

CAMPUS FEE ADVISORY COMMITTEE

March 25, 2011

MINUTES

ATTENDEES

Members: David Ely Grant Mack
Amanda Pascoe Krista Parker
Laura Schofield Kimberlee Reilly
Debra Bertram Ethan Singer
Cathie Atkins

Student Alternates: Chanelle McNutt

Faculty/Staff Alternates: Linda Lewiston for Eric Rivera

Non-voting member: Crystal Little

Guests: Lorretta Leavitt Scott Burns
Marty Kandes

The meeting was called to order at 2:05 P.M. by Dr. David Ely, CFAC Chair.

Approval of March 18, 2011 CFAC Meeting Minutes (Attachment 1)

The minutes were reviewed. Mr. Mack made a motion to approve the minutes, which was seconded by Ms. Parker. The minutes were approved unanimously.

Informational Item:

a. Official results of the Advisory Student Fee Referendum (Student Success Fee) conducted on campus March 9-10, 2011 (attachment 2)

Dr. Ely introduced the official results as well as the memorandum from the elections committee, which reports compliance in each required section of the Elections Code. There were no appeals or complains filed; AS Council approved the results on Wednesday, March 23. There was hardly any discussion at the AS Council meeting regarding this referendum (Mr. Mack). The committee is to formulate a recommendation to President Weber today.

Mr. Mack met with Provost Marlin regarding the probability that the Chancellor's Office would approve this fee; Chancellor Reed recently approved an IRA fee for Athletics in CSU Long Beach. Mr. Mack will be writing a letter to Chancellor Reed for consideration in his decision regarding this fee.

In the future, any college can propose a similar fee through a referendum; it would just have to go through the same process as these three colleges (Dr. Ely).

In the case that Chancellor Reed doesn't approve the College of Business Administration fee, the campus president can, at a later date, resubmit this fee to the Chancellor's Office; there is no expiration on a referendum's "Yes" vote (Mr. Burns). This depends on the nature of the response coming from the Chancellor's Office (Dr. Ely).

Action Item:

a. Spring 2011 Student Success Fees Referendum

Mr. Mack made the motion to forward the recommendation to the university president to implement the Student Success Fee for the College of Business Administration, but not for the colleges of Science or Engineering. Ms. Bertram seconded the motion. All committee members voted; there were no objections and one abstention. The motion was approved.

Informational Item:

b. Proposed 2011/12 IRA Budget (attachment 3)

Ms. Little introduced the proposed IRA budget for 2011/12. The proposed budget is a result of projected revenues based on anticipated enrollments and increasing expenses; Attachment 3 includes four columns: 10/11 Approved Budget, 10/11 Actuals (expenditure and revenue) data as of March 4th, 10/11 Projections for year end and Proposed Budget for 11/12. The approved 10/11 budget called for drawing \$131,000 from the reserves to fund planned expenditures. Based on actual expenditures and year-end projections it is projected that close to \$188,000 will come out of reserves this year. This leaves an estimated reserve of \$194,609 as of 6/30/11 and with the proposed 11/12 budget, the estimated reserve as of 6/30/12 is projected to be \$134. The main issue is the Athletics/Sports Club insurance, which is projected to be

\$58,000 over budget; however, it is expected to increase 1.8% into 2011/2012, per CSURMA. The revenues are not increasing significantly enough to cover the rising costs. Investment earnings have changed as well; the rates have declined dramatically the last two years. Music and license fee estimates are based on the last three years experience and have been relatively stable at \$22,000 to \$23,000.

The 10/11 Interest Income/Other line includes a year when fees revenue were actually earning money (Ms. Leavitt).

Allocations to Academic Affairs, Sports Club and Athletics are the only areas of flexibility; the proposed 11/12 IRA budget reflects the pro rata reductions to these areas.

Dr. Singer suggested taking the difference out of Sports Club, since Academic Affairs has been stuck with the same \$200,000 allocation mainly due to rising insurance costs and doesn't come close to covering AA's needs. Sports Club is the newest; it came in a year when there were enthusiastic members of the IRA committee who represented sports clubs and there was additional money to fund it. The increasing insurance costs should not be taken from AA, but from Sports Club. His main concern is to keep the AA allocation at \$200,000.

IRA stands for Instructionally Related Activities. Its funds are restricted, they can go to Athletics in support of athletics programs, as well as sports clubs; historically \$200,000 has been allocated to academic programs, so it allows student organizations to set up speaker series, forensics, travel, etc. These are the funds that go to all the college councils; they have to put together proposals which are awarded by the deans (Dr. Ely).

The College of Science highly depends on IRA funding and students will question any reduction, especially since IRA is a lot of Athletics, so it is important to maintain the \$200,000 allocation (Dr. Atkins).

A portion of the most recently approved IRA fee goes to Sports Club - about \$320,000 in new revenue, so their allocation went from \$5,000 to \$320,000 plus the \$5,000. Rising mandatory costs in the IRA 1 (basic fee) component have been a challenge; with IRA 3 (Fall 2008) fee increase) a portion was designated to cover these mandatory costs, but it's not enough. The two notions are to reduce allocations or go for another fee increase to deal with these rising costs (Mr. Burns).

Mr. Mack expressed concern over depleting reserves; he agrees with maintaining the AA allocation, but it looks like the resources are not there. Mr. Kandes agreed that projected reserves at \$134 is the larger issue for planning for future years; if the committee intends to solve this issue it may have to look at more detail on budget expenditures.

For AA there is a history of how these funds are spent; Ms. Little distributed a spreadsheet detailing the \$200,000 allocation. The Athletics component goes directly into their operating budget; the Sports Club allocation goes toward team travel, tournament fees and similar operating expenses (Mr. Burns). It is also important to look at the magnitude of expense and obligation in each program area and the recent percent increase in allocation (Mr. Burns).

There are three IRA budgets, but the committee only has control over the one discussed today (Dr. Ely).

Ms. Bertram suggested looking at the ability of the three (Athletics, AA and Sports Club) to garner outside revenue; Athletics and Sports Club have a huge opportunity for donor money, but AA doesn't have the ability to draw donor money at the level of Athletics. Ms. Pascoe noted that Sports Club is required to fundraise half of what they get to receive the \$320,000 allocation; they are managed by AS.

Ms. Reilly asked what AA has been spending out of the program allocations each year. Last year AA spent \$197,000 and this year expenditures are on trend to be the same (Ms. Little).

Ms. McNutt requested reports regarding other sources of revenue, besides this allocation, for any of the three (Athletics, AA and Sports Club). AA doesn't have other sources of revenue for student organizations (Dr. Ely). AS can generate a report for Sports Club and distribute it at the next meeting (Ms. Pascoe).

New Business

Dr. Ely reported that the subcommittee has met regarding the timeline template and a policy on alternative consultation which will require additional meetings. One key issue with the most recent referendum was the timing; everything throughout the process was rushed (Mr. Mack).

Ms. Parker made the motion to adjourn the meeting, which was seconded by Ms. Pascoe. The meeting adjourned at 2:43 PM.

Reminder: Next Meeting is scheduled for Friday, April 8 at 2:00 PM in SS-1608.