

**University Budget Advisory Committee (UBAC)**  
**Meeting Notes**  
**February 24, 2023, 11:00 AM – 12:00 PM**  
**Sac Hall Room 161 & Zoom Video Conference**

**Members Present:** Sheree Meyer (Chair), Jennifer Harris, Tatiana Azad, Ajay Singh, David Lang, Angel Thayer-Smith, Andrew Hertzoff, and Nikki Khamsouksay

**Members Not Present:** Simran Thandi, Christopher Pacheco Carlos, and Michael McKeough

**Others Present:** Diana Lynch (Budget Planning & Administration), and Amanda Haddan (Budget Planning & Administration)

**Agenda Items:** Chair Meyer called the meeting to order at 11:02 am and AVP Jennifer Harris began by sharing the Sources & Uses document. This is an overview of our university's projected budget. The sources consist of mainly state general fund allocation and student tuition revenue. The changes are highlighted in green and the \$3,179,000 figure is new ongoing funding that had a delayed allocation this fiscal year which is why it is listed separately. It includes the \$2,498,000 in GI 2025 and \$681,000 in new Basic Needs funding. Estimates for our projected uses include higher All University Expenses (AUE) costs, compensation increases, and a benefits shortfall of \$3,000,000. AVP Harris also noted that for higher salaries, there is a cutoff on contributions to the pension for employees subject to the Public Employees' Pension Reform Act (PEPRA). We may not receive enough funding from the Chancellor's Office to cover all of our mandatory cost increases. This would result in a \$9.6M deficit and equates to approximately 5% reductions to divisional budgets.

After discussing the Sources and Uses, AVP Harris transitioned to the Budget Call letter which will inform divisions of the scenarios; a 5% and an 8% reduction. Divisions will complete several documents based off the Budget Call letter. The first form shows the scenarios whereby divisions must explain which positions are being eliminated or left vacant and/or what operating expenses are being reduced to help cover the reductions. This form asks for the impact of these reductions to help UBAC assess the implications. The committee discussed that although the form shows 5% and 8% reductions for every division, UBAC ultimately can reallocate the distribution so that smaller divisions have less of a cut. For example, the Division of Inclusive Excellence does not have many operating expenses to cut because their budget is primarily salaries, so a larger division may need to incur their reduction.

The second form asks divisions to share their projected 2022-23 carry forward and describe how it can be used to offset reductions. Carry forward funds are one-time and cannot permanently correct budget deficits. This form uses 2<sup>nd</sup>

quarter projections which have actuals through January 31<sup>st</sup>. We added in January data to have more accurate projections for Budget Call.

The third form asks for divisions' All University Expenses (AUE) requests. These are expenses that are outside the control of the division and impact the university as a whole including: insurance premiums, utilities, Chancellor's Office obligations, etc. Additionally, some AUE's are restricted pots of funding meant for certain activities and cannot be used for general operations.

The fourth form is for divisions to request lottery funding. Lottery was added to UBAC's review last fiscal year. There are several restrictions around how this money can be used. Budget Planning & Administration will host a training session on the correct use of Lottery funding and also assist UBAC in determining whether requests are appropriate.

Lastly, AVP Harris explained she will provide a PowerPoint template to divisions and colleges to guide their presentations to cabinet and UBAC. The President is planning to release the Budget Call the week of March 3<sup>rd</sup>. It was discussed that forms would be due after the cabinet presentations so the deans and vice presidents could adjust their requests based on information shared. The committee agreed May 22<sup>nd</sup> and 23<sup>rd</sup> would be the dates for division presentations to UBAC. This is after the Governor releases the May Revision and will allow UBAC to consider proposed changes to the CSU budget when finalizing its recommendation. Finally, the committee decided they will likely not need to meet on Thursday, March 16<sup>th</sup>, but we will wait until we get closer to cancel. The meeting adjourned at 11:59 pm.