

UNIVERSITY BUDGET COMMITTEE

September 28, 2011

Final Minutes

Members present:

Maxine Chernoff
Robert Corrigan
Harvey (Skip) Davis
Nancy Hayes
Andrew Ichimura
Betty Lam
Sue Rosser
Penny Saffold
Jerald Shapiro
Genie Stowers
Pamela Vaughn

Members absent:

Andrew Gutierrez
Marty Linder
Robert Nava

1. Call to Order

A quorum was reached and President Corrigan called the meeting to order at 10:00am.

2. Comment Period

No one signed up for the Comment Period.

3. Approval of the Minutes from the May 16, 2011 UBC Meeting

The May 16, 2011 UBC minutes were approved, no changes were requested.

4. Announcements

President Corrigan welcomed Nancy Hayes as UBC co-chair and thanked her for her service as interim VP & CFO. He mentioned that the search for a permanent

VP/CFO was going well, and he hoped to be able to offer the position to one of the candidates in the near future. He also mentioned that the search for the College of Business, Dean, is also moving along nicely. He also stated that per his announcement to retire at the end of this academic year, that it was a difficult decision especially given the economic outlook. Regardless he felt it was the best time to get the right person in place who can lead the campus forward through these challenging times. He also stated that he would be available to assist the campus in the future and that he has incredible faith in our faculty, staff and administration. Our success is based on the health of these inter-relationships and he hopes they will continue to remain strong and robust long into the future. He is troubled by the CFA's president refusing to meet with him one-on-one and encourages the faculty to take back the union, and not let it be controlled by outside divisive forces. Regarding the state budget, the President stated that the \$100M trigger would most likely be pulled, which would be an approximate \$6.8M cut for us.

5. Budget and Enrollment Update

Nancy Hayes provided the Budget and Enrollment update and distributed the following handouts for the committee's information:

- 1) 2011-12 California Spending Plan, LAO, August 2011
http://lao.ca.gov/reports/2011/bud/spend_plan/spend_plan_081211.pdf
- 2) CSU Memo, August 12, 2011, CT 2011-12 Resident FTES Targets, from Ephraim P. Smith and Benjamin F. Quillian, Chancellor's Office
- 3) Coded Memo B 2011-02, Campus FIRMS Budget Submissions Due by: August 16, 2011, Attachments A-G, dated July 14, 2011
- 4) 2011-12 CSU Support Budget, Board of Trustees Committee on Finance, Robert Turnage, Assistant Vice Chancellor for Budget,

Nancy Hayes stated that September is a critical month as far as the trigger is concerned. She also stated that it would probably happen, and that the Amazon tax deal may be the decider. The question remains, will it be a 1-time cut, or permanent. We may know the answer to that by December, but there is a lot of work to be done not, to make sure it does not become permanent. We will be able to cover the one-time \$7M trigger cut this time from rollover funds, but if the trigger becomes permanent and tuition is not raised again (as has been promised), then we face a serious financial challenge going forward. The Chancellor sent a memo regarding the 2012/13 academic year appealing for funds from the legislature. The problem with these triggers is that their timeline does not coincide with our budget planning deadlines, therefore reserves (in our case) must be utilized to fill-in the gaps. Some areas have turned rollover dollars into general fund. They will want to restore those rollover funds, not continue that trend. 85% of our budget is made up of people, so we are trying desperately to save jobs. At the same time, assigned time and department consolidations must be looked at. Additionally, time to degree

is an issue that needs our continued attention as well. Currently extra FTE funds have been extremely helpful. Other campuses are handling the budget gap in any variety of ways, including utilizing lottery money, reducing the number of faculty searches, etc. The Provost voiced concern that reducing the depth of academic programs could possibly affect accreditation and faculty retention.

6. Adjournment

The meeting was adjourned at 11:25am.

Respectfully submitted,

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

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