

President's Budget Advisory Committee
Meeting Minutes
September 26, 2024

Voting Members Present	Area Budget Reps Present:	Staff Present:	Guests Present:
Agnes Wong Nickerson	Crystal Little	Nance Lakdawala	
Bill Tong	Mary Anne Kremicki		
Bann Attiq	Leslie Levinson		
Nola Butler-Byrd	Gloria Bjerke		
Hung "Leon" Chan	Sridhar Seshagiri		
Sean Hauze	Antonio		
Katarina Hernandez	Rashmi Praba		
Chris Manning	Katie Olivo		
Brian Hentschel	David Fuhriman		
Ed Balsdon			
Bill Tong			
James Frazee			
Eric Felix			
Brittany Santos-Derieg			

Voting Members Absent: **Area Budget Reps Absent**

Adrienne Vargas
Mat Schulze
Hala Madanat

I. Call to order

- **Call for amendments to agenda** – Agnes Wong Nickerson called the meeting to order at 2:05 p.m. Agnes asked if there were any amendments to the agenda but there were none.

II. Information Item

- **CSU Multi University Collaboration**– Agnes Wong Nickerson said due to budget constraints, we need multi-layer support and cost efficiencies. CSU hired Deloitte a year ago to look at possibilities. Deloitte interviewed many people and identified 10 areas of possible collaborative administrative functions and narrowed to three – Procurement, Information Security, and Benefit Administration. All campuses have the same benefits. One campus had a serious security breach and some campuses have small IT staff. CSU may perform some functions at the Chancellor's Office or

establish regional centers, or a center of excellence. They are studying the options now. We have certain SDSU employees on the task force – Josh Uhlich, Isidro Cervantes and possibly Ricardo Fitipati. They will set up a governance structure and start meeting. Dan Melchior told Agnes SDSU will be a pilot campus for change management. Nola Butler-Byrd asked if the collaboration would benefit or undermine the alternate project of merging schools. Agnes responded this is only one model. Also, some administrative functions can be performed collaboratively. It will free up time to do other work, increase efficiency and level of service, and save money down the road. Mary Anne Kremicki asked if functions come to our campus, will the resources follow? Agnes responded we would need to add resources. Ed Balsdon said there are areas that it makes sense but there are some concerns, such as IT security. Agnes responded we are at the table so we can be involved with the decisions. They also talked about this at the Chief Administrators and Business Officers (CABO) meeting. The governance structure is very important. Brittany Santos-Derieg said some of the campuses are underwater and need help. Chris Manning said his previous institution was large and the entities that had inconsistent systems proved a risk and a cost to all entities. We should try to limit the exposure of our institutions. Brian Hentschel was wondering about library subscriptions. Can they be centralized? Bann Attiq said we are getting charged more for the same services that we purchase every year. We already do some integration with other campuses. Brittany Santos-Derieg said some journals are purchased collectively. Can we seek out non-CSU campuses to partner with like UC? Agnes replied we can ask Josh Uhlich to review library acquisitions. Leon Chan asked what is the university's perspective on these approaches? We would like transparency into which approach we are taking. Agnes said Dan Melchior's job is to build the infrastructure and communicate what is happening.

Crystal Little talked about what we are doing on campus. Crystal and Mary Anne are on a committee to add shared services. They hired Dan as the director of shared services. He has been on campus two years. He needed to initially focus on procure to pay – restructured Procurement and Accounts Payable. He brought on a campus care team as well. Josh Uhlich has done a great job of improving the services. He recently began a pilot with the College of Sciences (COS) to look at startup packages. COS is pleased. COS focused on core competencies of staff. They are also helping P2P with changing policies as well. COS staff has expanded to other areas and are making processes more efficient. Faculty are much happier and staff have much better job satisfaction. They also have coverage when on vacation. We are now conducting a listening tour with three other colleges and BFA. Go to sdsu.edu/sharedservices for more information. We did not have to add staff; just shifted people around. Ed Balsdon asked how this would affect the shared services at the CO. Crystal said Josh and Dan are on the team and are strategizing how it would work. The Jagger software would

have to be implemented before we can do these shared services with CO. Brian said having a specific team is the key to this success. There needs to be caution about having too large of a scale. Agnes will make sure our task force gets this input.

- **2025/26 Board of Trustees Budget Request** – Crystal Little said the CSU is asking the state for funding their true needs (see the attached presentation). Currently we will have an \$800M deficit. We will see the governor’s preliminary budget in January. We are doing better than some of our sister campuses. Brian Hentschel asked how our deficit compares to our last major deficit? Agnes said during COVID we had a cut of \$32M but got it back the following year. We are asking deans to save their one-time money because we may need it for 2025-26. Brian would like to compare the current budget crisis with historical ones. Agnes mentioned the CSU hired EAB to study enrollment. There will be an enrollment cliff but it won’t affect all campuses. Brittany said in the past, the deficit was similar but the CSU cut enrollment but they won’t do that now. 96% of students that start at community college don’t ever apply to CSU/UC.
- **Budget Update Memo Feedback** – Agnes Wong Nickerson recently emailed a budget memo to faculty and staff, and asked if anyone has heard any feedback? No one had any feedback. Mary Anne Kremicki said we need to focus on how we are going to make the budget cuts. Deans have said the message wasn’t as pointed in that direction as it could have been. Ed Balsdon said it presents the opportunity to make some changes that are necessary. In 2019, we removed the local area enrollment requirement which was very helpful. Are there other opportunities that could help now? Agnes said the CSU has certain requirements for transfer students e.g. we can only transfer them into their sophomore year. Can we be more flexible? We are continuing the spring admits. Rashmi Praba said some campuses allow spring enrollment but force them to attend summer. We are considering making summer a third semester. Bann Attiq asked if the Maritime merger with San Luis Obispo was finalized. Nola Butler-Byrud responded the Board of Trustees has to vote during their November meeting.

III. Action Items

- None

IV. Watch List

- None

V. New Business

- None

VI. Reminder

- **Next Meeting Date** – Meeting adjourned at 3:25pm. Our next meeting will be on October 17, 2024 at 2pm.

SOURCES AND USES OF FUNDS

The table below summarizes the sources and uses of funds that make up the \$593 million increase compared to 2024-25. The 2025-26 budget request prioritizes student success and retention, grows student enrollment and financial aid, provides workforce investments for all employee groups and covers institutional infrastructure costs.

An organization’s budget reflects its values. This is the case at the CSU. As briefly shown in the “Budget Request” column, the 2025-26 Operating Budget Request includes new, aspirational investments that reflect the many values and priorities of the university. Also, the request contains necessary investments in required operational costs that are important for the long-term financial sustainability of the university. If these investments are appropriately resourced, the CSU and the state will be in a better position to meet the overall economic and future workforce needs of California.

SOURCES OF FUNDS (Incremental New Revenue in Millions)	BUDGET REQUEST	LIMITED BUDGET
Tuition from Rate Increase	\$163.8	\$163.8
Tuition from Student Access & Enrollment	24.1	
State General Fund	-397.0	-397.0
TOTAL NEW SOURCES	-\$209.1	-\$233.2
USES OF FUNDS (Incremental New Expenditures in Millions)	BUDGET REQUEST	LIMITED BUDGET
Unavoidable Expenditures	\$163.6	\$163.6
Financial Aid: State University Grant – Tuition Rate Increase	54.6	54.6
Health Premiums	60.3	60.3
Maintenance of New Facilities	7.0	7.0
Liability and Property Insurance Premiums	10.0	10.0
Utilities	31.7	31.7
Essential Expenditures	429.4	
Student Success / Graduation Initiative	20.0	
Beyond Completion	2.0	
Student Access and Enrollment	56.1	
Financial Aid: State University Grant – Enrollment Increase	8.0	
Faculty and Staff Compensation Pool	295.8	
Title IX and NAGPRA Compliance Programs	10.5	
Student Basic Needs and Mental Health	5.0	
Facilitating Artificial Intelligence Optimization	7.0	
Debt Service on Academic Facilities and Infrastructure	25.0	
TOTAL NEW USES	\$593.0	\$163.6
BUDGET GAP / REPRIORITIZATION	-\$802.1	-\$396.8