



**California State University, Stanislaus
University Budget Advisory Committee**

March 8, 2013

11:00 am – 12:30 pm

South Dining

NOTES

Present: F. Borrelli, E. Costa, S. Davis, R. Giambelluca, N. Jacklin, K. Jasek-Rysdahl, R. Kamali, C. Lonn-Nichols, J. Reynoso, J. Strong, B. Temple, S. Wooley

Absent: M. Salameh

Guests: M. Legg, D. Shimek

Recording Secretary: K. McField

1. Opening Remarks

VP Giambelluca distributed the agenda and additional handouts. He welcomed the committee and said that it is difficult to create a UBAC agenda during this time of year because of the level of economic uncertainty in the state and federal government. He recently checked with the State Controller's Office, and it appears that revenue is coming in on schedule. The next economic milestone is in mid-April (tax revenues), and then we will wait for the Governor's May Revise.

VP Giambelluca reported that he scheduled Dean Nemeth to attend the next UBAC meeting to discuss UEE revenue, per Dr. Jasek-Rysdahl's request at the February 8th meeting.

Provost Strong announced Dr. Elmano Costa's appointment to UBAC and welcomed him to the committee. Dr. Lynn Johnson resigned from the committee in order to focus on her work on the WASC Self-Study Team. Provost Strong said that he appreciated Dr. Johnson's good work and many contributions to the university.

2. Approval of Agenda

Ms. Temple moved to approve the agenda, and Mr. Borrelli seconded the motion. Agenda approved.

3. Approval of Notes

Provost Strong asked about a discussion at the last UBAC meeting regarding the allocation of \$2.2m (\$2,246,500) base budget available for reallocation resulting from the passage of Proposition 30. He asked VP Giambelluca and/or Ms. Legg to confirm that the \$2,246,500 base budget line item that is available for reallocation will be part of the 2013-2014 base budget and is not one-time funds. He was concerned about Dr. Jasek-Rysdahl's comments as follows:

(reading)

"If we treat this \$2.2 m allocation as base budget funding, it could significantly affect decisions next year. We must take care not to allocate the \$2.2 m into our base budget since we will not have this money next year. Ms. Legg agreed and said looking at the base budget is more for July 1 (next year)."

Ms. Legg confirmed that the \$2,246,500 was a base budget line item in 2012-13. Business and Finance is meeting with the divisions, assessing their one-time needs. We may have to use some of that money to fund those one-time needs, but we're not giving anything out in terms of the base budget increase until July 1. Each division has some positions that need to have funding restored from the \$2.2 million, so we will need to assess how much of the \$2,246,500 is already committed.

Ms. Legg went on to say that the \$2.2 million (\$2,246,500) is really that first \$125 million (systemwide) that's in the governor's budget. So as long as that stays and that gets funded, we will have that \$2.2 (\$2,246,500) million next year. If something changed with that, if there were budget reductions, then of course we wouldn't. The second \$125 million would be the new money. So that \$2.2 million (\$2,246,500) that we're talking about is what we've assumed at the CSU level is going to become an ongoing base budget in the governor's budget.

Provost Strong asked if the \$125M in the Governor's budget that is to replace the \$132M in fee reductions that occurred in 2012-13 was in the 2012-13 budget or will not be received until the 2013-14 budget. Ms. Legg said there are two pieces of what they call "\$125 million dollar allocations" in the governor's budget. The first piece, they've already given to us, and the overall amount that we have left to allocate is the \$2.2 million. The second piece was a one-time funding that they took our UEE dollars and transferred them into general fund, and they were hoping to make that a new, additional budget line out of the general fund budget. So there are actually two different allocations – one we have, and one would be new, additional. VP Giambelluca stated that the \$2.2 is a permanent allocation. Provost Strong asked if the \$125M allocation to cover the \$132M reduction in tuition in 2012-13 has or has not been added to the CSU budget for 2012-13. Ms. Legg said that yes it has (been added). Provost Strong asked if there was a second \$125M, if that is what the governor is proposing, and if that is what Ms. Legg meant by the second piece. Ms. Legg confirmed "yes," the second piece the he (governor) is

proposing is new money. They gave us one-time money this year and they want to make it an ongoing permanent base budget next year.

Ms. Jackson motioned to approve the UBAC notes from February 22, 2013. Dr. Davis seconded the motion. Notes approved.

4. Discussion and Focus Items

a. Open Discussion on Prioritization Process

Ms. Legg distributed a "General Operating Fund Budget Development Timeline." She discussed the process and explained that most activities are separated into quarterly processes. The CSU submitted a requested budget (\$371m additional funds) to the state in October, and the governor proposed a \$125m budget increase for 2013-2014. The CSU's request was reasonable and the \$125m would not cover the amount cut during the past few years, but we will now wait for the governor's May Revise to determine whether we will receive the proposed \$1.25m.

We expect an update from the CSU Board of Trustees in March regarding enrollment targets and our expected budget. The campus may not put out a formal budget call until between April and June so we may provide the most accurate estimates. We hope to prepare a final budget by July 1.

Dr. Wooley asked when the VPs will address UBAC regarding their division priorities. (This activity is listed in the January-March section of the timeline.) VP Giambelluca replied that the VPs have been conducting collaborative discussions with their staff and with the other VPs, but they have not come to a resolution yet. We hope to receive more direction from the CSU Board of Directors in March. Budget managers on all of the campuses are preparing for discussions in large March or early April.

Dr. Jasek-Rysdahl said that we do not necessarily need to know the final budget amount in order to determine university/division priorities. When we receive the budget, we can determine funding needs based on those priorities. VP Giambelluca agreed and said that we should put all needs on the table and decide on a process to rank them. Dr. Jasek-Rysdahl disagreed and said that UBAC's charge is not to create priorities but to review priorities identified by the divisions. Provost Strong replied that the process may be more complicated than that, and we need to determine how UBAC wants to handle the issue of priorities. The current university priorities stem from the mission, vision, and strategic plan, but those documents are all fairly broad and challenging to relate to specific budget lines. All divisions have been cut so much that their needs are overwhelming, so the VPs are working together to determine the most critical needs. Dr. Jasek-Rysdahl suggested that UBAC review the VPs priorities, connect them to the strategic plan and

the president's themes, and determine which priorities most closely align with those documents.

Provost Strong said that the VPs expect to reach a consensus regarding priorities within the next few weeks. Mr. Jacklin asked if UBAC may have an update on the process at the next meeting, and VP Giambelluca agreed.

b. UEE Resources – Scheduled for March 22

VP Giambelluca informed the committee that Dean Nemeth will discuss UEE resources at our next meeting.

5. Other Business

Dr. Davis asked if we could update the UBAC website to reflect this year's committee, and VP Giambelluca agreed.

Ms. Temple asked about the IPEDS report (distributed at the last meeting). She suggested that it would be helpful to see additional data comparing our campus to similar institutions. Provost Strong replied that this is an excellent suggestion, and we should work hard to establish benchmarks and compare our campus to other institutions to a reasonable degree. Some of the Holistic Academic Program Review Committee's work involves this sort of activity, so there is an opportunity for collaboration. We always have opportunities to improve our processes and get better. We also need to evaluate activities that will advance the university's mission and provide alternate revenue streams. Operationalizing the continuous improvement concepts are the biggest challenge.

Ms. Temple asked if we could discuss the IPEDS data in more detail at the next meeting, and VP Giambelluca agreed. He suggested we also discuss other opportunities to determine benchmarks (not just academic benchmarks). Provost Strong said that he will be ready to discuss the IPEDS report at the March 22nd meeting. Dr. Davis mentioned that former IR director Angel Sanchez compiled a list a few years ago, and the data compared our campus to similarly-sized local institutions and CSUs. IR may be able to provide that report.

6. Adjourn

Ms. Jackson moved to adjourn, and Dr. Wooley seconded the motion. Adjourned at 11:55 a.m.