

President’s Budget Advisory Committee
Meeting Minutes
November 14, 2024

Voting Members Present	Area Budget Reps Present:	Staff Present:	Guests Present:
Agnes Wong Nickerson Bill Tong Bann Attiq Nola Butler-Byrd Hung “Leon” Chan Brittany Santos-Derieg Katarina Hernandez Chris Manning Brian Hentschel Ed Balsdon Bill Tong	Crystal Little Antonio Deninno Rashmi Praba Gloria Bjerke	Nance Lakdawala Sean Hauze	

Voting Members Absent:	Area Budget Reps Absent
Adrienne Vargas Mat Schulze Hala Madanat Eric Felix James Frazee	Katie Olivo David Fuhriman Leslie Levinson Mary Anne Kremicki Sridhar Seshagiri

I. Call to order

- **Call for amendments to agenda** – Agnes Wong Nickerson called the meeting to order at 2:00 p.m. Agnes asked if there were any amendments to the agenda but there were none.

II. Information Item

- **Budget Update**– Crystal Little presented a budget update and talked about the 8% reduction for 2025-26. We received a memo from the Chancellor’s Office and they had reviewed total revenues and determined our share of the reduction would be larger - \$30M instead of \$25M. We have not changed our current plan of \$20M deficit for the next three years which included \$10M in the current year. We will solidify our planning after we receive the January preliminary budget memo from the governor. We will

not go through our normal PBAC allocation process because of the budget reductions, however, we will discuss any emergency requests. The Chancellor's Office issued some talking points for campus to use. Two primary goals are to avoid cuts and restore the state compact funding. We continue to innovate around student success; reduce the equity gap; improve economic mobility. We face continued economic pressure. We (the CSU system) had a \$138M gap in 2023-24. In 2024-25, we (the CSU system) will have a \$218M gap. We were able to raise tuition and one-third of the tuition increase goes to financial aid. There will be impacts to faculty, staff and students because of these deficits. Agnes Wong Nickerson said we have stayed on track for the current year. The preliminary budget in January will provide more information. Brittany Santos-Derieg said we need to continue to plan for the 8% cut even if tax income is up. We also don't know the impact of the new presidential administration. We need to plan conservatively. Agnes commented don't let the budget reduction paralyze the campus. Think about what we can delay, or do less with less. Leon Chan asked if we can influence how the Chancellor's Office calculates the share of reductions. We need to advocate for SDSU. Agnes said there is no enrollment growth for 2025-26 but some reallocation is possible. Nola Butler Byrd asked if there would be any faculty layoffs. Agnes Wong Nickerson responded we have the ability to grow so layoffs are not anticipated. We don't have a hiring freeze program either but are asking the divisions to refrain from hiring when possible. Brian Hentschel asked about the 8% cut to the system - \$30M. Agnes Wong Nickerson said the \$10M cut is in the current year and our current plan had \$5M for each of the next two year. We will revisit the plan once we know the severity of cuts in mid-January. Ed Balsdon asked about the tuition increase. Crystal Little responded the current year is the first increase and then four more years after that. Only 25% of our budget comes from tuition. It only covers the mandatory expenses, not compensation increase. Leon Chan said we can still expand programs if the costs are less. Agnes Wong Nickerson said yes, we need to invest in strategic programs. We are not cutting across the board. Global Campus monies can also help expand programs and we can recruit more non-resident students. We can partner with community colleges as well. They can get capital funding approval locally while we have to go through the state. Ed Balsdon asked where does SDSU Mission Valley fit into the picture. Agnes Wong Nickerson responded it is a self-supporting entity. The ground lease revenue will eventually come back to help the campus. It also opens up research and instructional space. We are working with a developer to build affordable housing and recently AB2005 was signed so we can prioritize our employees to live there. Chris Manning asked if we have engaged in systematic studies of any institutions that have created new revenue streams like University of Central Florida has increased their revenues from on-line classes. University of Georgia has greatly increased their revenues as well. It would be interesting to study institutions that

intentionally increased their revenues because the state gave less funding. Gloria Bjerke asked about the synergies that were mentioned at the last meeting. Crystal Little said we are working on three areas, as mentioned at the last meeting, and some of our employees are members of those committees. We have also been working on shared services. James Frazee is working with Human Resources on possible uses for Artificial Intelligence.

III. Action Items

- None

IV. Watch List

- None

V. New Business

- None

VI. Reminder

- **Next Meeting Date** – Meeting adjourned at 3:15pm. The December meeting is being cancelled so our next meeting will be on January 30, 2025, at 2pm.