University Budget Advisory Committee (UBAC)
Meeting Notes
April 25, 2014, 8:00 – 11:00 a.m.
Solano Hall Conference Room

Members Present: Fred Baldini (Chair), Paul Edwards, Scott Farrand, Stacy Hayano, Christine Miller, Deidre Sessoms, Greg Siino, LindaKay Soriano, Kristina Vieira

Members Absent: Marya Endriga, Kayla Wheeler

Others Present: Norman Kwong (BPA)

Agenda Items: With the last meeting, UBAC concluded the last of their annual meetings with campus division heads. Today's meeting marks the start of their deliberation process, which will produce a 2014/15 budget recommendation to the president. Typically the committee uses the Sources and Uses as a starting point, as it contains many of the mandatory costs, which are fixed and cannot be avoided. Once funds are allocated to cover these unavoidable costs, the committee can proceed with a discussion of All University Expenses (AUEs), one-time funding requests, and baseline funding for campus divisions. With this in mind, Stacy reviewed the latest Sources and Uses document for the campus.

The latest Sources and Uses showed a surplus of $2.5M for the campus. This represents a slight increase over the previous estimate. Significant factors which resulted in this total include:

- A decrease in the Liability Premiums AUE caused by increasing the deductible from $250K to $900K
- A net increase of $903K for additional enrollment, of which $744K goes to Academic Affairs and the benefits pool
- The inclusion of non-resident State Tuition Fees ($2M) is important to note. In the past, the State Tuition Fee portion of the non-resident tuition was considered too unpredictable to include in baseline.

If the $2.5M were entirely allocated to campus divisions, it would result in an approximate 2% increase to their baselines. However, this assumes no cost increases to AUEs (which would be atypical).

The committee proceeded with a review of campus AUEs. By definition, AUEs are expenses which cannot be managed and are unavoidable. Thus AUEs are typically reviewed before discussing changes to division baselines. As the AUEs were reviewed, notes were taken for those which required clarification. If all the AUE changes were to be approved, it would require an additional $749K in funding (representing a 3.2% increase from the prior year).
After reviewing AUEs, the committee decided to review the one-time project requests. One-time project requests, unlike AUEs, are not funded from baseline budgets. Instead, one-time requests can be funded from the campus’ central reserves (carry forward amounts). Since permanent support is not needed, one-time requests are more likely to receive funding. The list of submitted one-time requests totals about $23M (if all were to be approved). It is estimated the university will have about $36M in one-time funding reserves by year-end; although, some reserves will be needed for future contingencies. The meeting ended before the review of one-time requests was completed. The committee resolved to continue the discussion in the next meeting.

**Future Meetings (tentative schedule):** All meetings are held in Solano Hall, Room 5000 unless otherwise noted.

- Friday (5/2/14), 8-11am – committee deliberations continued
- Friday (5/9/14), 8-11am – committee deliberations finished (if necessary)