PRESIDENT’S BUDGET ADVISORY COMMITTEE
May 14, 2015

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
Richard Senghas  Faculty Chair, Anthropology Department
Margie Purser  Immediate Past Chair of the Faculty; Anthropology Department
Kirsten Ely  Interim Vice-Chair of the Faculty; Business Department
Dan Condron  Vice-President, University Affairs
Erik Greeny  Vice-President, University Development
Jason Wenrick  Chief Information Officer, Administration and Finance
Ian Hannah  University Treasurer, Administration and Finance
Carlos Ayala  Dean, School of Education
Elaine Newman  CFA Representative, Mathematics Department
Brandon Mercer  President, Associated Students

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

GUESTS PRESENT:
Matthew Benney  AVP Academic Support, Academic Affairs
Hayley Ross  Assistant Budget Analyst, Administration and Finance
Natalie Sanchez  Budget Manager, Administration and Finance

MEMBERS ABSENT:
Ruben Armiñana  President, SSU, Chair
Henry Amaral  Staff Representative, Facilities
Matthew Lopez-Phillips  Vice-President, Student Affairs
Laura Lupei  Senior Director for University Budget, Administration and Finance
Kevin McMahon  Vice-President, Finance, Associated Students
AGENDA

I. APPROVAL OF THE AGENDA AND MINUTES

II. GOVERNOR’S MAY REVISION

III. STATUS OF THE UNIVERSITY RESERVE

IV. PRELIMINARY BUDGET ALLOCATIONS: 2015-2016

V. BUILDING A SUSTAINABLE FINANCIAL MODEL FOR SSU

VI. GOOD OF THE ORDER

I. APPROVAL OF THE MINUTES

Larry Furukawa-Schlereth called the meeting to order at 8:32 am. He introduced the agenda and asked for any changes. Hearing no additions to the agenda, Schlereth asked for a motion to approve the minutes of the April 9th, 2015 meeting. Minutes approved unanimously.

II. GOVERNOR’S MAY REVISION

Schlereth informed the committee that the Governor’s May Budget Revision had not yet been released, although it should be available within a few days’ time. There is a sense the CSU will possibly receive some additional funding on a one time basis, probably associated with maintenance and repair. He did not anticipate there would be an increase in permanent allocation. Dan Condron added that there may be some delay in the release due to revisions based on the recently passed ballot measures.

III. STATUS OF THE UNIVERSITY RESERVE

(Please see the May 14th, 2015 agenda packet for related documents)

Schlereth reminded the committee that the reserve is a permanent allocation of $625k in the Operating Fund for items that are typically unforeseen. In addition to the permanent allocation, there is a $104k 13/14 reserve balance roll-forward for total University reserve funding of $729k. These items paid for by the reserve require presidential approval. There are a number of issues which are recurring but difficult to budget for since the amount varies so drastically from year to year. This includes faculty leave, which is currently estimated at around $300k, KPMG GAAP audit fees ($25k), and risk pool deductibles ($122k). Other items being paid for by the reserve in the 14/15 year include the Art Department dust collector repair ($40k), No Smoking permanent signage ($40k), and Cultural Graduation Augmentation ($3.5k). Pending the addition of any other items, there will be a balance of just under $200k, which will be rolled into the 15/16 year.
IV. PRELIMINARY BUDGET ALLOCATIONS: 2015-2016
(Please see the May 14th, 2015 agenda packet for related documents)

The committee reviewed the 2015/16 preliminary budget allocations to divisions based on 1% funded growth. The enrollment growth will result in 78 additional FTES for the campus, funded at $9,942 each for a total of $775,476. The growth allocation is divided amongst the divisions using the marginal cost formula. There are slight variations in the percentages distributed to the divisions from year to year based on organizational changes between divisions. Schlereth once again reviewed the 2014-15 compensation costs, as well as the recurring need going forward. The funding has been identified for both the 2014-15 and 2015-16 years.

V. BUILDING A SUSTAINABLE FINANCIAL MODEL FOR SSU

Schlereth discussed building a sustainable financial model for Sonoma State University. The Task Force for a Sustainable Model for the California State University completed their analysis and prepared a report with their findings which would likely be released after the Governor’s May Revise. The report will outline areas of potential opportunity, which each campus will analyze based on their own needs. Schlereth noted that he would like to gather a group to review the report, and discuss how Sonoma may take advantage of the areas outlined. There are several areas on campus that feel they could benefit from additional resources including: Academic Affairs, Instructional Technology, Facilities, Campus Life, and the Green Music Center.

VI. GOOD OF THE ORDER

This is the last PBAC meeting for both Margie Purser and Kirsten Ely. Schlereth thanked them for their hard work and productive efforts both on the committee, as well as the campus as a whole.

Schlereth adjourned the meeting at 9:27 am.
Minutes prepared by Katie Robinson.