

UNIVERSITY BUDGET COMMITTEE

January 29, 2010

Final Minutes

Members present:

Nathan Avani
Lee Blitch
Robert Corrigan
Natalie Franklin
Nancy Hayes
Betty Lam
Leroy Morishita
Sue Rosser
Penny Saffold
Genie Stowers
Shawn Whalen
Nini Yang

Members absent:

Sudip Chattopadhyay
Skip Davis
Derethia DuVal

1. Call to Order

A quorum was reached and President Corrigan called the meeting to order at 10:40am.

2. Comment Period

No one signed up for the Comment Period.

3. Approval of the Minutes from the August 28, 2009 UBC Meeting

The August 28, 2009 UBC meeting minutes were approved, no changes were requested.

4. Announcements

President Corrigan began the announcements. He stated it is no exaggeration when he says that this is the most difficult time in our University's history as well as for the state of California. The coming years will undoubtedly be difficult. This committee will continue to be instrumental in surviving the crisis, developing programs and strategies to respond to student needs. He mentioned that Shawn Whalen is chairing the newly created University Planning and Advisory Committee (UPAC) and that the UBC will be working with them to address and meet the budgetary constraints we're currently experiencing. Although our budget is barely balanced for the spring semester it is far from business as usual. The President thanked John Kim for his work assisting the 375+ students who complained about not getting needed classes. The Chancellor's Office does not appear to be interested in continuing the furlough program an additional year, assuming the Governor's January budget augmentations for the CSU remains at \$305M. On February 14th our budget plan is due to the Chancellor's Office and we must state how we plan to address the budget shortfall due to furloughs ending with next fiscal year. As a reminder the SCTC did not furlough this year and layoffs were declared as a means to open up other options, including reduced loads, etc. The President has been very pleased by the attitude of faculty, students, and staff through this furlough period as it has been a time of enormous pressure for everyone. He mentioned that he is unhappy that we were unable to accept transfer students this spring semester and that we could end up serving 2,000 fewer students this year overall due to the budget crisis. The economy will suffer even worse if students are unable to get their education. The President applauded Lee Blich and Jo Volkert for their advocacy work which resulted in more emails sent to the Governor from students, parents and faculty at SFSU than all other CSU campuses combined. Additionally the Academic Senate and Unions showed invaluable support. Ads in the Chronicle and the Examiner helped us get in touch with our Sacramento representatives. Our community came together like no other campus in the system.

5. Enrollment Update

Dr. Morishita and Dr. Jo Volkert, Associate Vice President for Enrollment Management provided the enrollment update. Our campus severely restricted new admits for spring 2010 due to our need to come in under this year's budgeted enrollment target and to reduce enrollment by 10.8% next year. Only a few exceptions to that rule were allowed through the veterans program; the International Student Program; and the MBA program. The Chancellor's Office has mandated that if campuses are over their FTE allotment, the fees generated by that overage must be returned to the Chancellor's Office or they will be cut from their budget the following year. The Chancellor's Office mandate to reduce enrollment was based on the state reducing the CSUs base budget. Last year the CSU was 14,000 FTEs over target. It was suggested that a per unit, or even a three tier tuition system might be a good option, with additional tuition required of Super Seniors. Dr. Volkert mentioned that currently there is a 175 unit limit on financial aid, and 150 unit limit for Super Seniors. This summer we are moving from a state supported summer session to a self-supported summer session. This will provide students with a good opportunity to take additional coursework during the summer. Students who received financial aid in the fall and spring semester can apply for financial aid for the summer. It is expected that providing such a robust summer session will help students enroll in needed courses.

6. Budget Update

Vice President Morishita provided the budget update. He began by distributing the following handouts:

- 1) Governor's Budget Summary 2010-11.
- 2) LAO, The 2010-11 Budget: Overview of the Governor's Budget (Executive Summary).
- 3) C.O., California State Budget - CSU Support Budget, Powerpoint Slides from Robert Turnage, AVC for Budget, January 25, 2010, Systemwide Budget Advisory Committee.
- 4) SFSU Summary of 2009/10 Operating Budget and 2010/11 Budget Projections.

In the Governor's January budget, state employees (not including those in the CSU) are being asked to take a 5% cut in salary; contribute 5% more of their salary to retirement; and contribute 5% more to their health benefits. The CSU and UC systems are currently the only two entities slated for increased budgets and not a decrease in their state funding. It's unlikely however that all this will come to pass considering all the other programs, especially those affecting social welfare, that are slated for cuts in the range of \$6.9B. The Governor is proposing a constitutional amendment that would guarantee a specific percentage of the state budget for both higher education (currently 7%, proposing 10%) as well as the prison system (currently 11%, proposing 7%). The prison unions are very strong however; therefore we must focus and sustain our advocacy efforts for the CSU. While Propositions A and H may benefit K-12 and Community Colleges, they will not be of help to the CSUs. There is a lot of competing interest for the proposed increases for Higher Education. The Board of Trustees would like to avoid additional student fee increases. The Provost and the President stated that all faculty searches are on hold for the time being. Additionally, as people retire, their positions may remain vacant as part of our cost saving efforts. We will have a better idea of our budget picture after the May Revise is issued.

7. Adjournment

The meeting was adjourned at 11:50am.

Respectfully submitted,

Catherine Dunham
Administrative Assistant to the Executive Vice President & CFO
Administration & Finance

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