

**CAMPUS REENGINEERING COMMITTEE MINUTES**  
**March 17, 2006**

MEMBERS PRESENT:

|                                   |                                   |
|-----------------------------------|-----------------------------------|
| Larry Furukawa-Schlereth, Chair   | Eduardo Ochoa                     |
| Ruth Burke                        | Tristan Kelly for Steven Campbell |
| Dan Condron                       | Christopher Dinno                 |
| Melanie Dreisbach                 | Joel Grogan                       |
| Sue Hayes                         | Lori Heffermon                    |
| Tyson Hill                        | Bill Ingles                       |
| Carol Ingerman                    | Nate Johnson                      |
| Barbara Butler for Mike Kiraly    | Paul Lange                        |
| Rick Ludmerer                     | Laura Lupei                       |
| Perry Marker                      | Rich Marker                       |
| Neil Markley                      | Elaine McDonald                   |
| Catherine Nelson                  | Peter Neville                     |
| Gloria Ogg                        | Janice Peterson                   |
| Katie Pierce                      | John Rauschkolb                   |
| Anna Reynolds                     | Floyd Ross                        |
| Sam Scalise                       | Richard Senghas                   |
| Art Warmouth for Elizabeth Stanny | Nadir Vissanjy                    |
| Erica Wilcher                     | Dee Dee Brannan                   |

MEMBERS ABSENT:

|                 |               |
|-----------------|---------------|
| Melinda Barnard | Letitia Coate |
| Katharyn Crabbe | Erik Dickson  |
| Ian Hannah      | Brian Jersky  |
| Susan Kashack   | Edna Nakamoto |
| Peter Neville   | Tim Tiemens   |
| Jason Wenrick   |               |

GUESTS PRESENT:

|                    |                    |
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| David Abbott, STAR | Nick Ramirez, STAR |
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**AGENDA**

- I. APPROVAL OF THE MINUTES**
- II. VICE-PRESIDENT'S REPORT**
- III. GREEN MUSIC CENTER REPORT**

- IV: WASC CAPACITY REVIEW**
- V: DIVISION STRUCTURAL DEFICITS**
- VI: DIVISION STRATEGIC PLANNING**
- VII: ONE CARD**
- VIII: UNIVERSITY CENTER SCHEMATIC DESIGN**
- IX: FACULTY/STAFF HOUSING**
- X: BEAUJOLAIS VILLAGE II**
- XI: DIVISION BUDGET ACTIONS**
- XII: DIVISION REENGINEERING**
- XIII: ITEMS FOR THE GOOD OF THE ORDER**

## **I. APPROVAL OF THE MINUTES**

Larry Furukawa-Schlereth called the meeting to order at 12:24pm. Schlereth asked for a motion to approve the minutes of the February 17, 2006 meeting. Elaine McDonald moved; Nate Johnson seconded. Christopher Dinno requested alterations to the minutes regarding the GMC and Darwin Hall updates. No additional changes or objections were heard, the minutes were approved with abstentions from those who were not in attendance at the February meeting.

## **II. VICE-PRESIDENT'S REPORT**

Schlereth noted that the committee was joined by David Abbot from the STAR.

### Enrollment

It has been confirmed that SSU is below enrollment target and below the 2% grace margin by about 32 FTE. This will result in a one time funding reduction next year. Bill Ingels and Janice Peterson are working on a projection of revenue at census. We are down an additional \$154,000 more than was reported at the last meeting.

Housing is holding 1480 beds in the residential community for next year's freshman class which leaves space for only about 700 returning students. This has raised anxiety with students who want to return but cannot be accommodated. Additionally, this year there is the highest number of returning students wanting housing. This shows the strong interest our students have in living on campus for their second, third and even fourth year. Retention may be affected; students may leave the university if they have to move off campus and are unable to find acceptable housing.

### Employee Recruitments

There is no progress or improvement in filling the GMC and Faculty Staff Housing project manager positions.

### Management Training Program

The recruitment process is underway for the next class of management trainees. The position has been posted. The committee is chaired by Rick Ludmerer and includes Kathleen Spitzer, Edna Nakamoto, Ian Hannah, Mike Kiraly, Mike Visser and Jason

Wenrick. The objective is to identify as many as four trainees to begin appointment in May.

#### April CRC Meeting

This item is on the agenda because it was thought that the April meeting would need to be cancelled, but it will not be cancelled.

#### Service Awards – 40 Years

Schlereth asked if there were any additional suggestions for the 40 year service award. Hayes suggested using a sum of money to donate for the purchase of books for the library in the honoree's name. Johnson pointed out that a sub-committee is meeting regarding this topic on March 28<sup>th</sup> and will bring a recommendation back to the April meeting.

#### A133 Audit

The A133 Audit is a report for the CSU on all funds from federal government, grants, contracts and financial aid. The audit has identified a reportable condition and a material weakness in the CSU. This is based on one campus, SFSU, that was unable to complete proper procedures for the audit. This places an additional spotlight on CSU financials. This finding may impact the rest of the CSU and applications for federal grants. It may make us less competitive or we may actually be suspended from receiving federal grants.

In addition, there is also a special report of an investigation at Dominquez Hills regarding inappropriate use of grant funds. This investigation is being handled by the University Auditor. There are also some issues with San Diego State's Foundation which handles a large amount of grants. So grants and contracts will be a hot issue. SSU is also meeting with the Bureau of State Audits regarding a grant from five years ago that has generated a reportable finding. Lori Heffernon explained that the grant in question was a DNA analysis grant from 2001 to 2003. The finding is not yet firm; we have opportunities to continue reporting. At issue is a question about charges incurred for use of an equipment facility, which is something we no longer do in grants and contracts. However, we are still accountable for what we have done in the past. There is a possible financial repayment that may be as high as fifty thousand dollars. Schlereth added that we may have to consider if we can support the level of oversight needed for the amount of grants that we are currently handling.

### **III: GREEN MUSIC CENTER REPORT**

(Please see the March 17, 2006 Agenda Packet for this document)

Schlereth and Eduardo Ochoa presented a PowerPoint presentation that was shown to Academic Senate and PBAC last month regarding the Green Music Center. The committee also received a handout regarding a CSU policy of building large auditoriums on campus. Discussion ensued regarding this policy and comparisons with similar venues at other campuses.

### **IV: WASC CAPACITY REVIEW**

CFRs assigned to Administration and Finance

(Please see the March 17, 2006 Agenda Packet for this document)

Schlereth presented a PowerPoint presentation explaining the CFRs assigned to Administration and Finance for the WASC review. These are the CFRs that are typically assigned to the business divisions, except for 3.10. Schlereth is in the process of working on the responses to these and would appreciate feedback from the committee.

The committee offered some suggestions on the two CFRs that are in progress. For 1.8, it was suggested to add the division assessment activities and remove the grade appeals because they may fit better within an academic response. It was also suggested that policies that have been implemented in response to issues raised during the grievance process be included. The committee debated whether the auxiliary information belonged in 3.9 and Schlereth responded that it did not fit in well in any of the CFRs, but that it had been suggested by a school that has gone through the WASC processes to include the auxiliaries in 3.9.

#### **V: DIVISION STRUCTURAL DEFICITS**

The division structural deficits reflect cuts from 03/04 and 04/05 that are currently being propped up this year with one-time dollars. The Facilities deficit affects deferred maintenance needs and classroom renovation as well as the department not filling a couple staff positions. IT deficits reflect lack of funding for all staff in Instructional Technology. Instructional Technology staff were formerly funded with BATS money which was cut with the budget cuts. Financial Services funding would be put into GAAP accountants or Grants & Contracts. Human Services, Police Services and University Business Services are all down one staff member. These, especially Facilities, IT and Financial Services, need to be kept in mind in our strategic thinking.

#### **VI: DIVISION STRATEGIC PLANNING**

Schlereth presented the latest revision of the division strategic plan. The strategic plan is being cascaded out through the division to all employees. It is currently out for discussion to this committee and in other forums. Discussion ensued regarding the connection to the University's strategic plan and budget. Members emphasized the importance of considering human capital as well as physical capital and the long-term budget implications of projects. Schlereth will present more detailed financials at the April meeting. Discussion will continue in May to decide which initiatives we should move forward with.

#### **VII: ONE CARD**

The One Card is a Student ID and multi purpose card. Our new student IDs can have a cash balance and be used in dining venues. This capability will soon be expanded to the Bookstore. Students would like to have the system expanded to parking, vending machines, and laundry facilities as well as acting as a key card for the residential rooms. The estimated cost to expand to full range for residential keys is about \$1.5 million and would require hiring a project manager to oversee the implementation. The One Card is currently being administered by University Business Services., but if we plan on expanding the program, the workload would necessitate a dedicated administrator. More

detailed financials will be presented in April. The first phase of re-keying would begin this summer. Discussion ensued regarding the current high cost of re-keying due to lost keys. Gloria Ogg added that the project is highly dependant on IT for support and would probably need an additional FTE in IT.

## **VIII: UNIVERSITY CENTER SCHEMATIC DESIGN**

### Division Budget Implications

The University Center project would replace the Bookstore and Commons as well as consolidate all the dining venues into one location and provide meeting and activity rooms for student organizations. The approximate price would be \$46 million. There would be less operating cost impact because the operations mostly exist already. There is a hidden cost impact because AS, the Student Union and SSE would no longer pay rent to the University for the use of University space. This would result in a loss to the general fund. Students feel very strongly that this project should proceed and that would mean starting with the schematic design this summer. The reason for the push to begin now is to be able to open by 2009 in order to accommodate freshman growth for the dining hall. Additionally, the Professional Schools Building needs to be built on the Bookstore/Commons site, so delaying the University Center delays that project as well. Nadir Vissanjy added that construction costs are continually rising so it is in our best interest to expedite the project. To pay for the schematic design, we could potentially use salary savings, but we have been using those funds to use as one-time money for the structural deficits. Discussion ensued regarding the pros and cons of the University Center including the creation of a central hub for campus which would be a big selling point for potential students.

## **IX: FACULTY/STAFF HOUSING**

### Division Budget Implications

A settlement with Rohnert Park is imminent in the next couple weeks. The decision then needs to be made whether or not to proceed with the environmental impact report or to wait. It also needs to be determined if the funding comes from the entire campus, or only from Administration and Finance. At this point Housing and SSE aren't in a position to fund the environmental impact report. Richard Senghas and Sue Hayes underscored the vital importance of this project to increase faculty and staff retention and increase teaching effectiveness.

## **X: BEAUJOLAIS VILLAGE II**

### Projected Enrollment Growth and Freshman Class Size Projections

Unless the enrollment projections take a downward turn, the campus will be in a housing deficit by 07/08. In order to combat this problem, work on Beaujolais Village II will need to get underway this summer by beginning the demand study.

### Division Budget Implications

This project would demand the same funds that are needed for the One Card, University Center and Faculty/Staff Housing projects.

## **XI: DIVISION BUDGET ACTIONS**

### University Center, Faculty/Staff Housing, Beaujolais Village II and One Card

The budget details for each of these items will be discussed in greater detail at the April meeting. General information was discussed with each agenda topic.

## **XII: DIVISION REENGINEERING**

### Entrepreneurial Activities

An RFP has been sent out to assess the possibility of outsourcing the Bookstore. We may be able to generate significant income if we are not self-operating. A recommendation will be made to the SSE Board at the May meeting.

Our Reprographics department is not competitive in the printing business so whether or not it should be outsourced is being analyzed. Reprographics is losing \$240,000 a year. A recommendation will be made to this committee in the Fall term. Both of these considerations for outsourcing will be controversial but the employees in both areas are being informed so that there will be no surprises.

Also, the entrepreneurial aspects of the One-Card system should be considered, such as charging a transaction fee to assist in having the program pay for itself.

### Human Services

Human Services will be generating an RFP for a management consultant to assess the organization and determine if they are able to reduce costs. For example, they currently have two unfilled positions and it needs to be determined if those positions need to be filled or if the department can be reorganized to absorb the workload without hiring additional personnel.

### Information Technology

Information Technology will be the department to be analyzed after Human Services. For example, are the 24 hour computer labs still necessary? Should this cost be transitioned to academic technology?

### Facilities Services

Facilities Services needs to be analyzed to determine how the maintenance delivery for a major performing arts center in addition to other potential new buildings and additional campus residents are going to impact the department. It needed to be determined if the department is organized correctly and if it can become more efficient.

### Financial Services

Financial Services must reexamine structure and how to best deploy resources. For example, should FS charge for endowment administration or increase the IDC percentage in order to best support their operation?

Lastly, we could discuss ideas on how to allow external customers to pay for these needs through such activities such as having a concert series similar to the Eagles. We generated \$70,000 in revenue from wine and beer sales and we could also generate additional parking revenue. Also, we could explore moving the Housing program to the auxiliary. Schlereth asked the committee to review these projects and be prepared to discuss them further in April.

**XIII: ITEMS FOR THE GOOD OF THE ORDER**

None.

Meeting was adjourned at 3:58 pm.