**Summary of UBC Meeting 2-8-13, for EC[[1]](#footnote-1)**

1. Process: the meeting started out with an extended discussion, at Graham’s initiative, about the process of decision-making about campus budgets. During this conversation, he was completely open to hearing feedback about the limitations of the existing process, to working collectively to define transparency, etc.
2. Linda Hawke’s report
   1. Governor’s budget is a paradigm shift
      1. Prop 30 spared us from another $250 million cut but did not restore the $750 million that has already been cut
      2. The CSU rescinded the F 12 tuition increase –> revenue loss of $137 million
      3. CSU being given $125 million to offset that revenue loss but $10 million has to be set aside for online courses
      4. Governor is requesting that there be no tuition increases for the next 4 years.
      5. He also proposes 5% increases in the state appropriations for the CSU budget for the next two years and 4% increases for the following two years – these increases are only on the 50% of our budget that comes from state appropriations. The remaining 50% of our budget comes from tuition.
      6. Big Permanent Change #1: Governor’s budget proposes to fold debt service on General Obligation and Lease Revenue Bonds for state funded capital projects into the CSU budget, starting with new construction (does not grandfather in existing debt service). [Note: The CSU does not have the authority to refinance bonds to realize savings like the UC can.]
      7. Big Permanent Change #2: Governor proposes to fold retirement costs into the CSU budget. Currently, increases to retirement costs from salary increases are covered by the state. Not anymore. The proposal is to lock us in at the 2012-13 salary level and the CSU will be responsible for covering retirement costs associated with increased salary levels after 2012-13.
      8. If the Governor’s Budget passes, the CSU will have the authority to negotiate and set employee contributions to health care benefits
      9. NOTE: All the above is pending approval by the state legislature.
3. Campus Budget
   1. Mary Hinchman (AVP for Business and Financial Services) and Liz Rojas (Director, University Budget Office) provided detailed spreadsheets regarding the pre-Prop 30 and post-Prop 30 budgets for the campus. They explained them line by line and answered questions.
   2. The bottom line is a projected $2,553,250 to be carried forward from this academic year to AY 13-14.
   3. BUT -- $2.1M of the projected carry-forward will be needed to balance the budget for the next fiscal year if we get all of the funding proposed in the Governor's budget (which is still uncertain).
   4. AND -- the parameters for next year’s state and CSU budgets will not be certain until a budget is approved by the legislature.
   5. ALSO -- some of the assumptions that went into the CSUSM budget spreadsheets that we were shown at UBC are based on a taking an optimistic approach.
4. University Advancement

*This was not presented separately at UBC. We pulled the figures from the spreadsheets we were given at UBC and are breaking them out here because this was part of the information we requested that AVP Hoss present at Senate last Wednesday but that he left out.*

* 1. AY 12-13 budget (Base budget + One Time Funding) = $2,038,101.
  2. Advancement’s activities grossed $4,100,000 last year, of which roughly $2,000,000 comes from the Center for Palliative Care, which was not brought to campus due to the efforts of Advancement.
  3. Conclusion: Advancement spent about $2 million to net about $2 million.

1. by Vivienne Bennett, Academic Senate Chair & UBC member. [↑](#footnote-ref-1)