Fiscal & Governmental Affairs (FGA) Committee

Minutes
Wednesday, September 2, 2015; 11:00 am-5:00 pm
Thursday, September 3, 2015; 1:00-5:00 pm

1. Call to Order – 11:10
   • Present: Krabacher, Benavides, Browne, Guerin, Hood, Klink, Schutte, Swartz, Steffel, Wheeler (Thursday)
   • Absent: Eschker, Sullivan (CO Liaison)
   • Guests: Kara Perkins, Darlene Yee-Melichar

2. Approval of Agenda
   • Approved unanimously, as amended.

3. Approval of Minutes May, 2015
   • Approved unanimously.

4. Campus and Member Announcements
   • New provosts at CSU Northridge, Pomona and Maritime
   • Looking for a new provost at Long Beach
   • A lot of turnover of senior administrators at San Bernardino
   • New president at Sacramento
   • Starting an Academic Master Planning process at Fullerton
   • The UC is looking increase transfer students.
   • The Admissions Advisory Council seems to be neglecting the issue of lack of access. Thousands of qualified students are being turned away every year. Diana Guerin is the vice chair of the committee and requests that senators bring issues of concern to her attention.

5. Chair’s Report
   • Congratulations to Eric Eschker and wife on the birth of their child!
   • Extended Executive Committee Meeting
     o ICAS meeting
       ▪ CCC seem to be more fully involved in California Open Educational Resources Council (COERC) resources.
       ▪ SB 850 degrees: CCC are trying to get an idea of what CSU is looking for concerning upper division GE. It is speculated that CCC will seek to offer more BA degrees. CCC are looking to switch accreditation to Senior WASC.
       ▪ CCC are beginning to map transfer curriculum in more degrees without CSU consultation.
     o Trustee Monville will be stepping down at the end of the academic year.
     o Interim meetings will be conducted via Zoom.
     o The applied baccalaureate resolution was tabled last year. It will be considered for this year.
     o The financial stability draft report does not mention student success fees.

6. Reports:
1:30 pm (Weds) Kara Perkins, Executive Budget Director
- 2016-17 Support Budget Plan, requested increase over 2015-16 budget
  - $46 m mandatory costs
  - $68 m compensation pool (2%)
  - $106 m enrollment growth (3%)
  - $50 m student success initiatives
  - $25 m facilities needs
  - Total request: $295 m. The governor’s plan is for $139 m plus revenue from 1% enrollment growth.
- Deferred maintenance backlog is $2.5 b.
- The state revenue is projected to increase $17 b next year.
- FGA will work on a resolution in response to the budget plan and will request that the funds for compensation pool.

3:30 pm (Weds) Darlene Yee-Melichar, Executive Committee Liaison
- Thank you for the chocolate Darlene!
- Four presidential searches will occur this fall.
- Please read Sustainable Financial Model draft report before Friday. Ex-Comm is concerned by the lack of discussion on Student Success Fees.
- FGA is requested to weigh in on BOT agenda item on legislative report.
- Ex-Comm is seeking an augmentation to the ASCSU budget to cover increased travel costs.
- Interested in Title 5 changes proposed in AB 1000.
- An ad-hoc committee is planning on an Academic Conference in 2017.

4:00 pm (Weds) Karen Yelverton-Zamarripa AVC Advocacy & Institutional Relations
- Legislature will be adjourning for the year September 11th. They’ll be back in session January 2016.
- Good job last year in advocating for CSU budget and legislation. Several bills of CSU interest were signed into law.
- SB 707 (Wolk) - CSU is asking the governor to sign.
- AB 970 – local minimum wage. CSU worked with authors to amend the bill so that it doesn’t apply to CSUs.
- SB 42 (Liu) – Would create a new commission higher ed. CSU is opposed because it won’t truly be independent of governor/legislature.
- AB 1000 (Weber) – Student Success Fees. CSU is asking for veto because it limits ability to respond to future needs.
- There will be significant turnover in the legislature this year.

1:00 pm (Thurs) Ryan Storm, AVC Budget
- Taskforce for Sustainable Financial Future
  - The taskforce includes representatives from Chancellor’s Office and campuses, including campus presidents.
  - Funding from the state has varied greatly in recent years. We have more control over tuition. The draft report recommends planned tuition increases.
  - The draft report made recommendations concerning resource allocation, financial effectiveness, financial aid, revenue sources, student access to a quality education.
Resource allocation. The CSU now has to fund capital expenses (e.g. building payments). Recommendation: be more transparent, consider the needs and limitations of small campuses, consider both system and campus needs, consider instituting a capital facility fee, build up capital reserves.

Financial effectiveness. We are constrained by funds that have limited use by legislation. Recommendations: use facilities year round, review legislation and policy to ensure compliance, work with legislature to enable more uses for the funds we have, explore private/public partnership.

Financial aid. SUG is an unfunded program. Make SUGs more transparent and take a deeper look. Recommendation: establish a separate SUG taskforce.

Revenue. State goes through boom-bust cycles. Philanthropy is often limited in what it can be used for. It costs money to raise this money. State law limits where funds can be invested. Recommendations: expand investment opportunities, create a sustainable model for tuition increases, consider charging market rate out-of-state tuition.

Student access to a quality education. CSU is a good value for a good education, but we have to deny thousands of the opportunity. Recommendations: redirect students to other campuses that have room by looking at region demand and streamlining the process, continue to explore ways to enhance student preparation, use technology and data to disseminate best practices.

The draft report will be released mid-September for review and feedback. The final report should be finished in January.

Comment: We shouldn’t portray the state as the bad guys. We should emphasize that we are partners with the state in funding the CSU. We shouldn’t give the state an excuse to further reduce funding. We shouldn’t bury the recommendations concerning state support. It should be near the beginning of the document.

On Friday, the FGA chair will present to the Senate our response to the draft. FGA will provide feedback to the Ex. Comm. FGA recommends that Ex. Comm provide the Senate feedback to the taskforce before the draft is released.

7. Legislative Updates
   • The 2015 Bill status document was reviewed and updated to reflect the current status of bills.
   • FGA will propose a resolution to add SB 707 (Wolk) & SB 172 (Liu) to the 2015 Bill document.
   • ASCSU 2015 Legislative priorities
     - The Proposed ASCSU Legislative Advocacy Timeline was reviewed.
     - FGA will begin planning for advocacy, including in-district, earlier this year than in the past.

8. New Business
   • Proposed AA resolution on Applied Baccalaureate Degree. FGA will not participate in the resolution at this time.
   • Proposed FA resolution on addition of an emeritus/emerita faculty member to the BOT. FGA will not co-sponsor the resolution at this time.
   • FGA Resolutions
     o Support for SB 707 Gun-Free School Zone. Sent to the Senate (unanimous vote.)
     o Support for SB 172 (Liu) Pupil testing: High School Exit Examination Suspension. Sent to the Senate (unanimous vote.)
- CSU 2016-17 Support Budget Preliminary Plan. Sent to the Senate (unanimous vote.)
- Commendation for Associate Vice Chancellor Ron Vogel. Sent to the Senate (unanimous vote.)

Meeting adjourned Thursday, September 03, 2015, at 4:30 p.m.

Minutes taken by Steve Browne