

## **Budget Committee Report- Oct 15, 2025**

**Members:** Faculty- Bharti Sharma (Chair), Kang Hoon Sung, Jose M Aguilar-Hernandez, Shokoufeh Mirzaei, Stephen G Osborn, Katie Richardson, Anna L Soper, Don St. Hilaire, Michelle Soto-Peñ, Staff- Lisa M. Rotunni, Sabrina Toney, ASI Student Representative -Addie Hasson

The Budget Committee has met twice during this reporting period.

**October 1, 2025-** Engaged in an invited presentation on “Facilities Planning and Management’s Role in Advancing Academic and Safety Priorities” delivered by Sr. AVP Matthew Whinery, supported by CFO Michelle Cardona.

**October 8, 2025-** Committee reviewed and discussed the Facilities Planning and Management (FPM) presentation.

### **Facilities Planning and Management (FPM) update:**

Committee members in attendance Oct 1- Kang Hoon Sung, Jose M Aguilar-Hernandez, Katie Richardson, Anna L Soper, Don St. Hilaire, Lisa M. Rotunni, Addie Hasson, Bharti Sharma.

Committee members in attendance Oct 8- Kang Hoon Sung, Jose M Aguilar-Hernandez, Shokoufeh Mirzaei, Stephen G Osborn, Katie Richardson, Michelle Soto-Peñ, Lisa M. Rotunni, Addie Hasson, Bharti Sharma.

### **Presentation Summary**

Below are the key highlights from the FPM presentation:

**1. FPM Staffing and Responsibilities-** The FPM department currently employs 135 staff members, including Custodial (60), Landscape and Grounds (34), Trades (24), Administration (9), and Management (8) positions. FPM oversees the maintenance and repair of university facilities, management of building permits, and remodeling and renovation projects. FPM also handles alterations and additions to existing facilities and manages the university’s vehicle fleet.

**2. Deferred Maintenance-** The university currently faces a deferred maintenance backlog of approximately \$900 million. This comprehensive list is actively maintained and updated to reflect critical infrastructure needs across campus. (see Clarification Requested section below)

**3. Annual Budget Set-Asides-** FPM receives annual allocations for specific maintenance and capital initiatives as prioritized by the President. These funds are used to address urgent needs while maintaining operational continuity.

**4. Annual Capital Call-** Capital Call projects include classroom, office, and laboratory remodels, painting, installation of equipment, and furniture replacement. Proposals must be approved by divisional Vice Presidents, ranked by priority, and funded as resources allow.

The 2025–26 Capital Call was postponed and is currently scaled back. Capital project prioritization focuses on life and safety, infrastructure and seismic improvements, accessibility and code compliance, and accreditation related deficiencies.

It was noted that all state-funded capital and renewal projects across the CSU system have been deferred for one year (FY 2026–27).

**5. Campus Master Plan-** The University Master Plan was completed in July 2025, aligning campus projects with the Capital Plan. The criteria for inclusion comprised of project readiness, completion of feasibility studies, and a clear financial plan. This plan was reviewed with each division before submission to the Chancellor's Office and is expected to better position the university for future funding. Feasibility studies completed or in progress include Library Renovation, Arabian Horse Center Covered Arena, CLA Building Classroom Conversion, Collins College Renovation, Engineering Building Addition.

## **6. Current and Upcoming Projects**

### **Current Projects**

- *Arabian Horse Center – Design and Covered Arena, \$3.5M, projected completion Summer 2026.*
- *Student Services Building (SSB) Welcome Center – Remodel, \$800K, projected completion 2027*

### **Future Projects**

- *Collins College Expansion (Buildings 79 and 79A) – Estimated cost \$20M, projected completion 2027–2028*
- *Apiary Project – Design and Construction, \$3M, funded through CSU one-time state allocation, completion 2026–2027*
- *Solar Photovoltaic Project – Power purchase plan, estimated \$1M in annual energy savings, completion 2027*

**7. Challenges Identified-** The presentation highlighted several ongoing challenges such as aging infrastructure and expanding deferred maintenance backlog, increasing emergency repairs, reducing time for preventive maintenance, inflation and supply chain delays impacting construction timelines, staffing losses due to VSIP, retirements, and turnover, difficulty recruiting skilled trades professionals, balancing safety compliance with competing academic and operational priorities.

**8. Proposed Strategies-** The division emphasized the importance of leveraging multiple funding sources such as, state, donor, maintenance, and energy funds to expand project scope and efficiency. Aligning academic and facilities priorities such as flexible classroom reconfigurations was recommended to maximize return on investment.

## **Committee Discussion Themes**

The committee engaged in a constructive discussion regarding Facilities Planning and Management's (FPM) budget priorities, funding processes, and ongoing initiatives. Members expressed interest in additional context to better understand and support the university's long-term capital planning efforts, particularly in the following areas:

1. **Capital Budget Clarity-** Committee members expressed interest in learning more about the total FPM capital budget, annual maintenance allocations, and historical funding trends to help inform future planning discussions.
2. **Project Cost Determination-** The committee discussed how project costs are determined, including materials, labor, code compliance fees, and both management and Chancellor's Office (CO) fees, and welcomed additional context on the campus use of management fees.
3. **Deferred Maintenance Funding-** The committee discussed how deferred maintenance projects are funded beyond Chancellor's Office allocations and discussed opportunities to better understand alternative funding sources.
4. **Funding of Annual Capital Projects-** Members inquired how much annual revenue is set aside for capital projects and how this has varied historically. The CFO noted that one primary source is interest earned on campus reserves held by the Chancellor's Office, which the President allocates as available.

**Clarification Requested-** To continue promoting transparency and shared understanding, the committee looks forward to ongoing collaboration with CFO Cardona and AVP Whinery as they prepare additional information on:

- **FPM Capital Budget and Historical Trends** – Additional context on the FPM capital budget, the annual maintenance allocation, and historical trends in funding levels, to enable year-over-year analysis of resource distribution and prioritization.
- **Deferred Maintenance Backlog Amount** – Confirmation on whether the reported \$900 million figure reflects the current verified amount or an updated projection.
- **Funding Sources for Current and Pending Projects** – Further details on funding sources supporting active and upcoming capital projects, including state allocations, donor funds, and campus reserves.
- **Clarification on Annual Set-Aside vs. Annual Capital Call Funds** – Clarification on the distinction, structure, and allocation process for the two funding mechanisms, including how priorities are established and approved.

The committee appreciates the responsiveness of the CFO and AVP and anticipates reviewing their updates at an upcoming meeting. A summary of these discussions will be shared with the Academic Senate once the information is available.

### **Committee Recommendations**

1. **Transparent Revenue Analysis** – The committee encourages continued efforts to share clear, accessible information about the FPM capital budget and related allocations to support understanding across the campus community.
2. **Project Dashboard** – The committee suggests exploring the development of an online dashboard that provides regular updates on ongoing projects, pending requests, and completion timelines.
3. **Shared Governance in Prioritization** – Recognizing that capital calls are approved by Vice Presidents, the committee supports open discussions within colleges and units to help identify and align facilities priorities.

4. **Trades Staffing** – The committee is interested in learning more about staffing levels within Trades, the impact of VSIP, and strategies to improve applicant pools and enhance retention.
5. **Response to Campus Concerns** – The committee referenced facilities-related concerns raised during the Presidential Committee Forum (Sept. 25), including signage, safety, campus aesthetics, and maintenance issues such as leaks and tile replacement. The committee encourages consideration of a mechanism to help track and communicate the status of such requests, particularly when they are part of broader renovation plans.

### **Budget Committee Commentary and Collaborative Next Steps**

The Budget Committee expresses its appreciation to the FPM for maintaining the extensive campus infrastructure, more than 350 acres and 100+ buildings and for their continued service to the university community. The committee underscores the importance of developing a long-term strategy to address the university's significant deferred maintenance backlog.