

**PRESIDENT’S BUDGET ADVISORY COMMITTEE**

**December 14, 2017**

**MINUTES**

	<b>Area Budget Reps Present:</b>	<b>Staff Present:</b>	<b>Guests Present:</b>
Tom McCarron	Radmila Prislin	Crystal Little	
Chukuka S. Enwemeka	Agnes Wong Nickerson	Nance Lakdawala	
Marcie Bober Michele	Tony Chung		
Mary Ruth Carleton	Travis Clancy		
Donna Conaty	Leslie Levinson		
Gina Jacobs			
Cezar Ornatowski			
Chimezie Ebiriekwe			
Eric Rivera			

**Voting Members Absent: Area Budget Reps Absent**

**I. Call to order** - VP McCarron called the meeting to order at 2:07 p.m. He inquired if there were any amendments to the agenda but there were none.

**II. Information Items**

- **2018/19 Budget Update** – VP McCarron said the CSU will submit the request to the governor who will release an initial budget in January. Then he will release a May Revise and the budget will be adopted in June. The operating budget was released at the Board of Trustees in November. Governor Brown is projecting a 3% general fund increase for the CSU. He also has a rainy day fund. \$102M is 3%. There may be a 1% enrollment growth which costs \$20M to the CSU. \$283M is the operating budget. Major cost increases are \$122M compensation, \$75M graduation initiative, \$31M mandatory costs – healthcare, new facilities, \$15M academic deferred maintenance. Simplified version is compensation, mandatory costs, \$51M gap. Tuition increase of 4% would not quite cover gap + infrastructure costs. State is in good shape. We went six years without a tuition increase and did not keep up with inflation. VP McCarron is serving on the CSU financial task force which will meet in January. They are looking for a better long term solution. Costs will go up an average of 3-4% per year. How can the CSU keep up? Part of this is a messaging issue. No vote planned at the Jan Board of Trustees about tuition increase but will have a discussion. Will possibly vote in March. Some discussion about increasing the graduation rates and needing more funding to do so

**III. Reports**

- **2017/18 Revenues (Attachment 1)** – We are \$16.5M over budget. The figures include application fees. The numbers are an improvement from our prior meeting. May go up at the end of the semester. Doesn't reflect spring semester yet.

- **2017/18 Base Reserves (Attachment 2)** – SDSU surplus compensation base. Bargaining unit agreements have been finalized. We are able to put \$2.5M back in base reserve. Pending base funding requests total \$2.65M. We will not vote today.
- **2017/18 One-Time Reserves (Attachment 3)** –\$6.5M is available. Looking at requests that will come back to the committee in spring.
- **2017/18 Multi-Year Budget (Attachment 4)** –\$2.5M adjustment for compensation pool included in figures.

#### IV. Watch List

- **Master Plan Costs** – Working to finish the master plan to bring it to the Board of Trustees May 2018. This is the fix from the 2007 master plan.
- **Unfunded Compensation Items**– Many agreements are continuing through 2020.
- **Campus Projects – Mission Valley** – \$3B cost over many years with public private partnerships. CSU helping us work through this project.

#### V. 2017/18 Funding Requests

- **2017/18 Base Funding Requests – Summary (Attachment 5)** – VP McCarron presented a brief summary, totaling \$2.475M.
- **2017/18 Base Funding Requests – AA (Attachment 6)** – AVP Prislin presented AA funding requests. There is a threat of losing faculty members to other entities.
- **2017/18 Base Funding Requests – SA (Attachment 7)** – AVP Chung presented SA requests. They are currently using 1x funds to pay for advisor but want to add to base funding. AR&P Chair Conaty said it would be good to know which students are using advisors.
- **2017/18 Base Funding Requests – BFA (Attachment 8)** – AVP Wong Nickerson presented BFA requests.
- **2017/18 Base Funding Requests – URAD (Attachment 9)** – TCF CFO Clancy presented the URAD request. They would like one person to focus on diversity. This project pays for itself.
- **2017/18 Base Funding Requests – INSTIT (Attachment 10)** – AVP Wong Nickerson said EIS building is opening in January. CSU will provide some funding for maintenance. AVP Prislin talked about needing an EIS meeting space technician to manage space. AR&P Chair Conaty said it would be a good idea to encumber funds for the second 50% of projects. Senate Chair Bober-Michel said we don't have a full time person to support the senate staff.

AR&P did not have issues with these funding requests but had questions regarding the funding procedure within AA. They would like to have more time to provide input. As questions come up, PBAC would like to discuss the correct venue to present information.

VI. **New Business** – None. Meeting adjourned at 3:20 p.m.

VII. **Reminder – Next Meeting Date** – Thursday, January 18, 2017 at 2:00 p.m. in MH-3318.