

University Budget Advisory Committee (UBAC)
Meeting Notes
December 16, 2008, 9:00 –11:00 am
Sacramento Hall Annex, Conference Room

Members Present: Fred Baldini, Robert (Bob) Buckley, Paul Edwards, Scott Farrand, Lillie Jones, Ming-Tung (Mike) Lee, Laureen O’Hanlon, Steve Perez (Chair), Shawn Smith, James Sobredo

Members Absent: None

Others Present: President Alexander Gonzalez, Stacy Hayano (BPA), Norman Kwong (BPA)

Agenda Discussion: President Gonzalez shared the latest news regarding the worsening budget situation. A midyear budget reduction of \$33 million was recently implemented to the CSU; the share to our campus was \$1.84 million. Another mid-year budget reduction to the CSU of \$66 million is considered imminent.

In terms of enrollment, our campus is very close to the target set by the CO. Other campuses which have exceeded their target may be penalized financially by the CO, as over-enrollment only exacerbates insufficient funding for the CSU. Financial penalties to applicable campuses could include the forfeit of fee revenue collected from over-enrolled students.

The committee asked President Gonzalez for general guidance in formulating the 2009-10 budget plan for the university. The committee received some feedback from the President such as budgeting over multiple years due to the State’s uncertain financial situation. The committee anticipates future discussions with the President. The President also mentioned that the Provost is putting together an advisory committee for Academic Affairs.

Open Forum: After President Gonzalez’s departure, the committee discussed methods of dealing with the midyear budget reductions. Applying the midyear budget reductions to campus divisions in 2008-09 would be difficult, considering we are halfway through the fiscal year and already have commitments related to the spring class schedule. Alternatively, the campus has some carryover funds which could be used to temporarily offset the midyear reductions. However, carryover funds are one-time in nature and usage of these funds would leave an unresolved deficit that could be compounded by additional budget reductions occurring in 2009-10. The difficulties inherent to either approach make it likely that some combination of both approaches will be used.

The committee received updated information from Stacy regarding remaining university loans which could be prepaid. As of late, early repayment of loans has been considered a viable use of one-time (i.e. carryover) funds, since it reduces future obligations and therefore has a lasting positive effect on the university’s budget.

Future Meetings (tentative schedule):

1. 1/20/08, 3 – 5pm
2. 1/23/08, 11 – 12:30pm
3. 1/30/08, 11 – 12:30pm