MEMBERS PRESENT:
Eduardo Ochoa    Provost, Co-Chair
Larry Furukawa-Schlereth  Vice-President, Administration and Finance, Co-Chair
Katharyn Crabbe    VPBAC
Noel Byrne    Immediate Past Chair of the Faculty
Catherine Nelson    Chair of the Faculty
T.K. Clarke    VPBAC
Melinda Barnard    CRC
Victor Garlin    CFA Representative
Lynn McIntyre    Vice-President, University Affairs
Sam Sealise    CRC
Gloria Ogg    CRC
Henry Amaral    Staff Representative
Stuart Jones    Vice-President, Development
Rand Link    Vice-President, Student Affairs
Janice Peterson    CRC
Melanie Dreisbach    Chair-Elect of the Faculty
John Kramer    Faculty Representative at Large
Tim Wandling    VPBAC Faculty

STAFF PRESENT:
Katie Pierce    Associate Vice-Provost for Academic Resources
Neil Markley    Director, Administrative Services
Bill Ingles    University Treasurer

MEMBERS ABSENT:
Ethan LaMoureaux    Associated Students Treasurer
Steve Wilson    Associate Vice-President, Administration and Finance
Jason Spencer    President, Associated Students

STAFF ABSENT:
Letitia Coate    University Controller

GUESTS PRESENT
Ruben Armiñana, Susan Kashack, Saied Rahimi

AGENDA
I:  CALL TO ORDER
II:  SPECIAL MESSAGE FROM THE PRESIDENT
I: CALL TO ORDER

Eduardo Ochoa brought the meeting to order at 10:05am.

II: SPECIAL MESSAGE FROM THE PRESIDENT

President Ruben Armiñana opened the meeting with comments regarding the University budget. He feels the University is threatened by budget reductions. No matter what actions are taken to alleviate the reductions, consequences exist. He voiced his continuing commitment to full-time, permanent employees. Armiñana stated that he will not waiver from this commitment. He believes the reductions in Academic Affairs are too severe and would change the complexion of the instruction and University. As such, he is committing an additional $1,200,000 to backfill the instructional budget on a one-year basis. This money has not yet been identified, however he feels this to be important for students and instruction. He noted that $250,000 had been recently donated to the School of Science and Technology for unrestricted purposes. This is a positive first step. Future funds are likely to come from bridge financing that would need to be repaid over time. Schlereth added that this bridge financing would only occur if the campus was confident that recovery is likely. Armiñana noted that discussions are underway between the CSU and Governor to “regularize” the CSU budget. He believes the 2004-2005 budget is the rock bottom. Schlereth asked members to provide advice to the President on this course of action.

Garlin expressed his need to consult his constituents, however feels this course of action to be prudent. He would like to know where the funds would come from. He also expressed his pleasure in the donation to Science and Technology. Armiñana reiterated that he did not yet know the fund sources for the bridge. Melinda Barnard feels that this conversation is not just about numbers and classes, but about the fabric of the University. When budgets are reduced and employees leave, a piece of the University leaves with them. She would like to see fundraising spread to benefit all as much as possible. Armiñana noted that donor don’t give to save jobs, but to save and enhance programs. This donor has given to many programs in the past and has chosen Science and Technology for this gift. Catherine Nelson asked if the $1,200,000 bridge would affect the budget gap in the future. Armiñana indicated it could. Schlereth added that generally a step such as this does not take place without an exit plan. He also noted that when dollars disappear, things are different. The University needs to realize this. Nelson feels that if this commitment is made, the PBAC needs to realize it will need to be paid down the road. The committee shouldn’t complain when the bill comes due. Tim Wandling agreed with Nelson’s statement.

Armiñana explained that we did not explore this option earlier because timing is everything. Doors open and close at different times creating opportunities. TK Clarke does not agree with borrowing for short-term fixes. He does not want the University to borrow to save its character now, if it will only produce savings for one year and may just disappear next anyway. Garlin understands that the Deans have been given the go ahead to plan as if the $1,200,000 exists. Armiñana agreed and added that the money is likely to be found within the CSU, but not from another campus.

Henry Amaral noted that when cuts happen everyone must make sacrifices. He has seen positions and service decrease in his department. Gloria Ogg asked if Academic Affairs was willing to reengineer and restructure as has Administration and Finance over the years. Ochoa stated that this reprieve would allow Academic Affairs the time to plan for future changes. Ogg stated that SFSU has made a number of changes, such as complete elimination of programs, on their campus to address the budget reductions. She asked if this campus has considered such steps. Armiñana stated that SFSU has cut and shifted programs, however this will take three years to realize savings. They have also committed to hiring a number of employees overt his
time. He feels their plan has a number of contradictions. Clarke feels Administration and Finance should better market reengineering and reduction efforts. Rand Link feels the bridge is a great idea, especially if borrowing can be avoided. Kathryn Crabbe supports the plan preserving instruction. She added that the campus needs to understand that related services will be changed and curtailed as reductions occur.

Ochoa thanked Members for their honesty, support and show of solidarity in this tough time.

Ochoa adjourned the meeting at 10:00am.
Minutes prepared by Neil Markley