

PRESIDENT’S BUDGET ADVISORY COMMITTEE
September 27, 2018
MINUTES

	Area Budget Reps Present:	Staff Present:	Guests Present:
Tom McCarron	Radmila Prislin	Crystal Little	
Mary Ruth Carleton	Agnes Wong Nickerson	Jessica Rentto	
Marcie Bober Michele	Tony Chung	Nance Lakdawala	
Eric Rivera	Leslie Levinson		
Brittany Santos-Derieg	Travis Clancy		
Chris Thomas			
Steve Welter			
Joe Johnson			
Donna Conaty			

Voting Members Absent: Area Budget Reps Absent

Cezar Ornatowski

I. Call to order - VP McCarron called the meeting to order at 2:02 p.m. There were no amendments to the agenda.

II. Information Items

- **Introductions** – VP McCarron introduced the new PBAC members: Provost Joe Johnson, VP Steve Welter, A.S. President Chris Thomas, Chief of Staff Brittany Santos-Derieg. VP McCarron explained we are an advisory committee to the president.
- **2018/19 PBAC Meeting Schedule (Attachment 1)** – VP McCarron said the schedule includes Budget Review Action Team (BRAT), Academic Resources & Planning (AR&P) and President’s Budget Advisory Committee (PBAC) meetings. BRAT, AR&P and PBAC review funding requests. BRAT membership consists of an Associate Vice President from each division, Human Resources representative, and the AR&P chair. That committee discusses preliminary requests from an operational perspective, and provides feedback to the requestors.

AR&P is a senate committee and Dean Conaty is a co-chair. The committee is comprised of a representative of each college and division, staff members and two students. They meet after BRAT and before PBAC to discuss the budget proposals and provide feedback.

PBAC members review the budget, discuss budget proposals, and discuss CSU presentations given to BOT. The governor’s preliminary budget is received in January and PBAC reviews funds available to determine what can be allocated. The governor’s May Revise is discussed, and the budget should be passed by June 15th.

- **2018/19 B 2018-02 (Attachment 2)** – This attachment is created from the CSU budget letter. Our current base reserve target is \$4M. Many of our costs are mandatory – compensation, retirement, utilities, etc. Timing is tricky. We don't know how much we will get until the end of the year. There was a suggestion to enlarge the print and add line numbers to the spreadsheets.
- **2019/20 BOT Preliminary Budget (Attachment 3)** – CSU is getting back into the concept of multi-year budgeting. We know our costs thru 2020. We just don't know our revenues. State is approximately 50% of revenue and tuition is 50%. Lt. Governor Newsom said we should always ask for what we need. Governor Brown has fully funded his rainy day fund – 10% of budget - and he has retired some debt. Preliminary expenditure plan range has to do with enrollment growth. Deferred maintenance backlog for the CSU is listed as \$3.7B but that is likely half of what is needed. The deferred maintenance dollars get cut when we have budget shortages. \$200M is reserved for mandatory costs. Trustees will look at a more refined budget in November. State is doing well now but California is dependent on capital gains which is volatile.

III. Reports

- **2018/19 Revenues (Attachment 4)** – This attachment reflects budget and actuals for last year, and the current budget. \$77M is from non-resident tuition. We hold out 30% of non-resident tuition for one-time allocations.
- **2018/19 Base Reserves (Attachment 5)** – This document reflects where we started this year, the approved allocations and pending request. We need to re-evaluate the target unallocated base reserve amount.
- **2018/19 One-Time Reserves (Attachment 6)** – This attachment reflects our one-time budget reserve and approved one-time requests. The governor previously allowed more flexibility in our funding capital so we were able to fund our EIS building. VP Rivera suggested we conduct a session on budget principles since there are so many new committee members.
- **2018/19 Multi-Year Budget (Attachment 7)** – This attachment follows our 5-year budget allocation. There was a suggestion to show our preliminary budget estimate as a footnote.

IV. Watch List

- **Master Plan Costs** – The 2007 master plan fix was approved (to fix offsite mitigations). Three litigants file notices of non-opposition and then we bring the information to court. Then we have certification of the master plan fix. We will complete the traffic mitigation in the next three years. The amount is \$4.5M until 2023.
- **Graduation Initiative 2025**– Ongoing.
- **IT Governance** – Many meetings are being held. Investments in IT infrastructure such as new ERP systems and cyber security will be needed.
- **Infrastructure (electrical/steam)** – Over time, we are transitioning to a hot water system which is safer and more modern.
- **Mission Valley** – This is an investment; a legacy project.

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V. 2018/19 Funding Requests - ACTION

- **2018/19 Base and One-Time Funding Requests - AA (Attachment 4) – AVP** Prislín presented funding request for an AVP of Faculty Diversity and Inclusion. This request reflects our long term dedication to diversity, and the needs of new president. The AVP would serve as chief diversity officer for entire campus. The second request is for one-time money for a summer enrollment growth incentive program. We increased summer enrollment by 13% last year and 11% more this year. Everyone exceeded the target. Kudos to everyone that was on this committee. When all divisions work together, we are successful. AS President Thomas moved to approve this item, Dean Conaty seconded, and the motion passed unanimously.

VI. New Business – AVP Wong Nickersons said VP McCarron previously held a budget forum, and PBAC/BRAT/AR&P conducted a joint budget meeting. We would like to hold another joint meeting early this year to review the budgeting process. Dean Conaty said AR&P was very supportive of the budget items. Members would like to hold joint and strategic budget planning meetings. VP McCarron, AVP Wong Nickerson and Dean Conaty can also make presentations to various groups when requested.

VP Rivera said we need to review safety on campus, especially due to the new sophomore live on program coming up. President de la Torre has raised this subject as well. We have been piecemealing but need a more comprehensive plan. This will be added to our next agenda under Watch List.

VII. Reminder – Meeting adjourned at 3:30 p.m. Next Meeting Date – October 11, 2018 at 2:00 p.m. in MH-3318.