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San Francisco State University

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7 quorum

March 25, 1993

TO: University Budget Committee Members

Dr. Betty Blecha	Dr. Jack Osman
Dr. Marilyn Boxer	Mr. Robert Quinn
Dr. Gary Hammerstrom	Dr. Jesselyn Saffold
Dr. James Kelley	Mr. Mark Salinas
Ms. Jerrie McIntyre	Mr. Don Scoble
Dr. Brian Murphy	Mr. Frank Sheehan

FROM: Robert A. Corrigan *Don Scoble*
President

SUBJECT: Charge of the Committee

With this memorandum, I am formally approving the Charge of the University Budget Committee passed at the March 11, 1993 meeting of the committee. I am pleased that we were able to come to closure on this important item.

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attachments

pc: John Gemello, Associate Vice President for Academic Resources
Sheila McClear, Director of Public Affairs
Larry Burwell, Budget Officer
Tim Sampson, Professor of Social Work Education
Leroy Morishita, Director of Planning and Analytic Studies
Denise Fox, Director of Personnel

Charge of the University Budget Committee

Background

In March 1987, President Woo, in response to a formal recommendation from the University Budget Committee (UBC) approved a charge to the Committee (copy attached).

On November 5, 1992, UBC discussed that charge and proposed modifications to it. Suggestions about procedures were made at the same time.

Committee Charge

UBC exists to provide advice and recommendations to the President about matters related to budget policy, planning, and review. Members of UBC also serve to inform the community about budget matters, and bring to the administration concerns of the faculty, staff, and students.

Operation

Specific tasks to be addressed by UBC include, but are not limited to:

- (i) Long-Range Resource Planning
- (ii) Allocation of Resources
- (iii) Establishment and Allocation of Reserves
- (iv) Monitoring of Allocation-Expenditure Patterns

The current membership of UBC interprets its role in the above tasks as follows:

- (i) Long-Range Planning. UBC should participate in the creation and periodic review of the University's long-range resource plan, and assist in setting University priorities.
- (ii) Allocation of Resources. UBC recognizes historical constraints and supports the practicality of an incremental approach to allocation of resources. It is recommended that for a given year, an initial allocation of University funds be drafted by the President in consultation with the Vice Presidents and appropriate senior officers. It would then be the duty of UBC to review the draft budget. The purpose of the review is to consider the relation of the proposed allocations to institutional goals and priorities. To assist in the process, senior officers would need to present their budget plans and answer questions about them. Based on the information presented, UBC may recommend to the President approval of the plans or suggest modifications.

(iii) Establishment and Allocation of Reserves. UBC should ensure that an adequate level of reserves be maintained and should make timely recommendations regarding major expenditures from those reserves.

(iv) Monitoring of Allocation-Expenditure Patterns. While a manager is responsible for planning, allocation, and expenditure of the resources of a unit, UBC has responsibility for monitoring the flow of all University resources and making comments and recommendations where appropriate. To accomplish this task, regular and *ad hoc* reports must be available to UBC members, in formats that allow for analysis across all units. Such reports should provide access to allocation plans and expenditures for all University resources.

The audit capability available to the committee should serve two purposes:

- (a) Audits can ensure that funds allocated for specific items are used exclusively for those items, and (perhaps more important),
- (b) Audits of historical allocation-expenditure patterns provide a needed basis for both long and short term budget planning.

* Note: Since the membership of UBC changes from time-to-time, the charge to the committee and its operative interpretation should be reviewed on a regular basis.

Adopted by vote at the March 11, 1993 meeting of the University Budget Committee and approved by President Corrigan on March 25, 1993.

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San Francisco State University

University Budget Committee

Structure

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Responsibilities

I. Responsibilities of the Committee

The University Budget Committee (U.B.C.) is responsible for resolving all University issues related to budget policy, resource planning, and budget review. The Committee may address any and all issues related to long-term resource allocation and may propose policies and procedures for implementation related to these issues. The Committee may request and review from all University offices data related to University-wide resource allocation and utilization in meeting its charge.

The list of topics which U.B.C. will examine includes, but is not limited to, the following: University long-range resource planning, recharge policy, University reserve policy, replacement equipment policy, financing of new ventures, financial planning for major University acquisition and construction, use of excess University fees, work-study program allocation and funding guidelines.

U.B.C. is charged with establishing a process for organizing and overseeing long-range resource planning within the University. In addition, U.B.C. is responsible for development and periodic revision of the University's long-range resource plan.

U.B.C. will review budget proposals and will make an annual recommendation to the President for the funding level of the major units as well as the University Reserve.

While the Committee does not have allocation authority for a number of funding sources, U.B.C. will have access to expenditure and allocation plans for all University resources including systemwide allocations for computing, instructional equipment, and other similar resources.

U.B.C. will regularly solicit, review and establish priorities for both system-wide and local Program Change Proposals and will recommend funding strategies where appropriate.

As part of its oversight responsibility, U.B.C. may direct audits of various University operations and review the results of such audits. When appropriate, U.B.C. may make recommendations arising from such audits.

II. Budget Process

Budget Development

The President and the Vice Presidents will submit annual budget requests for the units that report to them. These

proposals will be presented in a time and manner designated by U.B.C. U.B.C. will review the proposal for each major area, but will not review proposals by line-item. However, U.B.C. will have access to unit budget requests during the review process, if Committee members so desire.

Upon completing its review of the primary units, U.B.C. will prepare a recommendation to the President for appropriate allocation levels for the major areas as well as a recommendation for a University Reserve to be constituted in accordance with the procedure described below.

Reserves

The University Budget Committee will establish an appropriate level of University Reserves. Each of the major units will have responsibility for transferring a pro-rata portion of their resources to the University's reserve.

In identifying resources for the reserve, the President and the Vice Presidents shall specifically identify funding sources for the reserve, either by line item or specific dollar amounts (e.g., from equipment allocations, temporary help, travel, etc.) The reserves

shall be maintained in separate accounts and cannot be expended until authorized by U.B.C. U.B.C. will draw on University reserves for emergencies, contingencies, or significant all-University needs. U.B.C. shall define in advance milestones and/or criteria for the release of reserves. If no emergency or all-University contingency takes place requiring the use of reserves, the remaining reserves shall be returned to the major units.

Support for New Programs

Responsibility for new programs shall reside with the major unit in which it resides. Support should be the responsibility of the appropriate program manager and shall be included in the budget request.

III. Membership

The University Budget Committee will be composed of eleven members who will have the authority to vote on all matters brought to the Committee.

A. Indefinite Term Appointments

Five employees of the University will be members by virtue of their holding the following positions:

Vice President for Administration, who will chair the Committee.

Vice President for Academic Affairs.

Vice President for Student Affairs.

Chair of the Academic Senate.

Associate Vice President for Business & Finance, who will chair the Committee in the absence of the Vice President for Administration.

Their terms are indefinite. They shall serve as long as they occupy these positions.

B. Three-Year Appointments

Three members of the faculty shall be nominated by the Academic Senate and will be appointed by the President to serve three year terms.

This policy will be implemented over a three year period as follows:

Year One: One faculty member shall be appointed to a one-year term, one to a two-year term, and one to a full three year term.

Year Two: The faculty member originally given a one-year appointment shall be replaced by a faculty member appointed to a full three-year term.

Year Three: The faculty member originally appointed to the two-year term shall be replaced by a faculty member appointed to a full term.

Subsequent Years: As a member's term expires, he will be replaced by a member appointed to a full three-year term.

This procedure will ensure that two of the three faculty will be experienced members of the Committee.

When a member's term expires, he cannot succeed himself; however, after a period of one-year, he may again be nominated to membership.

C. Annual Appointments

Each year, the President will appoint three individuals to serve one-year terms. These individuals will be:

- One representative of the President, who may be reappointed in subsequent years;
- One Academic Dean, who will be appointed for one year only;
- One Student, who will be appointed for one year only.

In addition to the voting members, the following two employees will provide staffing and technical information to the Committee:

- Budget Officer
- Secretary to the Associate Vice President for Business and Finance

IV. Meeting Attendance and Actions of the University Budget Committee

The U.B.C. shall meet on a regular basis during the academic year. The attendance of six of the voting members shall constitute a quorum.

In the event the Committee cannot resolve an issue by consensus, a vote shall be taken. A simple majority vote of those members present will resolve the issue.

The U.B.C. is formed by the President with the express purpose of recommending action. The meetings of the Committee are not open to the public. Non-members may attend meetings only upon invitation by the Chair. The minutes and actions of the Committee are confidential, and are not available for public review.

LB/mr

Larry Burwell
Marina Rydberg

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(UBCRESPN)