

UNIVERSITY BUDGET COMMITTEE

September 3, 2010

Final Minutes

Members present:

Cynthia Ashton
Lee Blicht
Sudip Chattopadhyay
Maxine Chernoff
Robert Corrigan
Harvey (Skip) Davis
Nancy Hayes
Andrew Ichimura
Betty Lam
Leroy Morishita
Sue Rosser
Jerald Shapiro
Genie Stowers
Shawn Whalen

Members absent:

Penny Saffold

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 20, 2010 UBC Meeting

The May 20, 2010 UBC meeting minutes were approved, no changes were requested.

4. Announcements

President Corrigan began the announcements. He started by welcoming everyone, and mentioning that the general response he's received from the Opening Faculty Meeting as it regards our budget situation has been very positive, even encouraging. He wants to be clear that in spite of our managing to balance the budget this fiscal year, that next year's budget is still very much up in the air and depending on what the final budget outcome is could potentially present us with fiscal challenges beyond what we've seen to date. Although the majority of faculty searches are proceeding, it is with the knowledge that some may have to be aborted due to funding shortfalls if the budget does not provide the necessary funding. This decision was based on the very critical time frame for annual faculty searches to recruit the best candidate pool possible for specific departments/colleges. Overall, our students seem to be better served this semester than last year. This has been felt primarily through the increase of course offerings now over this time last year, as well as the acceptance of some transfer students come Spring 2011.

5. Enrollment and Budget Update

Dr. Morishita provided the Enrollment and Budget update. He began by distributing the following handouts:

- 1) PowerPoint presentation from the San Francisco State University Opening Faculty Meeting, August 23, 2010
- 2) Chancellor's Office August Revision of Governor's 2010/11 Budget Allocations (and attachments A-F) dated August 5, 2010

He stated that our enrollment was reduced by 2,537 FTEs from our target of 23,416 FTEs last year. We were able to achieve this because there were no admits allowed in Spring 2010 and we reduced our admissions for Fall 2010. We are once again accepting applications for Spring 2011, but until we get the go ahead from the Chancellor's Office we will not be sure if any will be officially admitted or not. The Chancellor's Office is expected to decide by September 27th at which time we can determine how many will be allowed in. This timing is crucial as October 1st is when we begin accepting applications for Fall 2011 admission. Many campuses are experiencing a greater yield from admits than in the past. Northridge, for example,

was over by 1000+ students. Our headcount for Fall 2010 was expected to be 29,000 but our actual number is currently at 29,500. This is 1,500 over and above the enrollment we projected. We are offering 300 more course sections this Fall than last, and have done a great job targeting the courses students most need to proceed toward graduation. Given the reduction in students adding courses, it appears that they have managed to get a larger portion of the courses they need earlier than in past years.

This year the Chancellor's Office came out with a statement allowing campuses to exceed their FTE targets by 2% (or more) without penalty. That translates to approximately 418 FTEs for us. Those campuses that are very small such as Monterey Bay are not impacted the way larger campuses would be by such overages. Funds that were collected from prior year's penalties have yet to be redistributed to qualifying campuses. We are still unsure if our Summer 2011 program will be state or self-supported, and we won't know until a budget is passed. Today is the 65th day of the State Budget impasse and there is no way to know exactly when it will ultimately be passed. If the state has to send out more IOUs, that will likely put additional pressure on banks, but given the delays we've already experienced it's hard to be optimistic.

It is difficult to know if our base budget plan will include the entire \$305M augmentation, or just \$199M as \$106M will be provided in stimulus funds. We need the state to provide \$106M in general funds next fiscal year to replace the one-time stimulus funds. Once a new governor is elected everything could change. Deals that were in the works might not remain. The Chancellor's office is working on its 2011/12 priorities. Robert Turnage is in Sacramento working 1) to restore the \$106M federal stimulus money problem, 2) \$33M increase in mandatory cost medical benefits for faculty/staff, 3) \$90M for 3% salary increases, 4) \$56M for the Student Services graduation initiative, 5) \$47M for deferred maintenance, technology, library improvements, and 5) \$60M for enrollment growth. Even the UC's retirement system which used to be wealthy now needs to contribute on the UC and faculty side.

Jo Volkert stated that Spring admissions have 2,500 applications on file and that number will grow. By comparison, in 2009 we had 3,200 applications. Our International Student enrollment is currently at 1,500-1,550 but it may get up to 1,600 within the next two weeks. This is down just a bit from last year's headcount of 1,680. More out of state student enrollments would be helpful.

We are still working on reducing faculty course loads from 4 to 3, also assigned time is being looked at to better utilize faculty time by shifting certain assigned time duties to non-faculty members where appropriate. As far as MPP positions are concerned, we expect to be at the same number as 20 years ago by this time next year. Although our budget is balanced for this year, next year we still confront an \$18-\$19M systemic problem.

6. Adjournment

The meeting was adjourned at 11:00am.

Respectfully submitted,

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

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