PRESIDENT’S BUDGET ADVISORY COMMITTEE
November 14, 2013

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
Carlos Ayala  Dean, School of Education
Dan Condon  Vice-President, University Affairs
Erik Greeny  Interim Vice-President, University Development
Laura Lupei  Senior Director for University Budget, Administration and Finance
Matt Dougherty  Vice-President, Finance, Associated Students
Anthony Gallino  Executive Vice-President, Associated Students
Henry Amaral  Staff Representative, Facilities

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

GUESTS PRESENT:
Matthew Benney  AVP Academic Support, Academic Affairs
Arcelia Cabrera  Administrative Assistant, University Development
Christopher Dinno  Associate Vice-President, Capital Planning Design Construction
Kathy Mahler  Budget Manager, Administration and Finance
Natalie Sanchez  Budget Manager, Administration and Finance

MEMBERS ABSENT:
Ruben Armiñana  President, SSU, Chair
Letitia Coate  Associate Vice-President for Administration and Finance
Matthew Lopez-Phillips  Chief Student Affairs Officer
Jason Wenrick  Chief Information Officer, Administration and Finance
Andy Merrifield  CFA Representative, Political Science Department
AGENDA

I. APPROVAL OF THE MINUTES

Larry Furukawa-Schlereth called the meeting to order at 8:32 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 September 12th, 2013 meeting. Minutes approved unanimously. Andrew Rogerson announced that Shawn Kilat will now be joining the committee in the position of Interim Director of Budget for Academic and Student Affairs.

II. TRUSTEES APPROVED BUDGET REQUEST

(Please see the November 14th, 2013 agenda packet for related documents)

Schlereth presented the committee with the CSU Board of Trustees’ approved budget request. The Trustees are requesting a funding increase of $334M, primarily through an increase the in the General Fund contribution. The additional funds would augment expenditures in a number of areas. The largest allocation would be $163M for a 5% enrollment growth. In conjunction with this growth would be an additional $50M allocation towards student success and completion initiatives. An important new expenditure added to this year’s budget request is $15M to finance maintenance and infrastructure needs. As many buildings throughout the CSU System age, there is an increasing need for support to repair and expand the infrastructure. The budget request would also include a slight increase in compensation.

III. ENROLLMENT GROWTH ALLOCATION: 2014-2015 AND PROJECTED BUDGET IMPLICATIONS

(Please see the November 14th, 2013 agenda packet for related documents)

Schlereth shared four scenarios of potential growth, as determined by the Chancellor’s Office, and their respective budget implications. The scenarios represented 2%, 4%, 6%, and 8% growth. The additional FTES from the growth would range between 151 and 603. The additional revenue is these scenarios are between $1,438,577 and $5,744,781. Currently, the 2013-2014 SSU Base includes tuition revenue from 105% FTES target ($2,035,800). Because the university is currently over-enrolled the growth would not increase capacity, but rather provide funding for the students that are currently on campus.

IV. BUDGET PRIMER

(Please see the November 14th, 2013 agenda packet for related documents)

Schlereth reviewed the Budget Primer presentation for the committee. The most recent year’s budget was $194.8M, which is slightly inflated due to the completion of the Student Center. The presentation
provided an overview of the composition of the 12/13 SSU Budget including the Operating Fund, the Capital Budget and the Self-Support and Auxiliary Funds. The Operating Fund budget for 12/13 was $88.7M and is composed primarily of State appropriations and student fees. The proportion of student fees are getting higher as the State appropriation is reduced. The Capital Budget was $39.6M in 12/13 and included the Student Center, mechanical/lighting renewal, and design for the Commons/MasterCard Pavilion.

Schlereth then reviewed the budgets for each of the Self-Support funds. The Grants and Contracts program was budgeted at $9.1M, comprised of $1.4M for the Anthropological Studies Center, $4.6M in the Schools (primarily Science & Technology and Social Sciences) and $3.0M related to student outreach and retention and public and graduation services. The Housing program had a budget of $25.2M in 12/13. Housing carried a level of debt associated with the construction of the various Housing villages. The 12/13 budget for the School of Extended Education was $6.1M. The Parking program had a budget of $2.1M in 12/13. The Instructionally Related Activities (IRA) budget was $3.4M which is generated from a student fee that supports a variety of co-curricular activities mainly Athletics, Performing Arts, the Children’s School and the Library. Additionally, in 12/13 the Health Center and CAPS had a budget for $2.8M.

Schlereth then provided an overview of each of the campus Auxiliaries. The Associated Students (AS) had budgeted revenue of $2.1M in 12/13. The Student Union’s budget was $3.8M. Sonoma State Enterprises (SSE) had a budget of $11.2M. The Foundation has a small general fund budget of $187,000 to support operations and the total assets of the Foundation, which were $43.9M.

Schlereth reviewed the annual audit activity as well as the Debt Service Coverage Ratio (DSCR) and Campus Reserve policy requirements.

There was much feedback from the committee that this presentation would be helpful at the Academic Senate, in addition to more in-depth presentations related to the debt on campus.

V. FIVE YEAR CAPITAL OUTLAY PLAN
Due to time constraints the Five Year Capital Outlay Plan was postponed to the next meeting.

Schlereth adjourned the meeting at 9:59 am.
Minutes prepared by Katie Robinson.