

**SAN JOSE STATE UNIVERSITY
ONE WASHINGTON SQUARE
SAN JOSE, CA 95192**

F15-9, University Policy, Budget Advisory Committee

**Legislative History: Rescinds SM-S03-1, Amends S09-6,
Amends Bylaw 10.1**

At its meeting of November 2, 2015, the Academic Senate approved the following policy recommendation presented by Senator Shifflett for the Organization and Government Committee.

Rescinds SM-S03-1 (which placed the Budget Advisory Committee in rotation with policy committees on the Senate agenda); Modifies S09-6 (to remove content related to a budget advisory committee from our current strategic planning policy); Amends Senate Bylaw 10.1 which provides a listing of special agencies.

A coded memo from the Chancellor in 1987, provides the directive behind the guidance and establishment of Campus Budget Advisory Committees. Historically, S05-10 abolished the existing Budget Advisory Committee and replaced it with a Resource Planning Board. S07-3 then established a Resource Review Board noting that "In practice it was found that the role for the Resource Planning Board envisioned by S05-10 has proved to be unworkable due to budget timelines and the composition of the board. This proposal, if adopted, abolishes the Resource Planning Board and creates a new special agency, the Resource Review Board". Subsequently S09-6 (Strategic Planning Policy) rescinded S07-3 and established a Strategic Planning Board which would serve as the budget advisory committee. SM-S11-1 then temporarily assigned responsibilities of the Budget Advisory Committee to the Senate Executive Committee (plus 3 additional members) noting that "the SPB has had limited meetings, due to management transitions and considerable uncertainty in the CSU budget. Those same budget uncertainties, however, make it all the more important that the Senate and the campus remain connected to the budget advisory role." Finally, SM-F17-3 revoked the temporary assignment of Budget Advisory Committee responsibilities and returned responsibilities to the Strategic Planning Board.

**Approved and signed by Interim
President Susan W. Martin on
November 5, 2015.**

University Policy: Budget Advisory Committee

- Whereas: S09-6, which defined the Strategic Planning Board as the body to serve in the role of a Budget Advisory Committee, is under reconsideration this fall, and
- Whereas: The SJSU statement on shared governance notes that effective shared governance depends on judicious use of fully collaborative and consultative decision making, and
- Whereas: The campus has not had an active budget advisory committee as called for in the 1987 coded memo from the Chancellor (BA 87-14) in recent years, therefore be it
- Resolved: That until such time as S09-6 is updated, provisions in that policy related to a budget advisory committee be removed, and be it further
- Resolved: That Senate bylaw 10.1 be amended to add the Budget Advisory Committee to the list of special agencies, and be it further
- Resolved: That SM-S03-1 be rescinded since reporting responsibilities are part of this policy recommendation.
- Resolved: That effective with the approval of this policy recommendation a special agency titled 'Budget Advisory Committee' be established in accordance with the structure, membership, and charge detailed below.
- Rationale: A budget advisory committee is critically important in the areas of education, engagement, and transparency when it comes to (a) understanding our decentralized budgeting process, (b) identifying problem areas connected to budget allocations and expenditures, (c) serving in an advisory capacity to campus leadership highlighting issues and concerns from the Academic Senate and campus community on budget-related matters, and (d) serving as a resource to the campus community on budget-related questions. This proposal is meant to provide for a budget advisory committee whose charge and responsibilities are in alignment with the principles articulated in the SJSU Statement on Shared Governance and provided by the System Budget Advisory Committee working with the Statewide Academic Senate and California State Student Association and endorsed by the CSU Chancellor in BA 87-14.
- Approved: 9/28/15
Vote: 8-0-0
Present: Grosvenor, Mathur, Curry, Gleixner, Shifflett, Elmiaari, Beyersdorf, Becker
Absent: Laker
Financial Impact: None expected.
Workload Impact: Additional workload for members of the Budget Advisory Committee.

1. Budget Advisory Committee

A Budget Advisory Committee is an integral part of the effort to engage the campus community in developing an understanding of our decentralized budgeting process. Working closely with the Vice President for Administration and Finance the Budget Advisory Committee will on a regular basis review reports related to budget/finance situations, identify areas of concern, and provide feedback and input on priorities and solutions. Meeting regularly, the Budget Advisory Committee will be in a good position to address and communicate budget issues to the Academic Senate and faculty as they emerge throughout an academic year.

The Budget Advisory Committee will be a special agency. In conducting their budget-related work, the President and the Budget Advisory Committee should remain cognizant of the principles in BA 87-14 (Chancellor's coded memo) regarding access to information and consultation. In collaboration with campus leadership the Budget Advisory Committee should strive to serve the campus through education, communication, and transparency.

1.1 Charge

The Budget Advisory Committee is charged with providing input and recommendations to the President throughout the planning, implementation and subsequent review of budget expenditures including advice on key campus priorities. The Budget Advisory Committee will assist with identifying challenges, serve as an advisory resource to the campus community, and provide a mechanism to communicate financial issues across the campus in a timely fashion. In addition, this committee will serve as a resource to enhance the campus community's understanding of university-wide budgeting processes; develop a broad and deep understanding of budget issues at all levels in order to identify and analyze problem areas and propose solutions; and provide advice concerning the planning, development, and implementation of materials to communicate budget-related information to the campus community.

1.2 Membership

Senate Vice Chair (Co-chair)
VP Administration & Finance/CFO (Co-chair)
AVP Academic Budgets & Planning (EXO)
1 Dean
1 Department Chair
2 Faculty Senators
2 Faculty-at-large
AS President or Designee
Academic Affairs Staff Member (finance/budget responsibilities)

1.2.1 Recruitment and Appointment of Members

Members (other than ex-officio) serve a 3-year term which is renewable for one additional 3-year term. When filling initial appointments, the Chair of the Committee on Committees will stagger the terms of non ex-officio seats. The student member serves a 1-year term and can be re-appointed. Solicitation of applications to serve on the Budget Advisory Committee will be made through the normal Committee on Committees process for the seats designated for faculty, staff, dean, and student members. When multiple applications are submitted for a seat, the Executive Committee of the Academic Senate will select individuals to serve. In considering applicants, attention should focus on the person's expertise in areas related to the planning and allocation of budget resources and the need for continuity over time in membership for a portion of the seats. In addition, to expand engagement in shared governance, efforts would be made to keep membership on the Budget Advisory Committee separate from that on the Strategic Planning Steering Committee.

1.2.2 Interim Appointments.

When a seat will be vacant for no more than 1 semester (e.g., sabbatical) an interim appointment can be made following normal Committee on Committee processes. Any seat that will be vacant for a year or more will require a replacement for the remainder of the term associated with that seat.

1.2.3 Replacing Members

If a member is absent from three regularly scheduled committee meetings in an academic year, the chairs of the Budget Advisory Committee may request that the Associate Vice Chair of the Senate initiate action to recruit a replacement. If a member repeatedly does not perform assigned committee duties, the chairs of the Budget Advisory Committee may request that the Associate Vice Chair of the Senate initiate action to recruit a replacement.

1.3 Responsibilities

The co-chairs of the Budget Advisory Committee will convene and preside at meetings, prepare agendas, propose and maintain time-lines for its activities, and take responsibility for the effective operation of the committee. The BAC shall:

1.3.1 Participate in and facilitate a highly transparent, informative, and participatory campus budget planning and allocation process.

1.3.2 Participate in a budgeting process that integrates campus strategic goal setting, budget review and planning, and allocations set by the president.

1.3.3 Participate in the review of the accomplishment of finance goals across divisions and other appropriate units in the context of accountability with respect to the proper use of funds.

- 1.3.4 Advise the President regarding the timing and content of annual budget calls.
- 1.3.5 Advise the President during the fiscal year regarding significant or unanticipated events that have a significant effect upon campus budget allocations.
- 1.3.6 Advise the President regarding the content and format for reporting annual budget data to the campus community in a thorough and consistent manner such that annual changes in the budget are easily tracked and understood.
- 1.3.7 Provide annual recommendations to the President regarding the proposed budget allocations across the University's several divisions in line with the University Strategic Plan.
- 1.3.8 Receive reports related to enrollment targets and yield and contribute to discussions on proposed budget allocations.
- 1.3.9 Review, analyze, and advise the President regarding significant budget actions external to the campus that could impact the University's Operating Fund; e.g., the initial CSU budget proposal and the Governor's May Revise.
- 1.3.10 Provide information to the Strategic Planning Committee regarding the alignment of campus resources with the strategic plan.

At the conclusion of each academic year the Vice Chair of the Senate will complete the summary report required of all special agencies and communicate, at an appropriate level of detail, information related to the Budget Advisory Committee's work directly to the Senate.

2. Considerations for the Budget Advisory Committee

Information and input from multiple sources and perspectives should be examined whenever possible. Information reported out to the campus community should be in a format that is readily understood and facilitates productive dialogue. The tenor and nature of communication with all individuals and groups providing and receiving budget-related information should be constructive, inclusive, and transparent.

The Budget Advisory Committee may access as needed all documents related to the campus annual budget as well as expenditures. Committee members would receive the training needed to access available data.

Given the complexity of our decentralized budgeting processes, the Budget Advisory Committee will need to become knowledgeable with regard to a wide range of SJSU resources, operations and organizations. These are likely to include the following:

University

- Operating Fund Budget & Resources
- University Sources and Uses of Funds
- Expenditures by Division
- Comparisons to other CSU Campuses

Self Support Operations & Funds

- Continuing Education Reserve Fund
- Student Health
- University Housing
- University Parking
- Capital Outlay & Deferred Maintenance
- Intercollegiate Athletics
- Lottery
- Student Fees (e.g., Student Success, Excellence, & Technology Fee)

Auxiliary Organizations

- Associated Students
- Research Foundation
- Spartan Shops, Inc.
- Student Union, Inc.
- Tower Foundation

3.0 Policy Modifications

Following implementation, if modifications to this policy appear needed the Vice Chair of the Senate will provide the Academic Senate Chair with the Budget Advisory Committee's suggestions. The Chair of the Academic Senate will then refer the recommendation(s) out to the appropriate policy committees for timely review and subsequent action.