

President’s Budget Advisory Committee
Meeting Minutes
March 28, 2024

Voting Members Present	Area Budget Reps Present:	Staff Present:	Guests Present:
Agnes Wong Nickerson Tarek Morsy Bann Attiq Nola Butler-Byrd Hung “Leon” Chan Brittany Santos-Derieg Mat Schulze Eric Felix Brian Hentschel Gustaaf Jacobs	Crystal Little Mary Anne Kremicki Leslie Levinson Gloria Bjerke Satish Sharma Amanda Wilson Rashmi Praba Katie Olivo	Nance Lakdawala	Randy Timm

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

Adrienne Vargas Bill Tong Hala Madanat Tarek Morsy Chris Manning James Frazee Brittany Santos-Derieg	David Fuhriman
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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

- **2024-25 Budget Outlook** – Crystal Little gave the budget outlook presentation. She said we have several major budget issues to resolve: \$30M compensation, \$11M in recurring costs that we have been funding with one time dollars, and one time requests exceeding our one time funds (from non-residential tuition). We also have several uncertainties: compact funding, funded resident enrollment growth, and compensation. New revenues include have an approved 6% tuition increase, funded resident enrollment growth and non-resident growth. We are planning for a \$20M base reduction over the next three years. We can pull 3% from vacancies.

We will continue to honor the one-time PBAC requests that were approved. There will be no new discretionary allocations moving forward. We have to think strategically in a multi-year fashion. Divisions will have flexibility to determine which strategies work for them. We will have to make some difficult decisions on what our highest priorities are. We are considering the early exit strategy, furloughs (which happens at a systemwide basis and is one-time savings) and layoffs. All are challenging. Other ideas are temporary employment, limit discretionary costs, travel, and find additional revenue growth. We would like to get feedback from the group. Leo Chan suggested moving permanent positions to temporary to save benefits, or maybe furloughs. We need to calculate how much money we would save. We could look at combining two halftime positions into one full time to save benefits. Mat Schulz said we need to look at the long-term impacts and employee morale. We do want to protect the faculty and staff that we have. Agnes Wong Nickerson said we are fortunate in that we don't have enrollment issues. The CSU System is considering shared services as well. A hiring freeze was suggested. There are 96 job postings right now. Agnes Wong Nickerson said we need to start taking action now. Brian Hentschel asked are there any discussions systemwide about shutting one or more of the campuses since some are so under enrolled. Agnes Wong Nickerson responded there was a Board of Trustees finance committee meeting on Tuesday. They invited EAB to talk about the outlook for higher education. Some universities will continue to grow but some will shrink. Gloria Bjerke said shared services are a good way to go. Leo Chan asked if some employees could join their spouse benefits at another company and receive some cash. Agnes Wong Nickerson said we are already doing that. It would be a good exercise to come up with our priorities right now. Leo Chan asked if the cost cutting measures aligned with our strategic goals? Agnes Wong Nickerson responded we do look at that. We would like this group to come up with some general guiding principles. Nance Lakdawala asked if we are considering renting out office space. Agnes Wong Nickerson said no because the space is needed but we are consolidating. The SDSU Research Foundation combined two floors into one and are hoteling. How we use our space is something to look at. Leo Chan asked if we have metrics to measure departments and sales revenue. Mary Anne Kremicki said we do have metrics to measure how much people are doing so we can look at shared services. Mat Schulze said not everything can be put into a revenue generating model. Bann Attiq said Human Resources used to keep a list of retired annuitants that could work part time. Crystal Little said we use them a lot. Bann Attiq said a lot of the open positions are very specialized and don't translate well for those applicants coming from corporate. Agnes Wong Nickerson said a centralized payroll system could work for shared services because all campuses will be using Peoplesoft.

Katie Oliva did a presentation on the breakdown of salaries by group per senate follow up questions. Nola Butler-Byrd said it would be good to

present the numbers of employees in each category as well as the dollars. Katie Oliva also presented funding sources, senate budget, and lecturer cost. Brian Hentschel said faculty perception is that administration to staff ratios have increased over the last few years but faculty to student have not. Can we go back and do a comparison? Agnes Wong Nickerson said we could probably go back ten years. Brian Hentschel said they have the information for faculty and student but not administrators and staff. It would be very helpful to have that. ACER has all that information. Leo Chan said they can see the trend over the last five years. Agnes Wong Nickerson, Crystal Little and Katie Oliva will go back and do a comparison of administrator to staff growth. They will work with Human Resources to gather the information. Some of the increase in administration is based on student fees and compliance requirements so it might be complicated to fully explain the information.

III. Action Item

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IV. Watch List

V. New Business

VI. Reminder

- **Next Meeting Date** – Meeting adjourned at 3:15pm. Our next meeting will be April 18, 2024, at 2pm.