

PRESIDENT’S BUDGET ADVISORY COMMITTEE
September 28, 2017
MINUTES

Voting Members Present:	Area Budget Reps Present:	Staff Present:	Guests Present:
Tom McCarron	Radmila Prislin	Crystal Little	Jessica Rentto
Chukuka S. Enwemeka	Agnes Wong Nickerson	Nance Lakdawala	Chris Thomas
Marcie Bober Michele	Tony Chung		
Mary Ruth Carleton	Travis Clancy		
Donna Conaty	Leslie Levinson		
Gina Jacobs			
Cezar Ornatowski			

Voting Members Absent: Chimezie Ebiriekwe
Eric Rivera

Area Budget Reps Absent

I. Call to order - VP McCarron called the meeting to order at 2:05 p.m. He inquired if there were any amendments to the agenda but there were none.

II. Information Items

- **Introductions** – VP McCarron said Chimezie is on the committee but unable to attend today so Chris Thomas attended in his place. Everyone introduced themselves.
- **2017/18 Draft Revised PBAC Meeting Schedule (Attachment 1)** – VP McCarron presented the new schedule. We have extra meetings scheduled for the end of the fiscal year in case we need them.
- **2017/18 B 2017-05 (Attachment 2)** – This data is from the “B” budget letter from the Chancellor’s Office. The first column is from the April. 2nd letter and the second column is the final budget. We were given additional funding to increase our FTEs by 100. Our reserves are better than anticipated.
- **2018/19 BOT Preliminary Budget (Attachment 3)** – This information is from last week’s board agenda. This is the first report of the preliminary budget for next year. The governor is proposing \$102M, half of our operating budget. This does not cover inflation, mandatory cost increases, or mandatory graduation initiatives. One of the trustees recommended developing a tuition policy. VP McCarron is not optimistic about this budget. Deferred maintenance and compensation are unknown. AVP Wong Nickerson said in our preliminary plan we need \$250-273M. We need to figure out how to fund the gaps. This year was a 4% increase and next year is 3%.

- **AR&P Referral Report** – Senate Chair Bober-Michel said they looked at the budget history. The final report addressed what SDSU could do to save money and make the budget clear to others. Some recommendations will be on hold until our new president arrives (e.g., budget strategic planning). Conversations need to be ongoing. VP Carleton is preparing a report on the campaign, explaining how the money comes in and goes out. Academic Affairs would also like a clear and consistent process on how to request funding and projects are funded. The report will also explain how we can be more effective at fundraising.

III. Reports

- **2017/18 Revenues (Attachment 4)** – VP McCarron stated this breaks out basic tuition fees - out of state and international. 2/3 of our revenue comes from non-resident tuition. We want to have a buffer. One-time monies can be used to make improvements to campus. We have favorable budget variances so far. This is an overview of our revenues. \$3M came from successful summer tuition. It would be helpful to conduct a survey of why students went to summer school this summer. Summer Pell grants are being reinstated next summer so that will help students. This handout is a conservative estimate for fall.
- **2017/18 Base Reserves (Attachment 5)** – VP McCarron said we had a base budget reserve balance of \$1.36M but the target came in higher.
- **2017/18 One-Time Reserves (Attachment 6)** – VP McCarron said we are at \$13.6M. Our target is \$8M so \$5.6M is available so we will consider ways to deploy this funding during the year.
- **2017/18 Multi-Year Budget (Attachment 7)** – This attachment reflects how the base budget was allocated over the last few years and how much surplus we were carrying.

IV. Watch List

- **Master Plan Costs** – We set aside funding for the last two years but don't need anything yet. Our goal is to finalize our Master Plan of 2007 and bring it to the Board of Trustees for approval by May 2018. It will involve negotiations with the City. Our goal to move from 25,000 to 35,000 FTEs is not approved yet. AVP Schulz will explain the Master Plan elements at a future meeting. We hope to pay offsites as we grow instead of via lump sum.
- **Unfunded Compensation Items**– VP McCarron said we still have open contracts so are not able to figure the unfunded compensation amount yet.
- **Campus Projects – Mission Valley** – SDSU publicized a vision statement two months ago about what could happen now that the Chargers have left San Diego. We are negotiating a stadium lease extension. Our current one expires 2018. We are also creating a vision for SDSU West to take pressure off the mesa and expand. The SoccerCity initiative will be on the ballot June or November 2018. That project would impact the traffic greatly (like having a Charger game every day). Our proposed expansion would include a hotel, housing, research space, a river park, etc. Mission Valley developers are protecting their assets so there is a lot of support for SDSU. This is the opportunity of a lifetime. We would like to collaborate with research industries as well, possibly hold Commencement there,

build a conference center, etc. President Roush will attend the Senate Executive Committee tomorrow to talk about Mission Valley. Associate Professor Ornatowski said we need to include Imperial Valley Campus in an expansion plan. We also need to ensure we have adequate parking.

V. 2017/18 Funding Requests – None.

VI. New Business – None. Meeting adjourned at 3:00 p.m.

VII. Reminder – Next Meeting Date – Thursday, November 16, 2017, at 2:00 p.m. in MH-3318.