

MINUTES OF THE UNIVERSITY BUDGET COMMITTEE
CALIFORNIA STATE UNIVERSITY, FRESNO
5241 N. Maple, M/S TA 43
Fresno, California 93740-8027
Office of the Academic Senate
Ext. 8-2743

February 10, 2010

Members Present: J. Constable (Chair), J. Kus, A. Parham,
J. Parks, J. Waayers.

Members Excused: P. Newell (excused), N. Bengiamin (excused).

Visitors: Ms. Deborah Adishian-Astone, Associate Vice-President for
Auxiliary Operations and Enterprise Development, Michael
Mahoney, Department of Recreation Administration.

The meeting was called to order by Chair Constable at 3:34 p.m. in TA #117.

1. Minutes. MSC to approve the Minutes of 2/3/2010.
2. Agenda. MSC to approve the Agenda as distributed.
3. Communications and Announcements.
 - A. Chair Constable, University Budget Committee received and email from Ms. C. Teniente-Matson indicating receipt of my email of 1 Feb. indicating that due to a transitioning of the parking administration that a response to the UBC would be provided by Matt Babick, the Interim Parking Administrator by 12 Feb.
 - B. An email was received by the Chair of the UBC from Dr. W. Ullrich providing additional information regarding the budget of the MA in Teaching.
 - C. The opportunity to develop a relationship between California State University, Fresno and the Fresno Art Museum was announced to the University community by Dr. Welty as well as being noted in the Fresno Bee.
 - D. Chair Constable attended the meeting of the University Advancement Committee on 4 Feb. Mr. Smits presented data that indicated that the progress of the comprehensive campaign was on target to meet the target of \$200 M.

E. It was noted that several members of the UBC participated in the Budget Summit called by Dr. Welty on 5 Feb. The UBC looks forward to examining the results of the summit when made available by the Office of the President.

4. New Business.

Concerns were raised regarding the on-going examination of the structure of the RTP process and specifically the methods for completing the student ratings of instructor classroom performance. It was proposed that the Chair Constable requests information from the Executive Committee regarding the costs associated with using the existing rating methodology and those associated with any new proposed methodologies.

5. Review of the Budget of the Save Mart Center by Ms. Deborah Adishian-Astone, Associate Vice-President for Auxiliary Operations and Enterprise Development.

Ms. Adishian-Astone presented an overview and history of the budget of the Save Mart Center (SMC). In essence at the start of the project the CSU Association issued \$72 M in bonds and financed the balance of the project (\$31 M) through corporate sponsorships, gifts, seat licenses and related mechanisms.

In April of 2005, the bonds were re-financed to a State Revenue Bond (SRB) that served to reduce both debt service and bond payments.

The figures in the budget book reflect an incomplete budget picture due to the required format used and as such the losses that are reported on an annual basis reflect the payback for the original \$72 M in bonds already received rather than actual cashflow accrued during the reporting year.

It was additionally emphasized that the SMC continues to be self-funded and does not gain any income from the state general fund, the bond rating of the SMC continues to be classified as good, and it is anticipated to restructure the bonds at some point in the next several years to lower annual bond payments.

The UBC also asked Ms. Adishian-Astone questions regarding the progress of the Campus Pointe project and was informed that it was anticipated that the 2009-2010 year will be the first revenue earning year for the project.

Currently the hotel aspect of the project is in the design phase. An approximate schedule for the opening of various phases of the project is estimated as:

Late spring 2010- Ground breaking for the retail phase.

July/August 2010- The student housing portion of the project will officially open (Current occupancy rate is ~60%) and construction will start on the senior housing component of the project.

2013/2014- Campus Pointe will be entirely built out.

Annual ground rent currently generated by Campus Pointe is ~\$750 K and the funds are assisting in the support of the SMC, however, at the expiration of the Campus Pointe bonds these funds will be transferred to the Ag. Foundation to support academic programs in the Jordan College of Agricultural Sciences and Technology.

6. Continued Discussion of Implementation and Examination of the New Budget Model.

MSC to postpone the discussion of the new budget model as John Waayers is continuing to modify the budget model as discussed during the previous UBC meeting.

7. A Preliminary Examination of the Spreadsheet Provided to the Committee Regarding the Budget of the MAT Program Raised Questions from Several Committee Members.

MSC to invite the MAT directors, Dr. W. Ullrich and Dr. R. Chiero to the UBC meeting on 17 Feb. 2010 to discuss the finances of the program. Chair Constable will contact the directors and schedule the meeting.

MSC to adjourn at 4:58 p.m.

The next University Budget Committee meeting will be on Wednesday, February 17, 2010 at 3:30 p.m. in TA #117.

Agenda.

1. Approval of the Minutes of 2/10/10.
2. Approval of the Agenda.
3. Communications and Announcements.
4. New Business.
5. Discussion of the MAT Program with Dr. Ullrich and Dr. Chiero.
6. Continued Discussion of Implementation and Examination of the New Budget Model.