1. The Budget Advisory Committee discussed and approved a Sense of the Senate Resolution Endorsing Budget Priorities for AY 2003/2004 "The Priorities Resolution" as per S02-1, 2.4 and 2.5.

2. The BAC considered a proposal to use a portion of the $1.3 million lottery reserve to assist in funding instructional-related projects that are threatened due to the state budget deficit. The committee unanimously recommended that President Caret release $420,000 that had been allocated by the CSU for equipment purchases. The committee later recommended via an email vote to retain $300,000 in the lottery reserve, and to release the remaining lottery reserve to the various divisions of the university in proportion to the percentage of the budget cut that each division absorbed. The committee received assurances that this money will be spent in a manner consistent with state law and CSU guidelines.