**Student Fee Advisory Committee**

**3:00-4:00pm**

**Tuesday, February 1, 2022**

**Virtual Meeting**

**Attendees:**

**Graduates:** Michelle Luna, Gaby Barrios, Paarth Shah, Zuleika Bravo

**Undergraduates:** Samantha Solemnidad, Luis García, Karina Mara

**Administration:** Carina Salazar, Erinn McMahan, Charles Turner

**Faculty Rep:** Dr. Alison Chu

**SFAC Advisor:** Christine Wilson

**APB Advisor:** Judy Huang

**Gaby Barrios** called the meeting to order:

1. **Budget Presentation with Rebecca Lee-Garcia from APB**
	1. **Gaby Barrios** opened the floor for Rebecca Lee-Garcia to present on budget. Rebecca Lee-Garcia shared that permanent dollars are reoccurring dollars. For example, if a department has a $1,000 permanent budget, they know that they are going to receive $1,000 every July 1 - which is the start of the fiscal year - and the unit will receive those thousand dollars until an officially approved change happens from the Chancellor. Temporary dollars are one time in nature, so if a department receives $50 in temporary funds, the second they spend those $50 they are gone. In contrary, if they spend $1,000 during the year they know on July 1 they will get another thousand dollars. Rebecca Lee-Garcia shared document *SSF Unallocated Account Forecast as of 1/28/22* on her screen with the committee to follow along. Regarding net revenue increases, every student in the fall pays the student services as part of the tuition. From that they pay all of the permanent budgets on campus. Once all the permanent budgets are paid on campus, there is a revenue leftover - hard to know exactly how much and how many students are going to come in so there is always something left over at the end of the year. The guidelines from UCOP is that 50% of that remaining revenue needs to go to the Mental Health Fund that supports all mental health student services fee on mental health initiatives on campus,and the remaining half goes into the new net revenue increase. Another assumption related to paying for merit and benefit increases, there are some inflators on merit and benefit increases that will need to be paid out to the campus. So, what this assumes in the current fiscal year 21/22, this account will continue to pay the merit and benefit increases associated with salaries. Moving forward, starting fiscal year 22/23 the forecast is that the 50% of the net revenue increase that goes to the Mental Health Fund, those dollars should be used to pay for the merit and benefit increases so that it does not come out of the unallocated account anymore - it will come out of the 50% increase that goes to the mental health fund - and then this account is then only responsible for those individuals that have their salaries paid off of this fund. Rebecca Lee-Garcia shared that her office has been in conversations with both Athletics and the Chancellor's Office sharing that it was going to be really hard meeting all the commitments, benefits and merits for Athletics. The solution and agreement moving forward is to basically cut the $2.5 million that athletics receives in permanent dollar. Every year on July 1, Athletics has been receiving $2.5 million. Over the next 5-years to get to the full $2.5 million, their budget will be cut by $500,000. Those $500,000 will then go into an unallocated account. Senior Leadership values being able to cover the benefits and merit increases on campus. These individuals are doing work for the campus and should be something that is thought of first before giving out temporary dollars and funding for other things. Of the 2.5 million from athletics, they can take $1.25 million ($250,000 over five years) and put that towards individual salaries that are currently being paid on temporary dollars. These are salaries that are going to SFAC every year or every two years. If the Chancellor approves the funding they are getting temporary funding on a one-time basis – they are not permanently funded. The goal is to move those individuals over to permanent funds. The $1.25 million over five years assumption, leaves the account to provide $500,000 a year in temporary funding in terms of commitments out the campus. When sending out the Call Letter requests funding, this would be the budget in terms of how much the committee can give out this year and looking towards the future. About $2.3 million was approved for this year from the previous SFAC in campus commitments and $1.4 million for next year. This year, the committee has also committed to providing the funding for the merit and benefit increases again. Regarding temp commitments, $130,000 goes to child care each year. ASUCLA also sends a bill for space maintenance and insurance. Total of about $4 million allocated in temp dollars. Last years ending balance was $180,000 left over. If the committee moves forwards with this assumption plan, the committee will be in an operating deficit. So further down the line, in fiscal year 2027/28 with the future SFAC, leadership will need to think about what needs to happen to make sure that accounts stay balanced. SFAC has $1.25 million available in perm to make those temporary positions permanent so over five years. If the SFAC decides to give out $250,000 in perm each year to make positions permanent and move them off the temporary dollars onto the permanent dollars, the committee would not have to send that amount out. Otherwise the committee would be paying twice for the same positions. Rebecca Lee-Garcia shared two options on her screen for SSF commitments/allocations to the campus and discussed these options with the committee. These two options shared, provided the same dollar amount going out, just modeled a bit differently. Once the committee commits to sending out the $250,000 in perm dollars, those funds will permanently go into the department/units account every July one. **Christine Wilson** shared that there is a gap with this new money from athletics. If the committee is able to make recommendations to the Chancellor, or have discussions with Student Affairs before making a recommendations, have the discussion first about how these gaps might be filled. **Christine Wilson** also shared that last year, the Chancellor decided to cover merits and benefits because these are staff positions. The committee cannot choose to not pay for peoples mandated Office of the President salary increases and cost of benefits. Some areas in Student Affairs would have fallen short because of those recommendations made and the need to cover the merits and benefits that got covered internally through student affairs. It is important this year to have discussions before making recommendations about what is possible and not possible, to the extent to their gaps. **Gaby Barrios** shared that the current SFAC has an opportunity to change the culture around temporary funding and what the committee does right now is really important for the long term. The committee needs to leave enough of a guideline with any plans made long term that can be followed in the future.
	2. **Gaby Barrios** opened the floor for the SFAC todiscuss the three recommended scenarios provided by Rebecca Lee-Garcia. **Erinn McMahan** shared that that it would be helpful to model out an assumption based on temporary positions requested last year, what is expected to be requested in future years and how many salaries can the committee commit to funding. **Christine Wilson** provided scenarios. **Gaby Barrios** provided two motions: 1)officially vote for one of the recommended scenarios; 2) provisionally vote on a recommended scenario with the ability to amend later. **Erinn McMahan** made a motion to provisional vote and amend later on the recommended scenario selected by the committee. **Charles Turner** seconded the motion. The motion passed. **Gaby Barrios** shared the three options on her screen for the committee to vote on what scenario to move forward with. Option three passes with 7 vote - temporary funds will not be offered for 2022-23 and $500,000 is split between years 2023-24 and 2024-25. The last two years, 2025-26 and 2026-27, $500,000 each year.

The meeting adjourned.