Members Present: Fred Baldini (Chair), Paul Edwards, Marya Endriga, Karen Davis-O’Hara, Stacy Hayano, Christine Miller, Deidre Sessoms, Greg Siino, LindaKay Soriano, Michael Bloss, II

Members Absent: Simran Kaur

Others Present: Norman Kwong (BPA)

Open Forum: Stacy discussed updates made to the campus Sources and Uses document. Due to increases in actual benefits expenses in 2014/15, the central benefits pool needs an augmentation of $650K. If all increases to All University Expenses (AUEs) were approved, it would take an additional $561K. Previously, a placeholder amount of $500K was included for the campus funded equity (compensation) pool. However, the estimate has been increased to $1M since the final amount is still unknown. The committee is considering reducing the campus’ $1.8M in baseline reserve to $500K to help make up for the additional funds earmarked for the benefits and equity pools. Once factoring in all the changes, the net result is a projected campus surplus of $2,394,849. This is slightly lower than previously estimated, and would result in a 1.81% increase if the entire amount was used to increase divisional baseline budgets.

Agenda Items: The committee decided to begin their budget deliberations by reviewing AUE requests from divisions. Besides changes to existing AUEs, there are requests for a few new AUEs. The new AUEs were closely scrutinized and the committee noted a few were former AUEs moved into divisional baselines last year. Also, one of the proposed new AUEs did not meet the campus definition for an AUE. More specifically, it did not benefit the entire university nor was it a regularly occurring expense. Discussion on AUEs ended with initial recommendations formalized.

The committee continued by reviewing Short-Term Strategic requests from divisions. Some of the requests included funding for staff positions and these were closely examined to ensure they were temporary and not permanent positions (permanent positions should be funded from baseline and not temporary funding sources). The committee discussed whether this definition was inconsistently applied in last year’s recommendations for Short-Term Strategic funds. Members concluded that last year may have been an exception, as Short-Term Strategic funds may have been granted as a bridge towards baseline increases expected in subsequent years. However this model is considered to be unsustainable if baseline increases do not materialize, therefore divisions should not expect the same results going forwards.

Next, the committee began discussions on One-Time funding requests from divisions. The appropriate level to hold in university reserves was briefly discussed. A new factor in this year’s deliberation process is pending policy on funding for capital construction projects.
Although this policy is still pending, it is generally recognized that usage of campus reserves may positively influence the chances of getting new constructions projects approved. As for enrollment targets, different figures were quoted and the committee discussed which figures were most reliable. Fred will discuss the discrepancies with the appropriate parties and report back to the committee. As time ran out, the committee resolved to continue their discussions at the next meeting.

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

- Monday (4/27/15), 8am to noon – committee deliberations