

**University Budget Advisory Council  
Action Minutes  
September 14, 2023**

**Members present:** Shannon Burchard, Sarah Blackburn, Johnathan Cromwell, Otgo Erhemjamts, Laura Hanneman, Michael Harrington, Lindsey McClenahan, Elisabeth Merkel, Julie Orio, David Ferguson, Opinder Bawa, Bhavesh Ram, Angelica Martinez

**Members absent and excused:** Kurt Keilhacker, Isabelle Sholes, Paul Fitzgerald, Charlie Cross

**Introductions, Johnathan Cromwell**

Johnathan invited council members to introduce themselves, share their role at university and who they were representing, as well as to share a fact about themselves that most of their colleagues wouldn't know. Fun facts included sourdough bread baking, a deep water diver, London and Dublin work stays, dog agility training, Rhode Island and Boston area prior residencies, making 20s 30s and 40s outfits, a first generation graduate degree, cooking tamales from scratch, an SPCA volunteer for cat rehabilitation, yoga and meditation practice, a catamaran prize drawing winner, a fifth generation San Franciscan, and a member having made multiple cross-country road trips

**Post Census Enrollment Review; Net Tuition Variance Estimate Presentation, Katherine Edwards**

Katherine walked through Strategic Enrollment Management's (SEM) prepared presentation slide deck, following upon the "sobering" Census results campus announcement. We are at roughly 95% of undergraduate and graduate overall budgeted enrollment. She asked to keep in mind that smaller classes maintain with the university over their time, and that enrollment declines can take place as well with graduating out larger enrollment classes. Our drop in retention rate also affects our enrollment and is being looked at by a variety of individuals across the enterprise.

Our new UG enrollment is about 250 under target. Kathleen provided several explanations as to why. Affinity - or how high we are in students' list of choices. Cost and perception of cost - this is a national discussion. San Francisco which has taken hits with the persistent "doom loop" reporting. Safety discussions of the city particularly impact our international students. There also was an unprecedented ripple effect in the strength and diversity of offerings in the CA state market. UCs went deep and late into their wait lists.

Grad enrollment saw challenges with international student enrollments which were down 7%. Reasons here mentioned included cost of living in SF, including housing, as well as discounting competition for programs. The university saw some successes, for example the MFT program near doubling of its enrollments.

Our total cost of attendance for UG is now above \$80K. With some institutions discounting heavily, it changes the expectations of families. Name recognition and prestige are a factor for USF. Community colleges haven't seen a rebound from the pandemic, leading to a decrease in the availability of transfer

students. Also, there are current imperatives for state institutions to serve their transfer students better. There is also a greater degree of UC and State recruiters in CA community colleges.

Internationally, the cost of higher education is outpacing inflation abroad. Also affecting graduate enrollments are the negative perceptions of San Francisco and the US overall post Trump. Other countries are ramping up their recruitment efforts and offering work visas. We are being outbid in scholarships with some of our competitors.

Regarding Fall 2024 target setting, SEM works with the Provost Office to set an UG number that is reasonable. Grad targets are set by the deans in collaboration with the Provost Office. We want to be realistic with market position, and rely upon data to model what will happen in the post-pandemic enrollment environment. We want to be able to serve our students well, i.e. housing, services, and be able to provide in-demand courses. We want to “admit to retain” in order to grow our total enrollment over time. The overall competition landscape in CA sees more seats than students.

Council questions included:

Michael Harrington: How do we “admit to retain” while meeting our enrollment goals? Katherine: SEM does an amazing job in committee to look at factors as to what would lead a student to stay and be successful. Also, we’re experimenting in who we should admit. For example, our spring admission - going to students with less academic strength if they go to community college first, however, their retention is terrible despite all the expanded counseling efforts. Conditional admission - for students with low academic performance, but accepted if they agree to certain things at USF (e.g. not open to all majors).

Julie Orio: Stated she was a big proponent of “admit to retain” - those that want to be at USF. We want to look carefully at students where we are their third choice. We are still looking at how we work with students to make sure they are engaged and thriving. We are trying to identify those where we are the first or second choice. Number one reason students leave is the financial challenge which makes our retention work harder.

Shannon Burchard: Saint Louis University now has a five-year program with financial aid offered in year five. Are we looking at something similar? Kathleen: Haven’t heard about this at USF. Julie - We are looking at 4+1 programs, and clearer pathways for our students.

Bhavesh Ram: Given the cost of attendance, what about online certified courses? Kathleen: There was some active work done around this during the pandemic. There were some offsite partners in other countries which helped us deliver the program to students. We’re thinking of not only degree programs, but certifications as well or other credentialing programs we can look at to cut down on those costs.

Laura Hanneman: Who (students matriculating) is actually coming? Kathleen: Academic strength is very comparable. The makeup of the class in regards to first generation and Pell Grant students is still quite strong, at about a third of the class. Where we saw notable drops were in international students (smallest percentage in a long time), particularly those students from India. The dollar exchange rate

really affected us. Students from the Northeast and South are much less likely to travel. The second reason for students not coming is that we are too far from home. Our previous growth in those areas has fizzled. There was a record class from Hawaii. We have a good percentage from California (60%), but we do still lose out in our own backyard of SF. Within CA itself, the biggest hit is with public high school students - we're losing applicants and takers. They have a lot of other alternatives in California.

Lindsey McClenahan: Who do we compare ourselves to? Kathleen: The ones reputation-wise who stand a little better than us: LMU Los Angeles, Santa Clara, Seattle University, USC. They outpaced us, but they have that market position above us. We just have to work with that and try to reach the student who wants something different in the heart of San Francisco. Most of our cross applications are with the UC schools. For those top six campuses, we just lose out. It's hard to justify spending exponentially much more than \$17,000 a year. We were surprised to see UCLA and UCSD not make their numbers and go to their wait lists so late in the cycle. Our launch of BASE was hugely successful. We need to lean into the values of who we are, show families we'll do better on that, and find the families who say "Yes!" The reality is more families are just saying it's just not worth it. That's a real national crisis.

### **Review of Tableau Historical Enrollment Dashboards, Joe Henson**

Joseph Henson: The long-term trends of USF Data comes from USF Census Archives which are used for Dept of Education reporting as well as to other external agencies. Overall Enrollment new and continuing peaked in Fall 2017 and we're presently at lowest enrollment since Fall 2009. Details shown are provided for Fall 2023 (note, online Tableau reports are interactive). Filtering on undergraduate, you can see COVID and how it hit us hard.

Graduate Enrollment shown is back to Fall 2021. Notice that COVID didn't hit us so hard here, but the last two years have seen a decline, especially the past two fall enrollments.

New First-Time First-Year (FTFY) Enrollment, we can see that enrollment has gone up and down.

Enrollment for Fall 2023 is smaller than our COVID class of Fall 2020. Next year, we'll lose a small class (1,142). Two years from now we'll see a much bigger hit if our enrollments remain low.

FTFY Retention Trend (last graph) has gone down the last two years after bouncing back from COVID in Fall 2020.

Michael: We're showing these as it's important to provide some historical context as well as to help us in our planning for what we're seeing as a USF with smaller enrollments.

### **UBAC Introduction - Rebecca Hong, Vice Provost of Student Success, Inclusive Excellence and Curricular Innovation**

Rebecca: Still relatively new, arrived August 1, portfolio includes curricular innovation where she'll be working with the deans and academic leaders, is looking at our academic portfolio and ways to innovate or revitalize some of our programs, supporting the deans, and getting them the data they need in order to make programs that will be resonant to employer needs and the employment market.

Student success piece, working with Julie Orio and her team, looking at graduation, retention and persistence. Looking at data to better understand the pathways that help and support our student persistence.

Oversees the Office of Institutional Research and Analysis (OIRA) with a relatively new team, building out that office to be a really strong data wing to help answer some of the problems before USF.

A side project is a redesign of our undergraduate core curriculum which is almost two decades old. This is going to be key as far as how people view a USF degree, its relevance and value. Relevance speaks to the core curriculum, namely, how it is we're preparing students to develop the core competencies and skill knowledge students need in order to be attractive to employers and potential graduate schools.

Michael Harrington: Thanked Rebecca for introducing herself to UBAC, and stated we would keep her in mind for a future educational session, or an agenda item, related to one or more areas covered in her introduction.

### **Approval of Action Minutes for June 15, 2023 UBAC Meeting, Johnathan Cromwell**

**Motion/2<sup>nd</sup>:** Shannon Burchard/Sarah Blackburn

**Vote Results:** Approved 8; Abstain 1; Opposed 0

### **Review Purpose and Bylaws, Johnathan Cromwell**

Johnathan provided a quick overview of our purpose and bylaws. He reminded the council that we represent all the constituencies that make the whole operation work. Given that makeup, he reviewed our four main purposes:

Education: UBAC members will be expected to educate themselves about the university's operating and capital budgets, as well as the university's business model. This purpose also includes workshops like the one we're having next week.

Transparency: UBAC members will have the opportunity to better understand how resources are allocated at the university, as well as how resources are allocated in ways that comport with the university's mission, vision, and values.

Advice: UBAC will provide related advice to the President, Provost, and Cabinet. He stressed that this is a particularly important area.

Communication: The council being a platform to ensure regular and ongoing communication, and keep those lines open between the various constituencies.

Regarding the bylaws, Johnathan encouraged new and returning members to read these as it's helpful to be reminded of our initial guidelines. Areas he highlighted included:

UBAC's guiding principles:

Consultative and Transparent Budget Processes, as outlined in the budget creation timeline for this academic year.

Responsibility and Accountability in that we represent our constituencies as well as share back to them.

Equity and Voice allows all members to share their views, particularly those who are going to be most impacted by related decisions, and is a key reason why we have students on the council.

He covered the core duties of UBAC members to:

1. Attend UBAC meetings, workshops and campus presentations,
2. Review and provide feedback on financial projections, budget proposals, and budget processes, including augmentation/modification requests and other planning scenarios developed by University administration/leadership,
3. Communicate with members of the USF community, serve as representatives for constituent groups at UBAC functions, balance diverse community needs in UBAC deliberations, and ensure that budgetary issues and procedures are widely communicated within the University community,
4. Be mindful of transparency in all UBAC activities.

Johnathan also highlighted to council's Budget Decision Recommendation Process and the counsel's agreed upon priorities in doing so:

In addition to supporting the overall vision and mission and strategic plan, UBAC formally voted on May 2021 (UBAC Minutes) to use the following priorities to guide its collective budget recommendations:

- a. Support students in achieving academic success.
- b. Enhance revenues or reduce future costs.
- c. Mitigate risk, broadly defined, but with a priority on human health, safety and operations.
- d. Obtain needs assessments, action plans, or historical context with measurable outcomes.
- e. Rely upon return-on-investment analyses.
- f. Identify alternative funding sources, beyond university operating funds.
- g. Formalize budget decisions through a majority-vote of the UBAC Membership.

In closing, he encouraged membership to review in more depth and to bring any questions or suggestions to the tri-chairs.

Laura Hanneman asked if the purpose had been updated. Michael Harrington navigated to the UBAC website. Purpose was written for the launch of UBAC four years ago and predates the bylaws which were subsequently drafted by a subcommittee of UBAC and approved by the Provost and adopted October 20, 2022. Michael responded that he didn't think the website's purpose had been edited recently but would check with Linda Wong to see if it had. He stated that the bylaws take precedence over the website's summary text which could be revisited by the tri-chairs for potential edits.

### **Budget Development [Timeline](#), Michael Harrington**

Michael shared the location of the operating budget creation process timeline and then reviewed a related document which, given the timeline and UBAC's meeting dates, indicated suggested agenda items for upcoming UBAC meetings. These agenda items provide an outline for the year, but are not set in stone. The meeting agendas will be worked out by the tri-chairs in advance of the respective meetings. He then highlighted two areas of recommendations made in the past which go to the

President and Cabinet: Tuition Increase feedback & recommendations; and, FY25 Budget Assist Requests feedback & recommendations.

For new members, he explained that Budget Assist is the university's online budget request platform which opens for FY25 requests on October 2, 2023 and indicates a deadline of November 10, 2023. UBAC reviews all completed requests, provides commentary, and makes recommendations regarding their inclusion in the operating budget to the President.

Operating forecasts (roughly one each fiscal year quarter) are reviewed with the council and are posted to the Office of Planning and Budget (OPB) website (along with other office reports) once they have been shared with the Board of Trustees.

**Reminder of Financial Aid Educational Workshop with Angelika Williams, Elizabeth Merkel**

Elizabeth reminded council members of the upcoming educational session on September 19, 2023 which will review growth of enrollments, retention, and the management of our discounting practices. A related preparatory questions document was announced and made available.

Michael mentioned that the preliminary meeting dates would be made final and invitations sent out in the coming days.

**Adjournment**

There being no further business, the meeting adjourned at 1:30.