

CAMPUS REENGINEERING COMMITTEE

August 28, 2009

MEMBERS PRESENT:

Larry Furukawa-Schlereth, Chair
Meghan Buckner
Letitia Coate
Dan Condron
Jenifer Crist
Nick Curry
Erik Dickson
Christopher Dinno
Dolly Freidel
Bill Fusco
Ian Hannah
Heather Hanson
Sue Hayes
Lori Heffernon
Bill Ingels
Nate Johnson
Susan Kashack
Mike Kiraly
Paul Lange

Matthew Lopez-Phillips
Rick Ludmerer
Perry Marker
Neil Markley
Elizabeth Martinez
Scott Miller
Susan Moulton
Catherine Nelson
Peter Neville
Eduardo Ochoa
Gloria Ogg
Janice Peterson
Chuck Rhodes
Robert Rosen
Kathleen Spitzer
Tim Tiemens
Jason Wenrick
Richard Whitkus
John Wingard

MEMBERS ABSENT:

Sam Scalise

Ruth Burke

GUESTS PRESENT:

Ruben Armiñana

Barbara Danelia (staff to committee)

AGENDA

- I. APPROVAL OF THE MINUTES
- II. VICE-PRESIDENT'S REPORT
- III. FINANCIAL AFFAIRS
- IV. DIVISION GOALS: 2009-2010
- V. BUREAU OF STATE AUDIT RECOMMENDATION - BOOKSTORES
- VI. AUXILIARY ORGANIZATIONS CONFLICT OF INTEREST POLICY
- VII. DIVISION ASSESSMENT ACTIVITY

OPENING COMMENTS

Schlereth called the meeting to order at 1:05 pm. He noted that the CRC meetings have been temporarily shortened to two hours due to furloughs. Lunch has also been eliminated from the meeting in order to cut costs. New members for 09/10 were welcomed:

- John Wingard, Faculty Chair-Elect
- Catherine Nelson, Faculty Rep at Large and Statewide Senator
- Nick Curry, AS VP for Finance
- Heather Hanson, AS President
- Meghan Buckner, Chair of the Student Union Board of Directors
- One additional student rep to be appointed

I: APPROVAL OF THE MINUTES

May 1, 2009

The minutes from the May 1, 2009 meeting were approved unanimously.

II. VICE-PRESIDENT'S REPORT

Baseball Batting Cage Facility

Schlereth stated that the bids for the Baseball Batting Cage Facility came in considerably higher than the \$400,000 maximum and thus this project is on hold until additional external funds can be realized.

Web Based Parking Decal Sales

Schlereth acknowledged the work of Gloria Ogg, Nate Johnson, and Jason Wenrick in enabling the online purchase of parking decals through the utilization of CashNet and

Peoplesoft, thus reducing the lines in customer service. Johnson acknowledged the work of Missy Brunetta in getting this project activated prior to the start of the semester.

Move-In Weekend

Schlereth acknowledged the work of Matthew Lopez-Phillips, Chuck Rhodes, the RA/CSA team, Tim Tiemens, the IT team, the Facilities team, the Dining team, Police & Parking, and all others involved in the Move-In Weekend for students into the campus residences. Mo Phillips and the Res Life team will now pick up with First Night and other welcoming activities for the students. With the installation of electronic locks, key pick-up is no longer needed as a temporary key card is mailed ahead of time to the residential students.

Fridays at Four

Schlereth announced that Fridays at Four has been suspended due to furloughing.

Auxiliary Audit

CSU auditors will be coming to campus shortly to conduct an audit of the four SSU Auxiliary organizations: Student Union, Associated Student Inc, Sonoma State Enterprises, and the Academic Foundation. This audit is completed every three years and the report will be made public once finished.

Bookstore Ordering

Schlereth reported that the bookstore has only 50% of books for classes ordered. He noted that the campus is working hard to solve this issue as it is important to have books ordered and delivered as soon as possible to allow students the best price and availability. The ordering delay relates mainly to last minute lecturer appointments.

Travel Policy

It was anticipated that a new CSU System-wide Travel Policy would be developed but this item has been put on indefinite deferral. SSU Cabinet has decided to assign the creation of a consistent travel approval form for the campus in the absence of a CSU Policy. Thus, the CRC travel sub-committee will reconvene to develop this new form.

Dining Services Hours

Schlereth announced some changes in dining venue hours as a result of the furloughs. Toast, Ameci's, the Commons, and the University Club will now be closed on Fridays but Charlie Brown's, the Pub, and Zinfandel will remain open.

Common Financial System

Schlereth indicated that he met this week with the CFS design team, consisting of nine individuals, including Letitia Coate. This team has spent the last 6-7 months designing a Common Financial System (CFS) for the CSU. The completed report includes reducing the number of modifications from over 1,100 down to 112. Now that the design is complete, it is to be developed into software and campuses will be encouraged to adopt the CFS. This project will require campus leadership to implement through ITAC.-

Eduardo Ochoa asked if CFS implementation on each campus was voluntary or mandatory. Schlereth responded that as Chair of CFS Steering Committee and CMS Executive Committee for the CSU, he will request the CMS Executive Committee and the Presidents Technology Steering Committee (TSC) to make implementation mandatory throughout the system. Ruben Armiñana acknowledged the work, talent and diplomacy needed in putting together CFS. He noted that he believes it will become mandatory with assistance from the TSC. He added that the CSU can no longer financially support doing things 24 different ways among the campuses and CO. He also believes in moving forward in common HR and SA systems. He will be pushing for doing things in a common way by collaborating with other campuses. The realized savings could then be used to support academic technology issues. Armiñana added that Degree Audit functionality is a high priority and insisted that it become completely functional promptly.

Moulton asked how information on CFS would be disseminated. Schlereth noted that functionality and the nature of the system are unknown to most. The first group to be oriented with CFS will be the power users, which consist of approximately 200 individuals across the CSU. As a result of empty beds in the dorm rooms (approximately 85% capacity in Fall 09), SSU has offered to be the host site for training for these power users of northern California and central Bay Area campuses. Those trained can then disseminate to their campuses what the changes will mean. SSU currently has a fairly baseline system and thus will benefit from increased functionality. Schlereth added that SSU uses one system for all four auxiliaries, generating savings from reduced license fees and reduced needs in personnel and technical staff.

Armiñana added that there are over 560 databases in the CSU and the cost of performing on that platform is not sustainable. He noted that the system came to a halt when 5-6 campuses had class registration at the same time. The servers become overloaded as a result of all the modifications on the system. Ochoa added that a single point of failure can bring down the entire system and thus reliability must be increased.

III. FINANCIAL AFFAIRS

(Please see the August 28, 2009 agenda packet for related documents)

Schlereth discussed various items related to the financial status of the campus:

Campus Budget Planning

Schlereth reviewed the SSU budget reduction plan for 2009/10 and 2010/11. The total reduction to the campus in 09/10 is approximately \$15.8M, which equates to about 17% of the 08/09 budget allocation. This is being off-set by the student fee increase and savings resulting from furloughs. The remaining cost reductions are to be met via \$4.4M in reductions associated with enrollment reductions (378 FTES in 09/10) and \$500,000 from unallocated cost reductions. These values are disseminated to each division based

on the marginal cost formula for the enrollment related reduction and via share of campus budget for the unallocated reduction.

Schlereth discussed a recent lawsuit against the CSU related to the most recent student fee increases, including the new MBA professional fee. Fees will continue to be collected until a court decides otherwise. In the long term though, if the case is lost, the money would have to be refunded. Ogg added that the possible loss of fees would only apply to the Fall semester. A grievance has also been filed relating to the FERP program, which represents a possible \$14-15M liability to the CSU and approximately \$300,000-400,000 to SSU. Ochoa added that this suit relates to the nature of work during FERP vs. regular teaching.

Items listed as unfunded in the 09/10 campus budget plan include faculty development base augmentations, diversity initiatives, and the GIS Lab. Schlereth noted that GIS Lab issues have been resolved for this semester and efforts are being made to bring this formally under control by the Spring semester.

Non-operating fund budget issues were also discussed by Schlereth. He indicated that after meeting with Mark Merickel and Robert Rosen, it was determined that the operating deficit in Extended Education could be eliminated and a proposed distribution to the schools is to be presented at the PBAC in September. A strategy to utilize campus funds to cover \$650,000 that would have come from an endowment distribution is still being analyzed as well as funding required for Athletics. Schlereth also noted that all self support areas are working to maintain Debt Service Coverage Ratios in 09/10 given the revenue shortfalls of the State.

Preliminary planning for 10/11 approximates a \$4M reduction to the campus. This figure is based on about \$800,000 in savings from an enrollment reduction of 72 FTES and other campus reductions of around \$3.2M. The \$4M reduction assumes no continuation of furloughs and is in addition to the 09/10 cut.

Division Budget Planning

Schlereth reviewed a sheet outlining the 09/10 budget reduction plan for the Administration and Finance division. He discussed a list of positions that are to be eliminated in 09/10 in order to meet the approximately \$1.2M cut to the division. This work will be disseminated to other employees and some reassignments may occur. Some areas in the division may require posting positions for hire as vacancies occur since the retirements and vacancies are not occurring evenly throughout the division and at some point certain functions cannot be maintained with additional loss in personnel. Neil Markley noted that this same scenario is occurring in the self support areas as well.

Budget Analysis and Review

Schlereth stated that in his role as CFO he has been the core of a lot of recent criticism in the media and from members of the campus community. He believes that it is now

time to reflect on these criticisms and would like to put together a group which would analyze the major decisions made which have changed the nature of SSU since joining the campus in 1992. This group could also look forward at projects currently underway and of high priority, such as the University Center. Any members interested in participating were invited to do so.

IV. DIVISION GOALS: 2009-2010

(Please see the August 28, 2009 agenda packet for related documents)

Schlereth outlined the division's strategic goals for 2009/10. There are fewer projects this year as a result of the budget situation. All items are categorized under the appropriate strategic goal areas as defined in the University's Strategic Plan.

V. BUREAU OF STATE AUDIT RECOMMENDATION - BOOKSTORES

(Please see the August 28, 2009 agenda packet for related documents)

An audit finding from the Bureau of State Audits has recommended that students are to have input regarding how bookstore profits are used to support campus activities other than bookstore operations. Schlereth indicated that the SSE Board would benefit from hearing what views the student leadership has on this item. He asked that the AS leadership reflect on this and provide input.

VI. AUXILIARY ORGANIZATIONS CONFLICT OF INTEREST POLICY

Schlereth noted that a lot of press coverage has come out related to the Academic Foundation and actions that did not pass the "smell test". The various campus auxiliary Boards are informed every year from their attorney of the various provisions related to conflicts of interest as well as board member responsibilities. Schlereth remarked that each auxiliary organization works impeccably under the law, under the rules outlined under the conflict of interest training, and under the advice of their attorney. Generally speaking, the law requires that a Board member must disclose or resign prior to engaging in business with that auxiliary. Schlereth believes a campus blue paper policy should be developed in relation to conflict of interest, which the auxiliary corporations would adopt. The policy should address the question of whether there should be a required amount of time that a Board member remain off that Board before business is conducted with that individual. Schlereth extended an invitation to CRC members interested in sitting on study group to develop such a policy. Ogg noted that this policy could result in parameters beyond what the law requires. Schlereth commented that

the study group would analyze the more philosophical view in addition to what the law requires.

VII. DIVISION ASSESSMENT ACTIVITY

Schlereth announced that assessment activity in the division is in line with comments made by the President during his convocation speech.

Schlereth adjourned the meeting at 3:00 pm.
Minutes prepared by Ian Hannah.