

**PRESIDENT'S BUDGET ADVISORY COMMITTEE
MINUTES
November 20, 2003**

MEMBERS PRESENT:

Eduardo Ochoa	Provost, Co-Chair
Larry Furukawa-Schlereth	Vice-President, Administration and Finance, Co-Chair
Rand Link	Vice-President, Student Affairs
Katharyn Crabbe	VPBAC
Janice Peterson	CRC
Noel Byrne	Immediate Past Chair of the Faculty
Catherine Nelson	Chair of the Faculty
T.K. Clarke	VPBAC
Gloria Ogg	CRC
Victor Garlin	CFA Representative
Jason Spencer	President, Associated Students
Melanie Dreisbach	Chair-Elect of the Faculty
Ethan LaMoureaux	Associated Students Treasurer
Sam Scalise	CRC
Lynn McIntyre	Vice-President, University Affairs
Steve Wilson	Associate Vice-President, Administration and Finance

STAFF PRESENT:

Katie Pierce	Associate Vice-Provost for Academic Resources
Neil Markley	Director, Administrative Services
Letitia Coate	University Controller
Bill Ingles	University Treasurer

MEMBERS ABSENT:

Debora Hammond	VPBAC Faculty
John Kramer	Faculty Representative at Large
Henry Amaral	Staff Representative
Melinda Barnard	CRC
Stuart Jones	Vice-President, Development

STAFF ABSENT:

None

GUESTS PRESENT

Rick Luttmann

AGENDA

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| I: | CALL TO ORDER |
| II: | APPROVAL OF THE AGENDA |
| III: | APPROVAL OF THE MINUTES, October 23, 2003 |
| IV: | YEAR-END FINANCIAL REPORT |
| V: | FINANCIAL PLANNING 2004-2005 |

I: CALL TO ORDER

Eduardo Ochoa brought the meeting to order at 8:08am.

II: APPROVAL OF THE AGENDA

Ochoa asked for any additions or deletions to the Agenda. No additions or deletions were heard and the Agenda was passed unanimously.

III: APPROVAL OF THE MINUTES: October 23, 2003

Ochoa asked for any corrections to the minutes of October 23, 2003. No corrections were heard and the minutes were approved unanimously with abstentions from those not in attendance at the October 23, 2003 meeting.

IV: YEAR-END FINANCIAL REPORT

(Please see the November 20, 2003 Agenda Packet for this document)

Schlereth presented 2002-2003 year-end balances by division as required by campus policy. 2002-2003 year-End balances were as follows:

Executive Office	\$ 11,914
Academic Affairs	\$2,003,474*
Student Affairs	\$ 286,266**
Administration and Finance	\$ 33,094
<u>2002 Mid-Year Budget Reduction</u>	<u>\$ 703,000***</u>
Total, Balance as of 6/30/2003	\$3,019,748

* Includes \$1,300,000 being held to largely mitigate course reductions in 2003-2004

** Includes \$150,000 in restricted Health Center funds

*** Due to retention of APS as power provider. Possible conversion to PG and E would have caused a potential \$700,000 increase in electricity and gas prices.

Ochoa detailed the Academic Affairs fund balances and reported that \$849,423 had been committed with \$1,300,000 being held to largely mitigate course reductions in the 2003-2004 year.

V: FINANCIAL PLANNING 2004-2005

(Please see the November 20, 2003 Agenda Packet for this document)

Schlereth presented the California State University (CSU) 2004/2005 budget request. The CSU will be requesting an additional \$546,000,000 that includes mandatory new costs, partnership money, restoration of 2003/2004 cuts and no proposed increase in student fees. Should the State not fund this request, the campus will need to make reductions of \$1,400,000 to cover mandatory new costs. Any additional reductions to the CSU allocation would cost the campus as well. Current estimates calculate potential campus reductions up to \$6,000,000 for the 2004/2005 academic year.

Victor Garlin feels that such potential budget cuts could have an adverse effect on campus employment. Should lay-offs be discussed, he suggested redeployment and reallocation of personnel as a way to ease the pain. Members agreed that any reduction in staff should be handled with a sense of humanity. Garlin would like to see the President step forward and

publicly state that should reductions in staff become necessary, redeployment and reallocation of personnel will be used when able. Schlereth asked that the Unions also step forward to support such a plan. Garlin said he would have to consult the Unions before pledging support. Concern regarding the effects of redeployment on personnel and departments were discussed. Schlereth noted that redeployments work best within divisions. Gloria Ogg agrees and feels voluntary redeployments work best. T.K. Clarke feels any personnel actions should begin sooner than later to tackle the reality of our budget situation. Noel Byrne feels the campus should not make any hasty decisions too soon. Lynn McIntyre, having been through staff reductions twice before, commented that being honest and direct is the best methodology so people may plan their lives accordingly.

Jason Spencer asked if enrollment management is being considered to allow students to have equitable unit load access. Ochoa responded that he is currently reviewing this.

Ochoa adjourned the meeting at 9:45am.

Minutes prepared by Neil Markley