

**PRESIDENT'S BUDGET ADVISORY COMMITTEE
MINUTES
November 11, 2004**

MEMBERS PRESENT:

Eduardo Ochoa	Provost, Co-Chair
Larry Furukawa-Schlereth	Vice-President, Administration and Finance, Co-Chair
Katharyn Crabbe	VPBAC
Melanie Dreisbach	Chair of the Faculty
Andy Merrifield	CFA Representative
Gloria Ogg	CRC
Henry Amaral	Staff Representative
Rand Link	Vice-President, Student Affairs
Janice Peterson	CRC
Elizabeth Stanny	Chair-Elect of the Faculty
Chris Fadeff	Associated Students Treasurer
Tim Wandling	VPBAC Faculty
Melinda Barnard	CRC
Lynn McIntyre	Vice-President, University Affairs
Jason Spencer	President, Associated Students
Catherine Nelson	Immediate Past Chair of the Faculty

STAFF PRESENT:

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

MEMBERS ABSENT:

Saied Rahimi	VPBAC
Sam Scalise	CRC
Steve Wilson	Associate Vice-President, Administration and Finance
Stuart Jones	Vice-President, Development
John Kramer	Faculty Representative at Large

STAFF ABSENT:

None

GUESTS PRESENT

None

AGENDA

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| I: | APPROVAL OF THE AGENDA |
| II: | APPROVAL OF THE MINUTES |
| III: | DARWIN INTERIM PLAN AUGMENTATION |
| IV: | GENERAL FUND ANNUAL EMPLOYEE WORSTATION COSTS PRELIMINARY PROJECTIONS |
| V: | FACULTY/STAFF HOUSING: 2004-2005 FUNDING REQUIREMENTS |
| VI: | 2005-2006 TRUSTEES BUDGET REQUEST |
| VII: | ADDED ITEMS: MARGINAL COST FORMULA |

VIII: ITEMS FOR THE GOOD OF THE ORDER

I: APPROVAL OF THE AGENDA

Eduardo Ochoa brought the meeting to order at 8:12AM. Andy Merrifield requested an additional agenda item on behalf of the Academic Senate Budget Committee: Marginal cost formula and the shifting of centers from Academic Affairs. No objections were heard to adding this item. Merrifield moved and Catherine Nelson seconded a motion to approve the agenda. No objections were heard.

II: APPROVAL OF THE MINUTES: October 21, 2004

Gloria Ogg moved and Janice Peterson seconded a motion to approve the minutes of October 21, 2004. Bill Crowley needs to be added as a proxy for Tim Wandling at the October meeting. The minutes were approved unanimously with abstentions from those not in attendance at the October 21, 2004 meeting.

III: DARWIN INTERIM PLAN AUGMENTATION

(Please see the November 11, 2004 Agenda Packet for this document)

Schlereth informed Members that the Darwin Interim Plan required additional funding of approximately \$500,000. The additional costs were driven by additional costs within Science and Technology and a higher than expected bid for moving costs. \$60,000 will be repaid when Group II money is sent to the campus. These costs will be split between Academic Affairs and Administration and Finance 2/3 and 1/3 respectively. Elizabeth Stanny asked if the campus had benchmarks for such costs. Schlereth responded that we did not as most of the expenses are driven by the tenant, however he will have Capital Planning look into this. Bill Crowley is concerned about the "open check" budgeting for this project. Schlereth agreed that he is also concerned about the additional costs, however these are not completely unexpected. Schlereth warned two years that unexpected costs would likely emerge. He reiterated other expenses, such as landscaping, that have still not been addressed.

**IV: GENERAL FUND ANNUAL EMPLOYEE WORKSTATION COSTS
PRELIMINARY PROJECTION**

(Please see the November 11, 2004 Agenda Packet for this document)

The employee workstation program was eliminated during budget reductions two years ago. Ochoa and Schlereth have been receiving complaints about the age and functionality of older workstations. Schlereth presented preliminary costs associated with restarting the program. These costs do not include self-support organizations. Schlereth feels each Division needs to determine if they can afford the program. Most comments echoed a need for workstation replacement and cited funding as an issue. Melinda Barnard noted that the previous model of supplying standardized workstations did not address individual needs. Schlereth agreed and noted the centralized coordination was difficult.

V: FACULTY/STAFF HOUSING: 2004-2005 FUNDING REQUIREMENTS

(Please see the November 11, 2004 Agenda Packet for this document)

Schlereth presented the costs projected for the faculty and staff housing initiative in 2004-2005. While these costs will likely be recovered at project completion, it does represent an expenditure

for this year. Schlereth asked Members if this initiative is still a priority. Discussion ensued. Most felt the project to be a priority, however funding remains an issue in this tough budget time.

VI: 2005-2006 TRUSTEES BUDGET REQUEST

(Please see the November 11, 2004 Agenda Packet for this document)

Schlereth presented the Trustees Budget Request for 2005-2006. He noted two additional mandatory costs totaling \$170,000 likely to be assessed to the campus for software licenses. Schlereth noted that we will likely not receive reductions in the upcoming year, however we will not receive additional funding either. Discussion ensued regarding the merits of the budget proposal.

VII: ADDED ITEMS: MARGINAL COST FORMULA

Merrifield does not feel the marginal cost formula addresses quality education. Schlereth responded that the marginal cost formula is quite rich for instruction, however mandatory costs hurt the formula. He warned that other methods may seem more rich, however are not. Ochoa believes this issue will likely be addressed in the campus' planning discussions.

VIII: ITEMS FOR THE GOOD OF THE ORDER

None

Ochoa adjourned the meeting at 9:59am.
Minutes prepared by Neil Markley