



University Budget Committee Meeting Minutes

DATE: Thursday, August 6, 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, Senate Chair Teddy Albinak, Ian Dunham, Mary Menees, Kathleen Mortier, Gitanjali Shahani, Jerry Shapiro, Genie Stowers, Dwayne Banks, Maria Martinez, Elena Stoian, Sutee Sujitparapitaya, Associate Students President Andrew Carrillo and VP of Finance Rashid Abdul Rahiman, President Lynn Mahoney

Advisory team present: Enrollment Mgmt/President’s Office: Tom Enders, University Controller: Sylvia Piao, UE/UCorp: Tammie Ridgell, SAEM: Mirel Tikkanen, ADV: Venesia Thompson-Ramsay, A&F: Cesar Mozo

Absent: Dean Amy Sueyoshi, VP Jason Porth, Andrew Ichimura

Guests Present via Zoom: Gene Chelberg, Associate Vice President of Student Affairs, Frederick Smith, Assistant Vice President of Equity & Community Inclusion, Danny Glassmann, Associate Vice President of Student Life and Dean of Students

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

Accompanying PowerPoint presentation for this meeting can be found here:

https://adminfin.sfsu.edu/sites/default/files/documents/UBC%20Presentation%20Aug%206%202020%20pdf.pdf

UBC Co-Chairs called this meeting to order at approximately 10:03 A.M.

Agenda topic # 1 – Welcome from Co-Chairs

- Jeff Wilson and Jennifer Summit welcomed new members and guests

Agenda topic # 2 – Approval of Minutes from July 23, 2020 meeting

- Jeff Wilson requested approval of the meeting minutes. Members approved, seconded and passed.

Agenda topic #3 – Opening Remarks by President Lynn Mahoney

- President Mahoney:
• Reported SF’s Economic Recovery Task Force is building a post-pandemic plan for San Francisco with a multi-year plan which has many complex layers, similar to ours. Listed our challenges:
o Reduction in State allocations. Governor advised us to anticipate at least two additional years of reductions.
o Enrollment reduction (= less tuition and fee revenue). 2/3 of that pre-dated Covid so already a long-term reduction. There are plans for strategies to improve enrollment, but for now, it’s a permanent reduction.
o University has had a reliance of carryforwards to cover ongoing commitments, which have to be maintained as carryforwards diminish.

- University reduced some of the funding gap by leaving open position vacancies and cutting operating costs, but still has an \$18M gap to cover. Some of those cuts and vacancy-holds can be only temporary, as many will be needed when face-to-face instruction resumes.
- Acknowledged these issues require complex solutions and thanked everyone for working together to find them.

#### **Agenda topic # 4 – CARES Act – Tranche III**

(see slides 7-12)

- **Beth Hellwig:** Introduced the Student Affairs team to present on proposed use of the third part of the Cares Act funding, which is split into three parts. The CARES ACT 3 is designated for MSI, HSI, Tribal, and HBCU campuses & identities to address inequities during COVID-19. **Executive summary of funding requests can be found here:** [Cares Act III Funding Proposal Executive Summary](#)
- **Gene Chelberg:** Introduced himself and explained that like faculty, Student Affairs also had to pivot and offer their supportive student programming such as behavioral health, and funding would support additional counselors in CAPS (Counseling and Psychological Services [CAPS](#)) and DOS (Deans of Students [DOS](#)) to help students with mental health case management, with the Action Crisis Team ([ACT](#)), especially for students of color, both remotely and for those on-campus. With this funding, they could focus on enhancing and increasing services to Black and other underrepresented students, and also work to recruit and hire counselor faculty from those communities.
- **Danny Glassmann:** Introduced himself and noted our designation as an MSI (Minority-Serving-Institution) and reviewed details of funding opportunity and research (see slides) that are directly affected by current issues such as racism and the pandemic, in order to balance inequities and help them better connect and be supported by remote learning, to ensure student success.
- **Frederick Smith:** Introduced himself and addressed the need to support the men-of-color mentoring program. Pointed to the graduation gap between black, Latinx and Pacific Islander men of color and other student groups on campus. Discussed the research (see slides) on basic needs, security and loss of family and personal employment and access to campus resources to balance challenges faced to succeed academically, with the lingering effects of the digital divide and the emotional toll of racial injustice. This portion for mentoring initiative will be a small investment for campuswide programming addressing retention, persistent graduation gaps and success for all at San Francisco State.
- **Beth Hellwig:** Thanked the presenters from Student Affairs and confirmed with Jeff Wilson this \$400K request is for a part of the \$2.2M Cares Act 3 funding.
- **Jeff Wilson:** Confirmed this and reminded that the pandemic remote-learning plan may go into Spring and urged caution with limited funding, considering funds spent to-date and what may have to be spent if this continues. Chancellor is to advise in late October of Spring plans. Opened the floor for questions from UBC members.
- **Jerry Shapiro:** Asked if there had been any plans to connect programs on campus with campus needs, as in internships that provide therapy and supportive services, as a way to extend fund use, conferring with community agencies in Hunter's Point that might also support enrollment of freshmen, rather than fund full-time positions, to get a sense of what would be most valuable to the constituency they immediately serve and displaying a commitment to recognizing our community. This might be a way of stretching the funds and helping graduates of our programs who are interested in obtaining their licensure for psychotherapy. This might employ interns in addition to a fulltime hire.
- **Gene Chelberg:** Responded that they cannot put out news until the grant is received, but they are already working with the CO and local community agencies to hire local case managers to coordinate those efforts, and we also host the Peggy H. Smith training clinic on campus which supervises MFTs who help students in their work, even now remotely. [https://psyservs.sfsu.edu/Counseling\\_Services/Counseling\\_Services\\_Clinic](https://psyservs.sfsu.edu/Counseling_Services/Counseling_Services_Clinic)

- **Beth Hellwig:** Thanked Jerry for his comments and added that she, Fred Smith and President Mahoney have also been meeting with a variety of student groups of color who have asked for support with these specific critical issues for this coming year especially.
- **Genie Stowers:** Agreed on the need for counselors and stated her concern for using one-time funds to begin new programs and to hire staff, especially for this vulnerable population of students. Asked how this will be maintained beyond the one year, and, if the technology needs can be supported via our own technology departments.
- **Gene Chelberg:** Responded that Student Health Services was planning for additional counselors which would have been offset by student fees so this was to be bridge funding until then.
- **Fred Smith:** Explained also that piloting a program now to address the graduation gaps for men of color was an investment in the future of some of our most vulnerable students, especially given the current pandemic.
- **Genie Stowers:** Asked further about plans to maintain program funding into the future, to ensure programs don't end after the first year.
- **Danny Glassmann:** Addressed Genie's question about a technology partnership and explained the funding will be used to train staff specifically on this, purchase subscriptions and software/hardware, which can be very expensive, and to provide technical assistance to those student communities. They are being very strategic with these funds to maximize their potential, to leverage technology in support of student success, such as the filming of videos they're using to help kick off the Gators-Helping-Gators campaign.
- **Teddy Albiniaik:** Asked if the training programs might be available to all members of campus and also asked if the technology fund details would be available so everyone can see how it was spent.
- **Danny Glassmann:** Responded that the trainings will all be virtual and can be shared, and will share information about the funding details.
- **Kathleen Mortier:** Agreed that counseling is very important to our students and asked if the technology funding would support videocams for minority students, who may also be parents and have difficulty participating in remote learning.
- **Jennifer Summit:** Noted that technology needs for faculty and students in support of remote instruction was included in the 2<sup>nd</sup> tranche of the Cares Act and is managed by Andrew Roderick in Academic Technology - encouraged her to reach out to him for the status of that funding, as they have significantly added to the pool of loaner laptops available to students, as well as wifi hotspots.
- **Gitanjali Shahani:** Asked about faculty involvement in the drafting of these proposals with connection to students.
- **Gene Chelberg:** Responded they have relied on faculty to connect students to these counseling services and the position in the DOS office is important as that's where they hear a lot from faculty re: student concerns in the classrooms and behaviors that need more support. Also these positions would allow them to do additional outreach to faculty and staff to reinforce those connections.
- **Jeff Wilson:** Noted no further questions and reminded there is \$1.8M of funding beyond this \$400K being requested that will be planned/requested as the semester unfolds. Feedback from the UBC members will be requested over the next few days on this proposal to determine if it will move forward.
- **Genie Stowers:** Asked Jeff Wilson how the decision to move forward will be made to recommend the President.
- **Jeff Wilson:** Responded that feedback will be requested formally from members to gain consensus in order to make the recommendation to President Mahoney.
- **Jerry Shapiro:** Asked of the UBC members to think about proactive initiative and to reach out to people around campus programs that have internships and might be able to contribute to the intent of the programs presented and extend the funding reach, and participate in brainstorming to support funding decisions.
- **Teddy Albiniaik:** Asked about how members can reach out if further clarification if needed.

- **Beth Hellwig:** The presentation and supporting summary will be shared on the UBC webpage and the Student Affairs team can offer further conversation about this proposal.
- **Jennifer Summit:** Reminded all that the first tranche of the Cares Act was for students, the second was for institutional support and this third tranche is for funding as it relates to our status as what the federal government refers to as a Minority Serving Institution (MSI).

### Agenda topic # 5 – 2020-2021 Budget Overview - continued

(see slides 14-30)

- **Jeff Wilson:** Reviewed budget items presented at last UBC meeting (see slide 19-21) and updates made since last meeting (see slide 23-24) and explained budget concepts (see slide 26-29), and next steps (see slide 30-31) in preparation for Cabinet-level budget presentations at coming meetings, to ensure a broad understanding of specific terms such as one-time funds, carryforwards and reserves.
- Mentioned the discussion at the last UBC meeting about reserves and directed to the CSU transparency website: [CSU Financial Transparency Portal](#)
- Recalled a general consensus at the last meeting (see slide 20), from those members who spoke, to use about 1/3 of the reserves to support the deficit for the current fiscal year. The 35% suggested is approximately \$7.7M, which still leaves a funding gap to be addressed.
- Explained that SF State Vice Presidents will begin Cabinet-level budget level presentations, beginning today with University Advancement, where each Vice President will present their working budgets for their 2020-2021 division, reflecting adjustments from the hiring “chill” and reduced operating expenses that have already taken place. Other Cabinets will also present; Administration & Finance, Student Affairs, Academic Affairs, Enrollment Management, Office of the President and Athletics. Noted that carryforwards shown in these presentations will be included and how they will be used, and what carryforwards remain will go into the University's reserves.
- **Jerry Shapiro:** Inquired as to the process of UBC recommendations, as the discussion of percentages did not constitute a plan. He was waiting for a more formal solicitation from leadership for input from UBC members in matters of importance, such as distribution of funds. CEETL has done an incredible job and would like extended funding directed there for a second wave of student and faculty engagement. Asked how SF State might position itself over the 2-3 few years, instead of holding onto reserves; strategically this may be the time to redefine itself. As community colleges are free for an extended period of time, we have to think about how to partner with them in different way to build up our base rather than get students from SoCal. Advised there was a tremendous need for local employers in the area of government and private sectors to have campus access for retraining and upgrading their staff and to provide education to supplement job categorical requirements.
- Continued there are ways to explore how faculty who live in different parts of the Bay Area can affiliate with a community college close to where they live, and be the SF State representative and teach a course there to recruit students and establish an on-going feeder dynamic to SF State. Asked where they might have the opportunity for these kinds of innovative conversations? Repeated Genie Stowers’ earlier point about using our grads for mental health support. Advised there are many creative ideas but there doesn't seem to be a place for these discussions to take place.
- Added we have to streamline our scholarship process and review how we generate funds for students. This is an ideal time for us to reach out to grants and our community partners and see how we can generate tailored funds to really support students in completing their degrees. The scholarship process is really complicated on our campus.
- Inquired if there some way that we can utilize this opportunity to reach out to our alumni and come up with those additional funds that will make a big difference in students’ lives.

- Concluded with consideration for a mechanism for funds that have been generated as a result of governmental contracts to make sure that there isn't any contractual stipulation that those funds have to be expended within a department or academic unit.
- **Genie Stowers:** Asked for clarification about process and how the reserves percentage recommendation made at the last meeting would move forward. She understood there appeared to be consensus but hadn't heard the decision was made, as the presentation implies it was.
- **Jeff Wilson:** Responded that the decision was made to use that number for our planning and working-budget purposes, so the final decision has not been made. The conversation at the last meeting, of those who spoke, indicated the 33-35% use of reserves as a good starting point for continuing to build out our budget.
- **Genie Stowers:** Countered that this being a discerning body is new for this group, and we have not worked out the decision-making processes. A discussion about reserves was had, but not voted on. The group needs to decide how to start deciding on these recommendations. Expressed discomfort about a discussion guiding decisions and the co-chairs taking ambiguous preferences at their word. May be best to vote and move forward as a motion, as UBC members develop a culture of being a body that makes these kinds of recommendations.
- **Jennifer Summit:** Responded to Jerry and his point about the need for brainstorming ideas and decision-making when called for, and reiterated one of the goals for this committee is budget literacy, and sharing the understanding with clarity and precision where the money is and what it's being used for. As Jeff Wilson noted with the coming Cabinet presentations, the UBC will be reviewing a series of very granular, detailed reports on where the money is, not so much about decision-making in looking at data from last year, but instead, as a basis for looking into next year. The UBC should have clarity about the capacities in which group members are being solicited to participate, with feedback and action items that will require a vote.
- **Jerry Shapiro:** Agreed that the UBC needs a process and a place where members may benefit from one another's perspective.
- **Jennifer Summit:** Summarized that the co-chairs will need to make the goal of each item clear, and discussions can be had, but it helps if goals are stated as part of the agenda.
- **Genie Stowers:** Requested clarity about the Cabinet presentations and if they are part of the process towards making recommendations to the President, so ultimately there will be a specific recommendation made. Inquired if the presentations are made to absorb the information in order to have meaningful recommendations.
- **Jeff Wilson:** Noted the purpose of the Cabinet presentations are to have a better understanding at the divisional-level of the budgets, as foundations for decision-making. There won't necessarily be decision-making around components of those budgets as part of these meetings, but long-term future planning would include making recommendations to the President.
- **Kathleen Mortier:** Agreed that it's more than knowing when the UBC is at a point of discussion or decision-making. Recalled from the last few meetings in discussing one of the funding tranches, they were asked to provide input in writing and they did, but it wasn't clear how the decision was made from there. Agreed with Jerry and Genie a clearer process is needed.

### **Agenda topic # 6 – University Advancement – Budget Overview**

(see slides 32-47)

- **Jeff Jackanicz:** Introduced himself and stated goals of his presentation are to give visibility into the University Advancement structure and how they manage their funding. Welcomed all to ask questions and participate in brainstorming by contacting him directly, given the little time left in the meeting.
- (beginning at slide 35): Six areas of Advancement:
  1. Advancement Services processes gifts and manages their related infrastructure.

2. Alumni Relations/Engagement is committed to keeping alumni involved, providing them with meaningful opportunities to connect with their alma mater and to solicit support, usually through annual fund solicitations.
  3. Strategic Marketing & Communications is responsible for those functions across the University, serving everything from support for student recruitment and enrollment, to public and media relations and ensuring the kinds of stories and narratives about the University that support our mission.
  4. University Development is our fundraising group that is largely organized divisionally or disciplinary by college or school.
  5. University Events & Protocol focuses on everything from Commencement and helping with the upcoming Convocation, to events associated with fundraising activities.
  6. The VP Office and Operations provide significant support to the San Francisco State Foundation, which is a parallel standalone that helps raise money and manages the endowment.
- Recapped that this is the scope of who University Advancement is, and what they do with their staff of 53 and their base budget of \$5.3M, which is roughly 1.5% of the University's overall budget. He reviewed their budget summary, their carryforwards and its use, and showed a total of 15 vacant positions, leaving 9 open for the indefinite future. The San Francisco State Foundation, as part of its work with the University, provides subsidy or full support for certain positions and showed an increase for this year, in support of salaries and benefits, including the VP. They've taken significant measures to conserve on hospitality and travel costs in light of the pandemic so the base budget is down 13% this year, relative to last year.
  - Noted their donor database is over 20 years old and requires an infrastructural investment which has been long overdue; some of their carryforwards will be used for that. As they will be using their carryforwards, this brings their total budget to approximately \$5.7M. Most are for one-time expenses associated with investments in outside consultants for their campaign analysis or organizational development for team culture, and is anticipating investments in providing greater marketing and communication support to Enrollment Management. Their operating expenses are up about 24%, driven by these significant one-time expenditures, and they have also factored in some decreases around again travel and hospitality costs.
  - Walked through the budgets of the six areas of Advancement (beginning on slide 41), mostly showing decreases due to vacancies but an increase of 11% in University Events & Protocol due to stipends associated with a couple of core positions. They continue to hold events and engage in meaningful ways to bring members of the community in contact with the University electronically.
  - Reiterated that leaving a large number of positions open for an indefinite basis is going to continue to constrain their ability in some key ways. It will make a difference in the things they won't be able to do.
  - Reported they just completed an extraordinarily successful campaign that raised over \$150M for the University, and noted many in this meeting were crucial parts of ensuring that happened. They will move into a planning and feasibility phase for the next campaign.
  - Summarized that they spend \$9 out of every \$10 on salaries and wages, the rest in operating expenses, and reminded all he was open to direct communication about the work of University Advancement.

#### **Agenda topic #7 - Administration & Finance – Budget Overview**

- **Jeff Wilson:** Noting little time left of the meeting, deferred the Administration & Finance budget overview to next meeting; moved to open the Public Forum.

#### **Agenda topic # 8 - Open Forum**

- **S. Evrim Ozer:** Using the Calstate transparency link mentioned, and the economic uncertainty breakdown: [CSU Designated Balances and Reserves](#) ... doesn't see a breakdown of each of the campuses, but with so much talk about systemic inequity and how different campuses are funded within the CSU, asked for an explanation of this.
- **Jeff Wilson:** Responded there are differences in how the campuses perform; the SoCal campuses are over-enrolled and they don't face the same enrollment challenges we have, which enhance their revenue. They are not as impacted by declining enrollment. In terms of changes from year to year, if you look deeper at SF State's classification of reserves ([SFSU Designated Balances and Reserves](#)), you will see we moved a lot of our reserves out of economic uncertainty into short-term commitments, which basically means that the economic uncertainty is here. We are facing a huge deficit and we plan to deploy more funds to face our short-term commitments, rather than leaving them as part of economic uncertainty. Each campus does this differently, as with many things in the CSU, it's not a one-size-fits-all for the 23 campuses.
- **Jennifer Summit:** Added that SF State's looks like it was hit particularly hard and part of that is how we are affected by an enrollment decline which is not affecting other campuses; while SoCal campuses have robust enrollment, NorCal campuses are much softer the further north they are. These are the cumulative effects of multiple years of declining enrollments, which is an important component of our revenue.
- **Kay Gamo:** Asked about how the UBC came up with the 35% recommended use of the reserves, and whether a higher percentage might be used to prevent layoffs.
- **Jeff Wilson:** Responded that at the July 23<sup>rd</sup> UBC meeting there was a conversation among the members, but not to the level of voting, as discussed today. The goal was to be cautious about our reserves, as this will be a multi-year problem. The allocation cut we got from the State this year was 8-9% and we're expecting more cuts the following year. We have to have a contingency fund for emergencies or severe damage to the campus, such as an earthquake, and if we devote too much of our reserves in one year, we may not be able to manage for following years. Using reserves and carryforwards does not solve the foundational problem of our costs exceeding our available resources. We began the conversation with a potential percentage and conserving a base reserve for emergencies. The 33% is aggressive from a CFO perspective, but it seemed like a number to use to start working to fill the funding gap.
- **Christian Rodriguez:** Asked VP Jackanicz that with the Advancement reduction in staff, for those who bring in funds via various fundraising and philanthropy events working with both alumni and unaffiliated donors, if there has been consideration into how leaving such positions unfilled might affect our ability to raise funds?
- **Jeff Jackanicz:** Responded there are opportunity costs associated with leaving some positions vacant, whether it be frontline fundraising positions, event organizers or gift processors. They have looked at ways to mitigate that impact as much as possible by moving some of those responsibilities, making the best choices under the circumstances.
- **Sandee Noda:** Stated it's heartbreaking that at this time, the University would hire for positions that are not for compliance reasons, and asked that current employees be taken into consideration.
- **Danny Gabriner:** Asked that since enrollment is down and it's such a large part of our budget, whether any resources will be devoted to trying to increase outreach and recruitment to increase enrollment. It seems like that's the primary way to drive revenue and may not necessarily cost much. Inquired as to what efforts have been made for that.
- **Jennifer Summit:** Responded that investments in enrollment will help the University rebuild; bringing in new students as well as retaining current students. Investments in Metro Academy, for example, represent a strong commitment to increasing enrollment by strengthening retention. University leadership met with the CSU Executive Vice Chancellor on campus this week about strengthening current operations, rather than adding new operations and redirecting energy to what's actually working. It starts with a comprehensive review of how the University tells its story and then how to coordinate this across the different Cabinet areas to align existing resources. There's a campuswide committee called the Strategic Enrollment Advisory Committee meeting next week and is charged with developing a new strategic enrollment management plan specifically for this purpose. Underscored the point that not

all investments involve investments of resources, but they can be investments in time and analysis of how current resources are being expended so that they can be redirected to areas of critical need.

- **John Cleary:** Observed the 140+ attendees at this meeting and noted more staff than usual due to layoff concerns, and similar to when he was Staff rep at the Academic Senate, there is little representation of staff in the numbers being discussed. While staff have received emails of layoffs, there have not been emails about a committee which includes stakeholders of the groups affected, so they can be adequately represented. Perhaps another committee should be formed to address this concern.
- **Jeff Wilson:** Responded that the UBC does have a staff member representative and it just enacted a new Charge that calls for two staff members on the committee, so there is representation.
- **John Cleary:** Countered that if there is discussion of staff layoffs on this committee, there should be more staff representation.
- **Jerry Shapiro:** Inquired as to what percentage of reserves would be needed for there to be no layoffs, as that would better inform the conversation of percentages.
- **Russell McArthur:** Stated there should be no layoffs when there's money, and asked about the money the Chancellor said is set aside for economic downturns – if SoCal campuses don't have same issues, then said money should be sent to campuses that have them, to protect workers.
- **Jeff Wilson:** Thanked all for their comments and acknowledged the difficult decisions the campus has to consider.
- **Jennifer Summit:** Acknowledged all the comments and agreed this is a heartbreaking time for the whole campus. Observed that greater clarity around the context for decisions is needed, and how they connect to the current situation. Reporting can seem cold, but each Vice President was charged with making up for the significant funding shortfalls with cuts in each area, and these reports are the effect of this, and they are working very hard to find ways to create any savings. Stressed that no one is taking layoffs lightly, and everyone is doing everything they can to find alternatives, which is exceptionally difficult because of where the money is. Its important to show how its all tied together, and how an inability to save money in one area leads to a need to create savings in another, which ultimately comes down to very difficult decisions to be made.
- **John Cleary:** Requested equal representation where these decisions are being made. With two staff members on the UBC, and so many above them in them in leadership, asked for as many staff as there are in faculty and administrators, so all are considered in the same way and they can have equal input.
- **Jennifer Summit:** Responded that the purpose of the discussion and items presented is for actionable feedback. The UBC does have a role to play, and will bring back a revised plan to make those action items clearer.

**Meeting adjourned approximately 5:15pm.**

- Next meeting: Thursday, August 27, 2020, 10:00am – 12:00pm

/nr-g