

UNIVERSITY BUDGET COMMITTEE

February 2, 2012

Final Minutes

Members present:

Robert Corrigan
Andrew Gutierrez
Nancy Hayes
Andrew Ichimura
Martin Linder
Robert Nava
Sue Rosser
Penny Saffold
Jerald Shapiro
Genie Stowers
Don Taylor
Pamela Vaughn

Members absent:

Maxine Chernoff
Harvey Skip Davis

Call to Order

A quorum was reached and President Corrigan called the meeting to order at 2:05pm.

Comment Period

No one signed up for the Comment Period.

Approval of the Minutes from the November 17, 2011 UBC Meeting

The November 17, 2011 UBC minutes were approved, no changes were requested.

Announcements

No announcements were provided.

Enrollment Update

Jo Volkert, AVP, Enrollment Management, provided the enrollment update.

Enrollment numbers look good for this spring and the coming year. Currently there are 27,903 students enrolled, higher than last year by 200 students. The majority of new students in spring are upper division transfers. Students' average unit load is up from 12 to 12.24. Additionally, for freshmen the average unit load is at its highest ever, around 15 units.

One explanation for this uptick is that graduate student enrollments are declining and graduate students generally have lighter unit loads. Some of the reasons for the graduate enrollment decline are: tuition costs are increasing; there are very few financial incentives available such as grants; many students including international students are opting for going right from undergraduate to Ph.D. programs, not graduate level programs; and the number of T/TT faculty are declining which upsets the delicate balance between graduate level and core undergraduate level course offerings.

There are approximately 9,500 seniors this year, about 500 more than this time last year. The international student population is up approximately 20 over last year's numbers which is good since spring numbers are generally smaller. We are currently 150 FTE over target.

Our fall enrollment target is 22,800 FTES and includes 1,400 new graduate students and 3,300 new transfers. We've already admitted 5,000 high performing out-of-area students.

Budget Update

Vice President Hayes updated the committee on the budget, and began by referring to the following handouts which were distributed electronically prior to the meeting:

Governor's 2012-13 California Budget Proposal

<http://www.ebudget.ca.gov/pdf/BudgetSummary/FullBudgetSummary.pdf> (Higher Education, pages 147 - 153)

California State University 2012-13 Support Budget

<http://www.calstate.edu/budget/fybudget/2012-2013/executive-summary/index.shtml>

Legislative Analyst Office: The 2012-13 Budget, California's Fiscal Outlook

http://www.lao.ca.gov/reports/2011/bud/fiscal_outlook/fiscal_outlook_2011.pdf (Higher Education, pages 31 - 33)

SF State Budget Update: 2011-12 and 2012-13 (from emailed pdf, 2012-13 Budget Update_UBC)

Budget Summary 2012-13 (from emailed pdf, Budget Summary_UBC)

Governor Brown presented his budget plan to the public on January 10, 2012, a few days earlier than expected due to it being accidentally posted to the Department of Finance's website earlier than planned.

The budget picture continues to be bleak. The 2012-2013 budget for the CSU remains flat, and cuts that have been taken are permanent. A proposed trigger cut in 2012-2013 for the CSU is anticipated to be \$200M for the entire CSU system. SF State's portion of that cut would be approximately \$13.3M. This brings our funding levels down to those not seen since 1998.

The following items are some of the cost saving measures required to help fill the budget gap: cancel our Pacific Plaza lease which will save us approximately \$750,000 year, and sublease both the downtown Oakland office space as well as some of our San Francisco downtown center campus space. The campus Fuel Cells are both up and running and within two years will be saving us approximately \$250,000 annually in energy costs.

The CSU Board of Trustees approved a 9.1% tuition increase for Fall 2012.

The university budget will be available electronically on the web, as well as in hard copy in the Library, in approximately 10 days.

Derek Aitken stated that the upcoming Facebook IPO is expected to generate substantial capital gains revenue for the State of California later in the year.

The provost stated that there are several UPAC task forces exploring the possibility of additional cost savings opportunities for the campus. The various task forces are looking at Curricular Structure; CEL; LAC/CARP; and GVAR.

Our annual update to the Chancellor's Office regarding new and ongoing campus and system wide synergies is due next week.

The Huron Information Technology Assessment has been completed and their final report submitted to the campus for review. Copies have been distributed to the campus Steering Committee as well as main stakeholders such as Deans, AVPs, DoIT, AT, ETAC, and CTC. Wider availability on the web will follow.

Given the current financial outlook, there is growing interest in and activity around public/private partnerships and their potential for development and revenue enhancement opportunities. The future development of a Holloway Avenue pedestrian mall is one such idea currently under consideration. The concept would be to develop the Holloway Avenue corridor into a mixed use retail/residential/recreational promenade that would revitalize that section of campus and the surrounding neighborhood into an attractive urban "main street" type of environment. In conjunction with that project SF State is participating in a study with the State of CA Transportation Department exploring the feasibility of an underground Muni "M" line between Stonestown Mall and Park Merced.

President Corrigan stated that the issue of disinvestment in public higher education must be addressed, now more than ever. One way he is doing this is thru the Student Voices {Support Public Higher Education} project started in December 2011. Students are invited and encouraged to “raise their voices” to help elected officials understand how budget cuts and rising fees affect students and their families. More than 200 students have responded to date, describing experiences that convey the real consequences of budget cuts and increased tuition fees. The majority of these stories are available on our website.

Associate Students is participating in the CSU-wide “Buck Starts Here” campaign to get the word out about the state budget cuts and their devastating effect on higher education. AS hopes to send 100 students to the Capital on March 5 in support of this important campaign.

Adjournment

The meeting was adjourned at 3:35pm. The next meeting is scheduled for May 10, 2012, 2:00pm-3:30pm, NEC room.

Respectfully submitted,

Catherine Dunham
Administrative Assistant to the VP & CFO
Administration & Finance