

**PRESIDENT'S BUDGET ADVISORY COMMITTEE
MINUTES
November 17, 2005**

MEMBERS PRESENT:

Larry Furukawa-Schlereth	CFO, Vice-President, Administration and Finance, Co-Chair
Eduardo Ochoa	Provost, CAO, VP Academic Affairs, Co-Chair
Melanie Dreisbach	Immediate Past Chair of the Faculty
Tim Wandling	AABAC Representative
Gloria Ogg	Sr. Director for University Business Services, CRC Rep
Janice Peterson	Senior Director for University Budget, CRC rep
Elizabeth Stanny	Chair of the Faculty, BUS Dept.
Melinda Barnard	Faculty, Communications Dept., CRC rep
Nadir Vissanjy	President, Associated Students
Letitia Coate	Associate Vice-President, Administration and Finance
Henry Amaral	Staff Representative, Facilities
Elaine McDonald	Chair Elect of the Faculty, Math Dept.
Bucky Peterson	VP Development
Dan Condon	VP University Affairs
Andy Merrifield	CFA Representative
Katharyn Crabbe	VP SAEM
Elaine Leeder	Dean, Social Sciences (New member, replacing Saeid Rahimi)

STAFF PRESENT:

Bill Ingels	University Treasurer
Katie Pierce	Associate Vice-President for Academic Resources
Ian Hannah	Management Trainee, A & F

MEMBERS ABSENT:

Steven Campbell	AS Vice President for Finance
Sam Scalise	CIO
John Kramer	Political Science Department

GUESTS PRESENT:

David Abbott	Staff Writer, SSU Star
Tandy Whitaker	Budget Manager
Kathy Mahler	Budget Manager

AGENDA

- I: APPROVAL OF THE AGENDA
- II: APPROVAL OF THE MINUTES
- III: REVISED 2005-2006 NEW DISCRETIONARY GENERAL FUNDS
- IV: TRUSTEE'S 2006-2007 BUDGET REQUEST
- V: FIVE YEAR CAPITAL BUDGET PLAN
- VI: DISTRIBUTION OF FUNDRAISING DOLLARS
- VII: CAMPUS CHARGEBACKS
- VII. SSU EXPENDITURE PLAN
- IX. WASC SELF REVIEW WORKSHEET

I: APPROVAL OF THE AGENDA

Eduardo Ochoa brought the meeting to order at 8:05 am. The agenda was passed unanimously.

II: APPROVAL OF THE MINUTES: October 13, 2005

Passed, with one revision to add the sentence “The GMC Finances presentation generated substantial discussion on all aspects of the presentation.” to section V. titled GMC Finances.

III: REVISED 2005-2006 NEW DISCRETIONARY GENERAL FUNDS (Please see the November 17th, 2005 Agenda Packet for this document)

Larry Schlereth presented the revised allocation of new General Fund dollars. The revised projection of funds needed by Academic Affairs for Instruction in order to achieve target and to at least maintain the current SFR is now at \$630,000. The revenue adjustment due to the enrollment shortfall was also revised with the assumption that SSU will be 150 FTES below target for 05/06. Information security costs were removed as the recruiting for these positions will be postponed. With all adjustments made, this created a \$338,200 gap in funding that needed to be allocated to Instruction within Academic Affairs in order to meet target. The following divisions contributed the required funds: Academic Affairs (\$202,920), Student Affairs (\$27,000), and Administration & Finance (\$108,280). These contributions are to be paid back once additional funds have been raised. A motion passed (w/ 5 opposed) to have the \$202,920 contributed from Academic Affairs to be returned first amongst the three divisions, once the money has been received.

Schlereth also mentioned that Richard West recently gave notice that any CSU campus going 2% over/under their enrollment target will have campus level implications on funding in Fall 06. Having enrollment numbers under 2% will cause for funding cuts and going over 2% will cause for additional dollars allocated to the campus. (Enrollment between -2% and 2% over or under will not be affected financially as this range will act as a cushion)

IV: TRUSTEE’S 2006-2007 BUDGET REQUEST

(Please see the November 17th, 2005 Agenda Packet for these documents)

The CSU Support Budget plan was presented. \$235,449,000 in new funds would be allocated to the CSU system in 06/07 according the Board of Trustee’s request. The sources of funds included items such as an enrolment growth of 2.5% and an Undergraduate student fee increase of 8% (10% for Graduates). The budget plan expenditures included such items as increased mandatory costs and salary increases. The enrollment growth funding for SSU is expected to be based upon 311 additional FTES.

Concern from some of the members was expressed in regards to the fact that student fees are increasing while restoration of educational quality is not clearly shown. This is in response to a five year compact plan which has been made to raise student fees, shifting the burden upon the students.

V: FIVE YEAR CAPITAL BUDGET PLAN

(Please see the November 17th, 2005 Agenda Packet for this document)

Shlereth presented the 5 year capital budget plan which included both the state funded and non-state funded capital outlay program. The state funded program typically is funded via a state funded proposition (i.e. Prop 55) or a System-wide Revenue Bond (SRB) funded by the CSU. The non-state funded program is self sustaining with an SRB issued that is associated with each campus and a revenue stream associated with it in order to pay the debt. On the state funded side, the GMC academic building will be funded in 07/08. A new academic building is currently on the capital outlay list with hopes of being approved by the Chancellor's office. This building would be built on the site of the Commons with a 500 FTES capacity.

The non-state funded program includes a busy year in 2008/2009, where the Faculty Staff Housing project, Beaujolais Village Phase II, and the University Center will be underway. The student housing expansion and the University Center will be key facilities in order to accommodate SSU's future enrollment growth, mandated by the CSU. The size of the freshmen class by 08/09 is expected to be approximately double current numbers.

VI: DISTRIBUTION OF FUNDRAISING DOLLARS

(Please see the November 17th, 2005 Agenda Packet for these documents)

Shlereth presented a summary of the 04/05 endowment earnings which were distributed to the various entities. The total endowment earnings distribution for 04/05 was \$884,126, compared to \$305,000 from 03/04. The fund balances within the various departments as of 6/30/05 were also presented. Katie Pierce presented reconciliation to the fund balance sheets for clarification. Some members expressed interest in learning the impact of gift earnings in an addition to the impact of endowment earnings. This may be looked at via PeopleSoft reports and should be done at the division level.

VII: CAMPUS CHARGEBACKS

(Please see the November 17th, 2005 Agenda Packet for this document)

Shlereth presented a sheet representing the current General Fund as well as Non-General Fund chargebacks. Chargebacks occur when one entity charges another entity for a service provided. SSU has made an attempt to minimize chargebacks and currently only a few remain. The current General Fund chargebacks include: rental and delivery of tables, chairs, or risers for event set-ups, lock re-keying, renovations, telephone bills, and postage. Renovation chargebacks are often outsourced due to the fact that the General Fund does not fund a renovation crew in Facilities (some I.T. charges related to

renovations may occur as well). Also, a chargeback from I.T. occurs when a service is provided that exceeds the TII standard, such as a switch that needs to be activated.

VIII: SSU EXPENDITURE PLAN

Due to time constraints, discussion of the SSU expenditure plan was postponed until the next PBAC meeting on December 15th.

IX: WASC SELF REVIEW WORKSHEET

A WASC worksheet for preliminary self-review under the standards was provided to be completed by each person present at the PBAC meeting. Upon completion, the worksheets were collected for review by the Academic Affairs division.

Schlereth adjourned upon the individual completion of the WASC self review worksheet around 10:00 a.m.

Minutes prepared by Ian Hannah