

Student Fee Advisory Committee

October 25, 2013

Meeting Minutes

Present: Isaac Straley, Dominique Doan, Justin Chung, Meerae Park, Jason Lee, Bob Gomez, Nicole Hisatomi, Naaz Mirreghabie, Sarada Cleary, Kevin Bache, Kyle Benson, Melissa Gamble

Absent: Myron Lozano

Guest: AVC Rich Lynch

Staff: Karen Mizumoto

- 1) Meeting called to order
- 2) Introductions
- 3) Planning and Budget AVC Rich Lynch met with the SFAC to update the committee on 2012-13 Student Services Fee issues, feedback on the 2012-13 SFAC Annual Report and Recommendations, and the UC/campus budget situation.
 - a) 2012-13 Student Services Fee (SSF)
 - i) The campus closed 2012-13 Student Services Fee funds in a solvent position.
 - ii) There was a significant level of current-year SSF carry forward funds. Approximately half of the carry forward (~\$2.9M) was in the central campus reserves. The campus has been conservative maintaining the SSF reserve levels because of the uncertainty of state funding and unfunded annual cost increases including increases to benefits, retirement contribution, and negotiated salaries, etc.
 - iii) Over the last year, there have been additional commitments to fund one-time capital commitments (e.g. Student Health Center (SHC) renovation and the new Dental Clinic), and permanent commitments for Student Affairs Officers in the School of Engineering and the School of Business to support increased student services needs from undergraduate enrollment growth, a Clinical Social Worker, other increased Student Mental Health services in the SHC, and funds to offer one pre-paid visit to the SHC for all students.
 - iv) The campus may address additional one-time SSF funding needs for deferred maintenance issues and other one-time small capital projects and will discuss these with the SFAC.
 - b) 2012-13 SFAC Annual Report and Recommendations to the Provost
 - i) The Provost agreed to all allocations; including the support provided to the Cross Cultural Center for a program representative position. Although the SFAC made this a conditional recommendation, the Provost determined, with input from the VC Student Affairs' office and Planning and Budget, that the position's supervisor will need to make the final hiring decision. The Vice Chancellor Student Affairs' office will solicit input from the students to work with Student Affairs in narrowing the applicant pool and the supervisor will make the final decision.

- ii) Justin reiterated the SFAC made the recommendation conditional and that if the condition was not met, the funds should have been placed back into the pool of SSF funds for future SFAC funding recommendations. AVC Lynch acknowledged this, but the campus believed the proposed position would fill a needed position enhancing student services in the Cross Cultural Center.
- iii) Qualitative recommendations made by the SFAC
 - (1) During the fiscal year and prior to final funding decisions being made, the campus and Budget Office will work to bring issues to the SFAC from the administration that may require allocations of SSF.
 - (2) In regards to the reallocation of SSF funds, the committee could include additional questions in the annual budget survey to ask SSF-funded units how they have used SSF funds allocated to them by the SFAC in previous years and if and why they may have reallocated the funds. Going forward, the Provost also can include language in his allocation letters that changes/reallocation of SSF funds should be discussed with SFAC or the units should advise SFAC of reallocation of funds. In recent years, most SSF funds have generally been rebudgeted due to the state's and UC's budget situations.
- iv) Student referenda language:
 - (1) The SFAC should work with AGS/ASUCI to review language earlier; ex-officio members of SFAC could advise the committee of any pending referenda being drafted.
 - (2) Justin felt the referenda process as it stands now does not allow the SFAC to comply with CSF policy.
 - (3) The UC Regents' policy guidelines say that the campus SFACs can review and offer endorsement or decline endorsement of proposed referendum language, but does not require SFAC approval of the language. While the campus recognizes the CSF standing policy, the CSF policies should not supersede Regental policy.
 - (4) Sunset clauses in referendum language can be reviewed on a case-by-case basis; sometimes a referendum supports maintenance of facilities and operations. It is not good management of resources when facility is built but maintenance support ends. Student can also propose additional referenda to address the fees in the future.
 - (a) Response from Justin: CSF Standing Policy #7 states sunset clauses should be included. AVC Lynch acknowledged this, but noted that UCOP General Counsel reviews referenda language in terms of policy and the Chancellor ultimately approves referenda to be put on the election ballots.
 - (5) Use of SSF Funds for Intercollegiate Athletics (IA):
 - (a) The amount of SSF funds directed to IA is within the SSF guidelines (less than 50% of IA's total budget).
 - (b) The campus is looking at the funding model for IA and is working with IA to find other revenue streams.
 - (c) The campus acknowledges graduate students' concern regarding their inability to participate in IA programs even though some of the SSF paid by graduate students are allocated to IA. However the campus believes the IA funding promotes a common good and the general campus welfare and supports student scholar athletes.

- (d) Overall, the annual report and recommendations were on point and focused on student services and students' needs.
- c) 2014-15 Budget Update:
- i) At the September Regents meeting, UCOP began to share the University's approach to the 2014-15 budget.
 - ii) 5% increase to UC in the governor's budget.
 - iii) UC intends to abide with the governor's intention that UC will not increase mandatory UC tuition/fees in 2014-15 or propose increases to mandatory tuition/fees mid-year 2013-14.
 - iv) UC will ask the state to treat UC the same as CSU in terms of funding the universities' retirement systems; this would provide some budget relief to UC if the state agrees.
 - v) UCOP also communicated to the Regents that UCOP and the campuses have concerns about the 2014-15 budget. A 5% increase in the state funding base equals an approximate 2.1% increase in base funds for instruction and research activities; this is not enough to meet mandatory costs increases including collective bargaining agreements (~2-3%), faculty merits, purchased utilities and other cost increases.
 - vi) The campus will need to continue to work within a model to maintain instruction and research.
 - vii) The campus will continue to look at new revenue include recruitment of nonresident students, investment of current funds, other investment strategies, refinancing debt, and additional self-supporting degree programs and professional degree programs.
 - viii) The campus continues to make progress in stabilizing the budget.
 - ix) The campus's multi-year SSF funding plan continues to include an additional (incremental) \$250K in SSF for SFAC funding recommendations.
- d) Q&A
- i) Governor Brown has proposed that UC freeze tuition for 2015-16. Will UC agree to this freeze? UC will propose no increases for 2014-15; 2015-16 has not really been addressed.
 - ii) Could you clarify the impact of the 5% state funding increase? The 5% increase on the base equates to an approximate 2.1% nominal increase to the base core funds; there are no additional funds for inflationary increases.
 - iii) What about donor funds/fundraising? The campus is looking at restructuring the campus development efforts to increase fundraising productivity. More responsibility will be pushed out to deans and faculty who usually connect more closely with donors. The campus will look for opportunities for fund raising growth; however, some donor funds are restricted.
 - iv) What is happening with the state's financial crisis? We believe that it is beginning to stabilize; if things continue to be on track at the state level, UC's budget should stabilize too.
 - v) Will SSF funds be used for the OP tax? Will this use up the SSF carry forward? The use of SSF funds for the OP tax is built into the campus's SSF funding model. For outer years, the funding for the tax will come from growth. The OP tax will continue to be addressed from the center rather than assessing departments/units 1.6%, which would basically be equal to a budget cut; however, units who produce revenue from outside of the campus will usually be taxed.

- vi) Can you estimate the annual cost increases (i.e., the % increase)? There is approximately a 3-5% annual increase, which covers increases in collective bargaining agreements, faculty merits (faculty are on revolving 3-year merit cycles), materials cost increases, regulatory fee increases, etc.
- 4) Justin reviewed SFAC successes over the past year:
- a) Revamped way SSF-funded units are reviewed.
 - i) Better, more in depth look at how SSF units use SSF funds.
 - ii) Changed budget questionnaire to increase number of questions; the 2013 questionnaire may need to be streamlined based on feedback from SSF units.
 - iii) Designed a new process to review data.
 - iv) Made calls and followed up with SSF-funded units.
 - b) Student Survey
 - i) Created a student fee survey which was well received by CSF and may be emulated by other campuses.
 - ii) The committee can start survey earlier; revise if necessary.
 - c) Campus referenda
 - i) The SFAC needs to get the referenda earlier in order to have time to review them more thoroughly.
 - d) Course Materials and Services Fees (CMSF)
 - i) Not all requests make sense; not all fees based on materials consumed by students.
 - ii) Some CMSFs proposals were not endorsed by the SFAC and recommendations to Provost included revisions to some of the proposed and existing CMSF levels.
 - e) SFAC was better at reaching out to more students.
- 5) Chair/Vice Chair Elections
- a) Justin reviewed chair duties.
 - i) Drafting the agenda of the committee for the year.
 - ii) Attending CSF meetings.
 - (1) Irvine will host the next CSF meeting on February 8-9.
 - iii) Primary author of annual report.
 - iv) Representing the committee externally.
 - b) Naaz reviewed vice chair duties.
 - i) Assist chair in SFAC duties.
 - ii) Support and cover for chair in chair's absence.
 - iii) Become more involved in CSF; vice chair has voting privileges with CSF.
 - c) Nominations and elections of chair and vice chair will be tabled to November 1 meeting.
- 6) Other Agenda Items for November 1st meeting
- a) 2013-14 CSF campaigns.
 - b) Appoint an SFAC representative to eTech committee.
- 7) 2013-14 meetings will be Fridays from 11:00 am to 1:00 pm.
- 8) Meeting adjourned.