

Budget and Planning Forum
Fall 2020
Provost Moranski

Welcome, all, to the semi-annual Campus Budget and Planning Forum. I am Karen Moranski, Interim Provost and Vice President of Academic Affairs and Chair of the 2020-21 President's Budget Advisory Committee (PBAC). We thank you for joining us on Youtube for this fall's forum. This is a continuation of the transparent budgeting and planning processes established under President's Sakaki's administration. As described in previous budget forums, our planning processes are well integrated. Everything flows from a strategic plan that has four Initiatives that we should all remember: Student Success, Academic Excellence and Innovation, Leadership Cultivation, and Transformative Impact. Linked closely to those strategic initiatives are our core values of diversity and social justice, sustainability and environmental inquiry, connectivity and community engagement, and adaptability and responsiveness. This year, we have already been tested on our ability to live up to all of those values, and we will need to demonstrate our commitment over and over again as the year progresses.

The initiatives and values of our Strategic Plan are central to the identity and mission of Sonoma State, and they are guiding stars as we do different kinds of planning: budget planning, academic planning, enrollment management, and making progress on initiatives related to diversity and racial justice, sustainability, accessible technology, and other infrastructure improvements. Normally, we share information about our budget and planning outcomes as a way to govern the institution effectively and ensure our campus community has the information it needs about our resources and our priorities for this year and the coming year. There is, however, nothing normal about this year. Our academic and operational planning and our budget operations have been altered radically--by the pandemic,

by remote instruction, by enrollment shortfalls, and by State cuts to higher education. These challenges, along with our national and local fight against white supremacy and racial violence, have actually heightened our awareness of what really matters. In an economic downturn, we must focus on what really matters. Budget and planning work may perhaps, to some of us, seem pedestrian, but that is the work that literally puts our money where our mouth is. We are likely in for a long haul of budget reductions and some painful decisions, but with careful stewardship of our resources, thoughtful planning and strategic budgeting, we can set Sonoma State up for a successful and stable future.

We have already made difficult decisions and painful cuts. In the budget call of the spring and early summer, all our divisions made base and one-time cuts of 12% to address part of a nearly \$20 million dollar budget deficit for 2020-21. We employed a multi-tiered approach, so in addition to the divisional cuts, we also slowed hiring, utilized campus general reserves, and made a variety of other decisions to make up that gap. As you will see in the presentation to come, after all that work, we may be looking at another \$20 million dollar budget deficit next year.

So in the long haul, with more budget challenges ahead, the question really is--what matters? The first response is that our students matter. Student enrollment, their sense of belonging, their retention, and their timely graduation matter. Half of our budget deficit for the 2020-21 academic year is related to a decline of 1,750 students over a two-year period, with a sharp decline this year in first-time, first-year students who live more than 100 miles away from our campus. We must, therefore, recruit more students from our local service region, and then, as the pandemic ends, we must find a diverse population of prospective students across the state, the nation, and internationally who can thrive at Sonoma State and who want close faculty-student interactions, undergraduate and graduate research, and a

commitment to real-world problem-solving and social justice. Enrollment is a top priority for each and every one of us because, as VP Lopes reminds us, enrollment *is* budget. Once we get our students here, we have a commitment to ensuring they thrive and graduate.

So, academics matter. We must attract students to majors that prepare them to meet the social, environmental, and economic needs of a post-COVID world. That means our students need grounding in the liberal arts and sciences and community engagement that produces a commitment to scientific method, thoughtful analysis and interpretation, healthy skepticism, creativity, kindness, equity and inclusion, and a little bit of rebellion when the times call for it. Our academic programs must change with the times, must graduate students in a timely fashion that means less debt, must address the workforce needs of the state of California, and must attract new populations of students for whom we should challenge the very nature of teaching and learning as we have traditionally conceived of them.

Our faculty and staff matter. Your leadership, your innovative ideas, and your plain old hard work will carry us through these lean times and ensure Sonoma State is better than it was before. The recent lack-of-work layoffs have been hard on our friends and colleagues who were affected and hard on the campus community, because we value every single person who helps us achieve our mission. So, we need ideas for operational and academic efficiencies, we need new, more cost efficient, but also more creative ways of doing things, we need to collaborate across silos, divisions, schools, offices, and departments. We need flexibility and a willingness to change old thought patterns and old assumptions, because budget and planning will benefit from new mindsets.

Finally, our commitment to place matters. Whether in-person or online, we must always know and be able to convey why we are learning, educating, and

working here, in this place and space with its privilege and poverty, its fires and power shut offs, its flawed race relations, its beauty and generosity. To grow enrollment, to attract donors and diversify our revenue streams, we must create community connections, build partnerships with schools and community colleges, utilize our alumni network, seek productive relationships with our industry partners, and promote the reputation and impact of Sonoma State.

I invite you to learn today, gather information about our budget and planning activities, and then act to help us make real and lasting change.

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Vice President Lopes

Thank you, Laura, for leading us clearly through a very complex set of numbers and concepts. And, thank you, Provost Moranski, for setting our priorities and focus.

As we look to the future, I want to remind everyone of the importance of strategic budgeting. As I have shared previously, in the absence of a strategic plan, the budget is the plan. If a plan exists and is not closely linked to the budget, the budget is STILL the plan. Therefore, if a plan is to be implemented, there must be a strong link between the strategic plan and the budget. Now, more than ever, we need to ensure we use our strategic budgeting principles to manage the budget deficit now and, in the years, to come. We need to align our budget with our strategic priorities:

- to improve student success
- to strategically invest in our institutional assets – the most important of which is our human resource ... our staff and faculty
- to ensure we are using our resources efficiently and effectively
- AND to implement evidence-based budgeting linked to assessment

A strategic budget is *not just* a budget; it is the strategic plan in action.

If we think about the budget as an iceberg, the bulk of our budget is the ice below the water, the funds we have received in years and decades past. Often, we focus all our efforts on the little bit of ice above the water, the additional funding we have received in a particular year. But, now, our iceberg is melting and it is critical that we evaluate the funds below the water, those funds that have been allocated in past year, carefully to ensure that the funds we allocated in the past are

still aligned with our priorities. And where they are not aligned, we need to reallocate those funds to support our strategic priorities of student success, academic excellence and innovation, leadership cultivation, and transformative impact. We will do that while maintaining a focus on our core values of diversity and social justice, sustainability and environmental inquiry, connectivity and community engagement, and adaptability and responsiveness Which we will need in great amounts as we navigate these difficult times.

President Sakaki and the cabinet team spent two days last month reviewing the ways in which we can address the economic downturn while staying committed to our strategic priorities and core values. We know that all of us at Sonoma State, thinking together, can come out of this stronger and more resilient than ever before. We have faced some dark days in the past and we have come through them with a commitment to our students and their success, concern and care for one another, and the strength and heart to find meaningful and lasting solutions. We look forward to joining with you to identify strategies and tactics to navigate these challenging times. We welcome your feedback and ideas. Please email us at budget@sonoma.edu. Thank you, dear listeners, for joining our Fall 2020 Virtual Budget Forum. We appreciate your time, your dedication, and your ideas. Go Seawolves!