Given that our budget adjustment was reduced from 5 percent to 3 percent, might we have to make up for that 2 percent in a future year in the form of a 7 percent reduction?

10:55:35 From Nancy Ganner: This slideshow will be posted to the UBC webpage later today.

<https://adminfin.sfsu.edu/university-budget-committee-0>

10:58:01 From Member Katie Lynch (she/her/hers): We continuously review our enrollment projections and have "best case scenarios" however, we have to accept we are 20% from target. we've got a long way to go and should only expect moderate growth, if any

10:58:32 From Michael Scott: Detailed report on enrollment at the 23 CSU campuses. Overall undergraduate enrollment is down 6.5% systemwide in comparison to 2019. Most Northern CA campuses are declining significantly in enrollment

Article: [Illuminating Innovations: Advancing Enrollment at California State University](#)

11:00:58 From Member Mari Hulick (she/her): There was a comparative chart of all 23 campuses that showed enrollments on all 23 campuses. Will there be an update of that chart?

11:01:37 From Member Gretchen LeBuhn (she / her): @Amy In looking at the data in the enrollment chart in the .pdf above. Our decline is the 5th largest of all the CSUs.

11:01:56 From Member Gretchen LeBuhn (she / her): Is there new data?

11:02:57 From Member, Danny Paz Gabriner:

<https://tableau.calstate.edu/views/SelfEnrollmentDashboard/EnrollmentSummary>

11:03:28 From Member Katie Lynch (she/her/hers): @Member Gretchen LeBuhn (she / her) - that is correct, we are still running post census numbers now

11:04:15 From Member Katie Lynch (she/her/hers): @Member Mari Hulick (she/her) - new charts will be forthcoming when all census data is submitted by the 23 campuses

11:04:30 From Co-Chair Amy Sueyoshi: Thanks Gretchen, I'm thinking in direct comparison to Sonoma to Maritime from whom I've been hearing from the provosts. Maritime is now at 750 students, Sonoma which should be at 10K is now at 3300.

11:12:20 From Member Christine Hintermann: *Highly recommend the BOT Video*

11:12:25 From Claude Bartholomew: <https://www.calstate.edu/csu-system/board-of-trustees/past-meetings/Pages/January-29-31-2024.aspx>

11:24:53 From Member Katie Lynch (she/her/hers): *Housing has been helping tremendously with using funds to help build enrollment- we are co-hosting regional receptions (starting tonight) as an example.*

11:25:16 From Member Katie Lynch (she/her/hers): *this will help us drive more enrollment with residential students*

11:25:38 From Lori Beth Way: *We are also guaranteeing new first year students in the Fall 2024 housing.*

11:29:40 From Member Jamillah Moore: *BRB*

11:29:58 From Co-Chair Amy Sueyoshi: *I'm telling all my Angeleno parent friends to get a room (for their kid) now.*

11:33:28 From Alesha Sohler (She/Her): *Is there anyone from the GCOE on here?*

11:33:53 From Co-Chair Amy Sueyoshi: *Yes we are adding two more reps, GCOE and COES.*

11:34:05 From Alesha Sohler (She/Her): *Thank you!*

11:34:18 From Co-Chair Amy Sueyoshi: *We got the names late so it's not confirmed.*

11:34:18 From Member Mari Hulick (she/her): *I'm so happy to see Kim's name. She understands the complexities and needs of the "expensive" departments.*

11:34:34 From Co-Chair Amy Sueyoshi: *Thank YOU!*

11:35:31 From Dan Buschmeyer: *(Re: BOT) Was President Lynn's address given to the finance committee? I am looking for the correct video & time stamp.*

11:36:04 From Member Christine Hintermann: *It starts at 37:50*

11:36:16 From Member Christine Hintermann: <https://www.youtube.com/watch?v=SK22GFX2Kkk&t=10s>

11:39:55 From renee EOPP admissions: *just a thank you for everyone and the important work you all do in deep dives allowing SFSU to prepare together and move forward*

11:40:33 From Member, Dylan Mooney: *Don't forget UBC office hours tomorrow! Come hang out and ask those difficult questions! Email [ubc@sfsu.edu](mailto:ubc@sfsu.edu) for the link!*

11:41:12 From Nancy Ganner: *questions and rsvp's are always welcome at [ubc@sfsu.edu](mailto:ubc@sfsu.edu)*

11:50:01 From Dan Buschmeyer: *Thank you!*

11:50:31 From Chris Bettinger: *To John's point, 18% of our students last year did not continue to enroll this year.*

11:55:18 From Member, Danny Paz Gabriner: *In spring we ran into situations where students could not get certain GE, even in Golden 4.*

11:56:27 From Alesha Sohler (She/Her): *How are the graduate student studies numbers? I know that is a smaller percentage of our students, but out of curiosity*

11:56:47 From Lori Beth Way: *First year retention is very high at this point. I'm not sure we have much more that we can improve there. We are moving to focus especially on sophomores with them now sticking with their assigned first year advisor.*

11:56:56 From Member Katie Lynch, SF State: *Grad has been flat which is what we projected.*

11:57:05 From Alesha Sohler (She/Her): *Thank you!*

11:59:03 From Co-Chair Amy Sueyoshi: *@Danny We aim to have better course planning. To offer more golden four courses the answer could be to have a T/TT faculty member teach a course in the lower division rather than an elective. (I already messaged him privately but wanted to send this to everyone.)*

12:00:03 From Claude Bartholomew: *Retention Operations is also about to launch a focused campaign for 800+ students that didn't return this semester to see if we can help them return.*

12:00:51 From Member Christine Hintermann:

<https://calmatters.org/>

<https://edsources.org/>

<https://www.insidehighered.com/>

12:01:22 From Nancy Ganner: I'll share all these links after the meeting too

12:02:14 From Stephanie Shrieve-Hawkins: Thanks, Christine