PRESIDENT’S BUDGET ADVISORY COMMITTEE

September 18, 2014

MEMBERS PRESENT:
Larry Furuikawa-Schlereth CFO, Vice-President for Administration and Finance, Co-Chair
Andrew Rogerson Provost, CAO, Vice-President for Academic Affairs, Co-Chair
Richard Senghas Faculty Chair, Anthropology Department
Terry Lease Vice-Chair of the Faculty; Business Department
Margie Purser Immediate Past Chair of the Faculty; Anthropology Department
Dan Condon Vice-President, University Affairs
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
Ian Hannah University Treasurer, Administration and Finance
Mark Merikel Proxy for Carlos Ayala: Dean, School of Education
Elaine Newman CFA Representative, Mathematics Department
Adam Rosenkranz Vice-President, Finance, Associated Students
Anthony Gallino President, Associated Students

STAFF PRESENT:
Shawn Kilat Director of Budget, Academic and Student Affairs
Katie Robinson Budget Manager, Administration and Finance

GUESTS PRESENT:
Arcelia Cabrera Administrative Assistant, University Development
Natalie Sanchez Budget Manager, Administration and Finance

MEMBERS ABSENT:
Ruben Armiñana President, SSU, Chair
Henry Amaral Staff Representative, Facilities
Erik Greeny Interim Vice-President, University Development
AGENDA

I. APPROVAL OF THE MINUTES

Larry Furukawa-Schlereth called the meeting to order at 8:30 am. He introduced the agenda and asked if there were any additions to the agenda. Richard Senghas added a fourth item “Senate Budget Sub-Committee Request”. Hearing no other agenda additions from the committee, Schlereth asked for a motion to approve the minutes of the August 28th, 2014 meeting. The minutes were approved unanimously.

II. 2013-2014 UNIVERSITY WIDE EXPENSES AND DIVISION YEAR-END BALANCES

(Please see the September 18th, 2014 agenda packet for related documents)

In reviewing the University-wide budget vs. actual expenditures, Schlereth noted there were some areas carrying high balances, particularly in the areas of employee benefits and utilities. There is some hesitation to make a permanent reduction in these areas, as they tend to fluctuate from year to year; however, the budget office will be monitoring it closely to determine if there is room for reallocation. The balance for Utilities will be rolled into the 2014/2015 year, to be used for various utilities related projects, which could potentially produce further savings. The Student Fee Revenue was also over budget, which is due primarily to the over-enrollment. The year-end University-wide balance for 2013-2014 amounted to just over $8.1M. Schlereth reviewed the proposed uses of the University-wide roll forward, much of which will go towards supporting Academic and Student Affairs. Approximately half of the balance will be used to fill the Academic and Student Affairs Structural Deficit for the 2014/2015 and 2015/2016 years. The hope is that it will not be necessary in the 2015/2016 year because the campus will receive necessary enrollment growth funding to eliminate the deficit. Other larger items included $400k for classroom renovations, $240k to support campus events, and $200k to replace some instructional equipment. The committee approved all uses of the University-Wide Balance, pending confirmation of the correct balance in Utilities.

The year-end balances for the divisions were also shared. The roll-forward amounts are typically at the discretion of the Vice-President for that division. Traditionally, the balance from the Executive Office is allocated to Academic Affairs in some capacity.

Schlereth reviewed with the committee the 2013-2014 Reserve status. There was a distribution of $520k to various items throughout the year, leaving a balance of $105k which will be rolled into the 2014/2015
Reserve. While it seems faculty sick leave should be factored into the base budget since it occurs every year, the amounts incurred are difficult to predict in order to build into the budget.

III. TRUSTEES BUDGET PLANNING: 2015-2016

There is some discussion at the Board of Trustees as to whether they will request a needs-based budget, or accept the Governor’s suggested budget. They will discuss further and make their determination at the November meeting of the Board of Trustees. As was discussed in the August PBAC meeting, the campus would like to receive enrollment growth funding for 700 FTES.

IV. SENATE BUDGET SUB-COMMITTEE REQUEST

Senghas informed the committee that the Academic Senate charged the Budget Sub-Committee with creating a report which examined various parts of the budget and compared them to different campuses. Senghas requested that Schlereth or another member of the University Budget team attend the sub-committee meeting to help clarify some areas of the University budget, for example FIRMS codes. Schlereth agreed that someone from his office would be made available. He also warned that there is a level of futility in comparing budgets with other campuses, since each campus interprets FIRMS codes differently, and many have programs that are slightly unusual, and not applicable system-wide.

Schlereth adjourned the meeting at 9:40 am.
Minutes prepared by Katie Robinson.