Fiscal & Governmental Affairs Committee  
Meeting Summary  
September 9, 2004

Attending: Buckley Barrett, David Hood, Myron Hood, Thomas Krabacher, Susan McKillop, Unny Menon, Ann Morgan, Dennis Muraoka, Paul O’Brien, Henry Reichman (Chair), Barry Pasternack

Guests: Patrick Lenz, Karen Yelverton-Zamarripa

Chair Reichman called the meeting to order at 10:00AM.

I. Preliminary Business: Introduction of Committee members was made.

II. Minutes:   
Minutes from the meeting of 5/5/04 were approved. Senator McKillop was complimented on her keeping and preparation of the minutes.

III. Discussion of Committee Charge:   
Given that it was the first meeting of the year, time was spent discussing the charge of the committee and the way it normally operates. As part of the discussion, the following points were raised:

1. It was suggested at the morning Executive Committee meeting that FGA take responsibility for developing better ways of keeping the campus senates informed of the status of key legislation.

2. The CSU has, in effect, three voices in Sacramento: the Chancellor’s Office (Karen Yelverton-Zamarripa), the CFA, and CSSA. [While the statewide academic senate might be considered a “fourth” voice, it lacks a permanent Sacramento presence.] It was agreed that the Committee should obtain regular updates on the legislative agendas of each of these bodies.

IV. Legislation Updates:

SB 1785:   
This was discussed more fully when Karen Yelverton-Zamarripa spoke with the committee at 11:30AM. Basically, the bill was modified over the summer and currently reflects many of the CSU’s desired changes. Rumor suggests, however, that it may be vetoed because the community colleges oppose it.

A spin-off discussion ensued in which it was suggested that a brief legislative primer on how legislation is developed be included in the newsletter put out by Senator Tarjan.

SB 1415:   
The bill calls for development of a common course numbering system. It is currently on the governor’s desk and its future is uncertain. Moreover, even if it’s signed it remains unclear what “common course numbering” means.

A spin-off discussion took place on the CAN system and how it works.

AB2710:   
It was decided to hold discussion until Karen Yelverton-Zamarripa spoke with the committee.
AB 242:
Omnibus Master Plan-related bill: The concern to ASCSU is the component of the bill dealing with part-time/tenure track faculty work responsibilities.

AB 2477 (Liu) and AB 2678 (Karets):
Two textbook bills that, in current form, will probably have little impact on the CSU.

SB 1331 (Alpert):
This is an additional bill we need to be aware of; it deals with post-secondary education responsibilities.

V. Times Certain:
1. Patrick Lenz (11:00 AM): Patrick updated the committee on budget matters:
   A. 04-05 Budget: Main changes to the 03-04 budget include:
      • The CSU has received an additional $31M in enrollment funding; this reflects an increased enrollment target of 5953 FTES; the CSU expects to be able to meet this target, mainly through increased spring admissions (failure to do so may necessitate returning some of these monies);
      • An additional $7M for outreach, academic preparation, and EOP, offsetting earlier reductions in these areas. Some language requesting establishment of a dual admissions program accompanies this; Lenz and Allison Jones will be meeting with the community colleges to discuss this.
      • Summer session will probably return to state-supported YRO in 05-06.

   B. 05-06 Budget: Initial discussions are underway—at the Systemwide Budget Advisory Committee last week, the Board of Trustees next week. Likely elements include:
      • Assuming the agreement with the governor holds, a 3% ($225M) increase is anticipated;
      [When asked whether the decision to remain within the Compact is wise, Lenz responded that the Dept. of Finance recommended doing so, given the state’s uncertain fiscal status; a final decision, however, has not yet been made. Factors affecting this decision include: systemwide across-the-board salary gap, ACR 73, off-campus center funding issues, etc.]
      • A 2 ½% enrollment increase (8103 FTES);
      • An 8% student fee increase (10% graduate fee increase);

   C. Other Important Issues:
      • The graduate fee differential;
      • Assumptions regarding formula funding for new faculty replacements (currently $44K)

2. Karen Yelverton-Zamarripa: Karen provided a briefing on events in Sacramento:
   A. Overview: Currently, of the current 127 members of the legislature, maybe only 35% place a priority on Higher Education and perhaps only ten really act on it; four of these ten—Alpert, Vasconcellos, Burton, Brulte (all friends of Higher Education)—are retiring. Perceived public priorities currently are: the economy, jobs, transportation jeopardized local services; education (and most see this as K-12) is way down on the list.

   B. Specific items:
      1. Personalities: Fabio Nuñez has tense relationship with the governor, Jack Scott will likely become Education chair, and Wes Chesbro will likely remain Budget chair.
2. **Master Plan**: Surprisingly little to show for it, four years after the Review. SB 242 is the only major piece of legislation and it’s likely to be vetoed.

3. **Legislation**:
   - *AB 1851 (Bowen)*—requires major capital spending projects to meet LEED standards; could cost CSU $175M;
   - *AB 2923 (Liu)*—deals with CPEC authority; allows CPEC to demand data (esp. student SSNs) from Higher Education segments; she sees this as CPEC trying to expand its authority and become an Higher Education governing board. CSU opposes it.
   - *SB 1785 and SB 1415* (see above): the CSU has asked the governor to sign them, although questions exist regarding prescribed community college responsibilities.
   - Textbook issues, including faculty perks, are not going away.

4. **California Performance Review**:
   This is popular with the public (reflecting their high degree of trust in the governor and low faith in state and local government). Key issues for the CSU, which Dave Spence will be addressing, include:
   - Community college baccalaureate degree
   - Accountability (CSU sees this as best addressed via the Compact);
   - Need to improve transfer process.

5. Karen concluded with an assessment of the impact of the upcoming elections on the legislature (25% turnover, Democrats losing four seats in the Assembly, Machado race the big one in the Senate)

VI. **Reports**:
   *Susan McKillop*: Reported on actions at the recent CPEC meeting; key issues taken up were:
   - Evaluation of the effectiveness of academic preparation programs;
   - Executive compensation: CSU is 37% behind, but Trustee Kaiser argued that reports of the executive compensation gap should not be submitted separate from reports on faculty and staff salary gaps;
   - *SB 1331*: Accountability—CPEC attempting to claim right to establish accountability processes;
   - Space allocation: the need for greater flexibility in space allocation.

VII. **New Business**:
   1. **Resolution on Student Fees**: Language for a student fee resolution was perfected and sent forward for consideration by the full senate.

   2. **Agenda for Coming Year**: The following items were identified to be taken up by the committee during the current year:
      - Development of a regular ASCSU legislative report;
      - California Performance Review-related issues;
      - Strategies for educating legislators;
      - Local legislative visits by campus senate representatives.

The meeting adjourned at approximately 1:30PM.

--Submitted by Tom Krabacher