PRESIDENT’S BUDGET ADVISORY COMMITTEE
May 1, 2014

MEMBERS PRESENT:
Larry Furukawa-Schlereth    CFO, Vice-President for Administration and Finance, Co-Chair
Andrew Rogerson            Provost, CAO, Vice-President for Academic Affairs, Co-Chair
Margaret Purser             Faculty Chair, Anthropology Department
Richard Senghas             Vice-Chair of the Faculty; Anthropology Department
Dan Condron                 Vice-President, University Affairs
Erik Greeny                 Interim Vice-President, University Development
Matthew Lopez-Phillips      Chief Student Affairs Officer
Jason Wenrick               Chief Information Officer, Administration and Finance
Laura Lupei                 Senior Director for University Budget, Administration and Finance
Elaine Newman               CFA Representative, Mathematics Department
Matt Dougherty              Vice-President, Finance, Associated Students
Anthony Gallino             Executive Vice-President, Associated Students
Henry Amaral                Staff Representative, Facilities

STAFF PRESENT:
Ian Hannah                  University Treasurer, Administration and Finance
Shawn Kilat                 Interim Director of Budget, Academic and Student Affairs
Katie Robinson              Budget Manager, Administration and Finance

GUESTS PRESENT:
Rhina Badia-Barrientos      Senior Accountant, University Financial Services
Arcelia Cabrera             Administrative Assistant, University Development
David Crozier               Senior Director, University Financial Services
Adam Rosenkranz             Vice President of Finance Elect, Associated Students
Natalie Sanchez             Budget Manager, Administration and Finance
Jean Wasp                   Media Relations Coordinator, University Affairs

MEMBERS ABSENT:
Ruben Armiñana              President, SSU, Chair
Carlos Ayala                Dean, School of Education
I. APPROVAL OF THE MINUTES

Larry Furukawa-Schlereth called the meeting to order at 8:30 am. He introduced the agenda and asked if any items needed to be added. Hearing none, Schlereth asked for a motion to approve the minutes of the April 10th, 2014 meeting. The minutes were approved unanimously.

II. REVIEW OF PRIOR YEAR EXTERNAL AND INTERNAL AUDITS

(Please see the May 1st, 2014 agenda packet for related documents)

Schlereth explained that, according to the budget cycle, it is the time of year to discuss the prior year’s GAAP Financial Reporting Package. As a cost saving measure across the CSU, campuses are no longer issuing stand-alone external audits on an annual basis. Schlereth asked David Crozier, the Senior Director for University Financial Services to present on the 2012-2013 GAAP Financial Reporting Package. Crozier reviewed the audited Financial Statements beginning with the Condensed Summary of Net Position, which shows an increase in assets of $42.6M between 11/12 and 12/13. This increase is primarily related to capital additions of the Student Center. Total liabilities increased by $38.9M, creating an increase in the total net position of $6.6M.

Crozier reviewed the total revenues based on the statement of revenues and expense. Between 11/12 and 12/13 total revenues increased by about $2.6M due to increases in student tuition and fees, Housing revenues, and Grants & Contracts. There was a decrease in capital related revenues due to the completion of Weill Hall and Lawn. The 12/13 year also saw the expansion of programming within the School of Extended Education, as well as ticket revenue from performances at Weill Hall. Crozier then reviewed the total expenses based on the Statement of Revenue and Expense and described which items were in each of the categories. There was a substantial increase in Public Service expenses due to the inclusion of GMC operations. Instruction also saw an increase of $1.1M, which can primarily be attributed to expanded programs within Extended Education. Total expenses increased by $10M from the prior year. The net loss equaled $7.5M.

Crozier moved on to explain the Unrestricted Net Position category. Schlereth noted that though it sounds like we can use these funds for any purpose since they are considered “unrestricted”, for GAAP purposes, “unrestricted” simply means there are no “outside” entities dictating how to use the funds. However, SSU is a state agency and there are State and CSU regulations on how those funds can be utilized.
Crozier reviewed the Operating Fund Balances which amounted to $9.4M. Schlereth added that it is the responsibility of the CFO to review fund balances annually and ensure the self-support funds are within the reserve levels dictated by the Chancellor’s Office.

III. VICE-PRESIDENT’S REPORT

Schlereth reviewed the issue of the structural deficit in the area of Academic & Student Affairs. Of the original $1.7M deficit $1.2M has already been identified, although he remains confident all needs in that division will be funded. In addition to covering the deficit, Dr. Armiñana would like to see an investment in a new program supporting a student scholarship experience. This program would comprise of faculty working closely with students on a project in their related field. Additionally, he would like to see a focus on creating central advising centers within each of the schools. Schlereth shared the priorities within his own area of Administration & Finance, which are primarily support for campus life activities, deferred maintenance, information technology, and campus safety.

Schlereth adjourned the meeting at 9:35 am.
Minutes prepared by Katie Robinson.