

Fiscal & Governmental Affairs Committee

**MINUTES**

Wednesday, November 12, 2008

Present: Buckley Barrett (chair), Otto Benavides, Diana Guerin, David Hood, Fred Hornbeck, Thomas Krabacher, Dick Montanari, Catherine Nelson, Praveen Soni

Guests: Jerry Shapiro, Allison Jones (Chancellor's Office), John Travis (CFA)

- I. **Call to Order:** Chair Barrett called the meeting to order at 10:05 AM
- II. **Agenda:** There was no formal approval of the agenda, although the Committee followed it, nonetheless.
- III. **Minutes:** Minutes from the October meeting were approved.
- IV. **Announcements:** Chair Barrett made the following announcements:
  - Barry Pasternak will meet with the committee after lunch to discuss student fee issues;
  - Faculty Affairs is open to FGA co-sponsoring a resolution on protecting instruction during times of budget difficulties;
  - An additional item, a proposed resolution on enrollment management, will be added the Committee's agenda as proposed and drafted by Vice Chair Krabacher.
- V. **Reports:** Senator Krabacher briefly reported on **the** Senate's newly-formed Career Technical Education task force.
- VI. **Times Certain:**
  1. *John Travis (CFA) 10:15AM:* Reported on:
    - *Election Activity:* CFA actively worked on behalf of Demographic candidates in several specific state legislative races (targeted 7 races, successful in 3);
    - *Budget:* CFA has been concerned on recent cuts to CSU budget that, in effect, return CSU funding to the Jan 2008 level w. an approximate \$312m hit;
    - *Re-Opener Bargaining:* First meeting coming up next week; CFA doesn't expect to be an easy session; they believe that despite recent cuts, funds for faculty salary increases still exist in budget – it's a matter of priorities;
    - *The Alliance:* Committee members raised the question as to why the ASCSU is not a formal member of the Alliance; Travis responded that the Alliance has no formal group membership as such and that the Senate was welcome to participate; both parties will look into this further.
    - *PPI:* Implementation of the program briefly discussed.

2. *Allison Jones (Chancellor's Office)* 10:40AM: Reported on:
- *Impaction Proposal:* The Chancellor will propose to the Board at its November meeting that he intends to declare CSU impaction on a systemwide level ... This included detailed description of what impaction entails. Lengthy discussion ensued and included such sub-topics of concern as local exceptions and supposed continued admittance for service-area applicants.
3. *Robert Turnage (Chancellor's Office/Budget) & Karen Yelverton-Zamarippa (Chancellor's Office/Advocacy & Institutional Relations)* 11:00 a.m.: They discussed aspects of the recent state elections and state budget situation. Key points included:
- *LAO Report:* Feel LAO Report does a good job of laying out the state fiscal situation in a clear way; however, the Report reveals the fiscal situation to be dire. ("Worst in 30 years.")
  - *Special Session:* Will be hearing on Friday in the Assembly budget committee (probably just an overview, no action); next week and week following is when any action is likely to occur. If nothing accomplished in Nov. special session, the Governor is likely to call a second Special Session in December (with new Legislature). At the moment, partisan divisions remain salient. *Karen Yelverton-Zamarippa* doesn't expect the political dynamics to change much after December 1<sup>st</sup>.
  - *Election results:* Assembly is still likely to leave Democrats 3-4 shy of a 2/3 majority. In Senate, Democrats are still likely to need 1-2 Republican votes.
  - *New legislative leadership:*
    - Senate
      - Flores – Senate majority leader
      - Oropeza – majority whip
      - Appropriations: Kehoe (?) – appropriations chair
      - Senate Education: either Simitian or Romero (If a Higher Educ. Committee is formed, the chair likely to be either Carol Liu or Lonnie Hancock)
    - Assembly
      - Higher Education Chair – Portentino (Cook as vice Chair)
  - *Propositions:* High-Speed Rail and Children's Hospital bond add several hundred million dollars a year to state's bond debt obligation; and these have first claim on general funds, which puts further squeeze on higher education. (Mitigated by fact that Governor can control the rate at which these funds are rolled out and obligations acquired.)
  - *CSU Legislative Proposals:* To date most proposals are for legislation affecting the CSU's operational side. A couple affecting the academic side deal with nursing training (including the nursing doctorate). View: less is better when it comes to legislative requests in the current budget requirements.
4. *Barry Pasternack (Exec. Comm. liaison)* 1:05PM: Met with the Committee to ask, on behalf of the Executive Committee, to consider the following:
- Whether the Senate should reconsider its position on graduate MBA fees.

- A senate position on student fee increases overall.
- Ways of making more effective use of self-support courses.

**VII. Recommendations:** The Committee:

- agreed to co-sponsor with the Faculty Affairs Committee the resolution “Constructive Engagement in the CFA.CSU 2008-2009 ‘ReOpener’ Bargaining,” pending suggested changes;
- agreed to co-sponsor with the Faculty Affairs Committee the resolution “Protecting Instruction During Times of Budget Crisis.”
- Authored the resolution “System-Wide Impaction, Enrollment Management, and the 2009-2010 Budget Environment,” which was co-sponsored by the APEP Committee.
- No further substantive changes were made to our second-reading from September on advocacy for the CSU nor to our commendation for Richard West.

**VIII. CSU Quality Budget Indicators:** Senators Nelson and Montanari will continue working to develop a list of indicators to bring back to the Committee in the winter/spring.

**IX. Adjournment:** The Committee adjourned at 3:05 p.m.