

Student Fee Advisory Committee
Thursday, November 17, 2022
2pm – 3pm
Virtual Meeting

Attendees

Graduate Students: Sidharth Srivastava,

Undergraduates: Luis Garcia-Chavez, Kevin Carranza, Karina Mara

Administration: Charles Turner, Erinn McMahan

Faculty Rep: Dr. Alison Chu

SFAC Advisor: Christine Wilson, Burt Harris, John Bollard

APB Advisor:

Absent:

Luis R. Garcia Chavez calls the committee meeting to order at 2:12pm.

1. Approval of Agenda

- a. **Luis Garcia-Chavez** asks for a member of the committee to motion to amend the agenda for week 8 so that the committee can add the approval of week 7 minutes.
- b. **Charles Turner** motions to amend week 8's agenda to add the approval of week 7 minutes.
- c. **Erinn McMahan** seconds. Motion passes.
- d. **Luis Garcia-Chavez** asks for a member of the committee to motion for the approval of week 8's agenda.
- e. **Charles Turner** motions to approve week 8's agenda.
- f. **Karina Mara** seconds. Motion passes.

2. Approval of Week 7 Minutes

- a. **Luis Garcia-Chavez** asks for a motion to approve week 7's minutes.
- b. **Charles Turner** motions to approve week 7's minutes.
- c. **Erinn McMahan** seconds. Motion passes.

3. Approval of Unit Review Questionnaires

- a. **Luis Garcia-Chavez** asks for a motion to approve the final draft of the unit review questionnaires.
- b. **Charles Turner** motions to approve the final draft of the unit review questionnaires.
- c. **Erinn McMahan** asks for clarification by asking if the committee is motioning on the approval of the questionnaire or if the committee is motioning for a vote for the approval of the final draft of the unit review questionnaires.
- d. **Luis Garcia-Chavez** clarifies that he is asking for a motion to approve the final draft of the unit review questionnaires.
- e. **Karina Mara** seconds. The motion passes.

4. Rebecca Lee-Garcia and Vera Bakman's Presentation

- a. **Luis Garcia-Chavez** informs the committee that **Rebecca Lee-Garcia** and **Vera Bakman** will be presenting on unallocated accounts to the committee. **Luis Garcia-Chavez** encourages the committee to take notes and ask relevant questions.
- b. **Luis Garcia-Chavez** explains to the committee that the presentation will be specifically relating to unallocated accounts, the forecasts with a new cohort model, and how it should fix the discrepancies with the lack of funding.

At 2:14 **Rebecca Lee-Garcia** and **Vera Bakman** joined the committee's zoom.

- c. **Rebecca Lee-Garcia** begins by introducing herself and position as the Interim Associate Vice Chancellor in Academic Planning and Budget for UCLA and also works in Financial Analysis and Decision Support and has been working with SFAC for 11 years.
- d. **Vera Bakman** introduces herself and position as being a member of **Rebecca Lee-Garcia's** team and oversees the academic side of the academic portfolio and joined UCLA last April and was previously with UCSF and notes her familiarity with the UC system.
- e. After introductions, **Rebecca Lee-Garcia** explains that she will begin the presentation by sharing her screen and providing an overview of how the accounting works and then will go over the forecast.
 - i. The first portion of the presentation is entitled "Student Service Fee Funding Allocation" which was showed in a previous presentation as a way to understand the breakdown of fee allocation.
 - **Rebecca Lee-Garcia** goes over the differences between Permanent Student Services Fees, Temporary Student Services Fees; as well the Unallocated Account for Permanent Student Services Fees, which is what SFAC provides recommendations on. **Rebecca Lee-Garcia**, continues by explaining the differences between the Unallocated Account for permanent Student Services Fees, which has its own permanent budget that fluctuates depending on the decisions that are made; and the Unallocated Account for temporary Student Services Fees, which is where any leftover revenue goes after all of the permanent budgets have been covered.
 - **Rebecca Lee-Garcia** also states that she will go into further detail about SSF unallocated account for units that receive funding for approved funding requests.
 - ii. In the next section **Rebecca Lee-Garcia** covers the current working forecast for the unallocated account.
 - During this section, **Rebecca Lee-Garcia** specifically highlights Athletics and the agreement to reduce their budget by five hundred thousand dollars every year until Athletics no longer has a

permanent budget. The money taken, goes into the unallocated account where SFAC decides how to use the funds.

- **Rebecca Lee-Garcia** mentions that she is unable to give a recommendation as to how much SFAC can spend until she speaks with Student Affairs about what their projected merits and benefit cost increases will be for this year.
- iii. In this next session **Rebecca Lee-Garcia** covers some differences of the Merits/Benefits Cost Increases compared to last year.
 - **Rebecca Lee-Garcia** gives an example by describing the differences between 20,002 which is for mental health expenses and 20,000 is used for everything else.
- iv. **Rebecca Lee-Garcia** next briefly covers the last two sections for Uses which include Temporary Continuing Commitments and Insurance.
- v. **Rebecca Lee-Garcia** then goes on to explain that the Operating Surplus Deficit is the total revenue less the total expense. **Rebecca Lee-Garcia** also briefly touched on what Carry-Forward is and mentioned that she can go into further detail as she continues to work with Student Affairs and as SFAC gets closer to needing more solidified numbers.
- vi. **Rebecca Lee-Garcia** then turns it over to the committee and asks if any committee members have any questions.
 - **Luis Garcia-Chavez** asks how the cohort model affect the forecast in the projections?
 - **Rebecca Lee-Garcia** informs the committee that the cohort model is already embedded and explains to the committee that there is another group that is responsible for the Cohort modeling and are modeling all the details.
 - **Luis Garcia-Chavez** asks a follow-up question: Has inflation affected the impact of the cohort model and the forecasting; has inflation added uncertainty to the projections.
 - **Rebecca Lee-Chavez** replies that inflation does not necessarily affect these projections because this account actually covers inflationary trends as the salary and benefits increase and is covered across the student services fee units. **Rebecca Lee-Chavez** continues by stating that this is a good thing because otherwise the units would have to find it within their own budgets much like a budget cut.
 - **Luis Garcia-Chavez** asks how much by percentage did the merits and benefits increase?
 - **Rebecca Lee-Chavez** states that she is not entirely sure about the percentage for merits and benefits but for staff was possibly about 4 - 5%
 - **Christine Wilson** states that it's closer to about 4.5% for staff but also doesn't not know about the benefit cost increases.

- **Luis Garcia-Chavez** asks if **Rebecca Lee-Chavez** can explain how the cohort model has affected the unallocated account over the next 5 years and how the differs from years prior?
- **Rebecca Lee-Garcia** explains that in years prior there weren't student services fee increases and was a flat rate that applied to all students. Now students are grandfathered into a rate for four years.
- **Luis Garcia-Chavez** asks how much the increase is for the new cohort model per year?
- **Rebecca Lee-Garcia** informs that she does not have those numbers but **Christine Wilson** informs that while we do not have specific numbers we can gather that because there is a hold on students' rate for 4 years, it pretty much necessitates that each incoming class will pay incremental higher amounts.
- **Rebecca Lee-Garcia** agrees with this statement and adds that each incoming class pays a higher amount in both tuition and student services fees.
- **Luis Garcia-Chavez** asks what the total amount is for the permanent funds?
- **Rebecca Lee-Garcia** informs the committee that the permanent budget is no more than 3 million and is forecasted. She reminds the committee that the numbers fluctuate depending on what is spent out of this account.
- **Luis Garcia-Chavez** asks what are the last predictable parts of the projections outside of the merits benefits?
- **Rebecca Lee-Garcia** states that that's pretty much it as far as projections. She mentioned that she'll provide recommendations on what to spend but at the end of the day the committee will provide their own recommendations. She continues by stating that other than the merits and benefits, she doesn't have too many other parts to predict, the biggest predication is the merits and benefits, the temporary commitments don't change, and there is a very slight increase in insurance every year by a percentage or two which is standard.
- **Luis Garcia-Chavez** asks what is the projected enrollment for students? And are we planning to increase, decrease, or maintain the status quo of enrollment?
- **Rebecca Lee-Garcia** mentions to the committee that she does not have those numbers but that she is happy to provide them to the committee should they need it.
- **Luis Garcia-Chavez** asks if any other members of the committee have any other questions.

- **Kevin Carranza** asks what the percentage of the aggregate collective SSF funds that goes to return pay or what does that luxury based on?
- **Rebecca Lee-Garcia** explains that the formula that UCOP mandates is pretty complicated but as a percentage she believes it's at 10% and states that it is a historical formula that up until this year when cohort-based tuition started, was depending on the type of student that you are.
- **Christine Wilson** furthers the point by explaining that when they started return to aid, it was on an all new fees and the incremental increase to any fee is why it's about 1/3 or 30%.
- **Rebecca Lee-Garcia** continues the point by stating that once we got above 900 dollars, OP said exactly as **Christine Wilson** pointed out—which is that we're not going to pay 30% above the 900. She lastly states that the rules are different for tuition such that it's not an incremental for tuition rather it's on the total tuition amount.
- **Christine Wilson** brings her question with the following context: the scenario that **Rebecca Lee-Garcia** presented last year only included half of the permanent reallocation from athletics, **Christine Wilson's** assumption was the other half was going for twenty thousand and two. It was five hundred thousand in temporary funding, and two hundred and fifty thousand in permanent funding. And this year you have it all there such as: five hundred thousand and I'm wondering you're breaking a little bit from the very Pat scenario of last year which showed five hundred thousand dollars in temporary funding every year and two hundred and fifty in permanent funding.
- **Rebecca Lee-Garcia** responds: We spent less in benefits which means you could potentially give more perm to the campus which is something that I (**Rebecca Lee-Garcia**) needs to still figure out.
- **Christine Wilson** asks when do you (**Rebecca Lee-Garcia**) think you'll have that information? Asking to give the units a little bit of sense of what might be available when they send out their call letters.
- **Rebecca Lee-Garcia** states that she's already begun the dialogue with Student Affairs and expects to have more information in the next calendar year.
- **Christine Wilson** asks if **Rebecca Lee-Garcia** has an idea as to why the merit and benefits costs were so much lower than anticipated?
- **Rebecca Lee-Garcia** states that she has wondered the same and cannot say for certain why that happened.

- **Christine Wilson** suggests that it could have been because of so many open positions.
 - **Charles Turner** also suggests that could have been a reason the low merit and benefit costs. He continues, by stating that if you assume on the base, including all the vacancies then it makes that you would have a high number. He also noted that we don't know what the vacancies will be for this year but as we're starting to fill the vacancies, its possible and he anticipates that we would probably use up all of the budget for this year.
 - **John Bollard** also suggests that across most Student Affairs departments, we're seeing more vacancies fill.
 - **Erinn McMahan** asks if it is possible to see what the salary numbers for last year to compare?
 - **Rebecca Lee-Garcia** agrees and states that that's what they are hoping to do to help give an estimate.
 - **Luis Garcia-Chavez** asks if inflation will affect the increasing rate of insurance.
 - **Rebecca Lee-Garcia** states that it typically goes up very slightly over time but it increasing marginally therefore not gravely impacted by inflation.
 - **Erinn McMahan** asks what type of insurance it is and **Rebecca Lee-Garcia** states that it is Gayle and states that the account pays for the student services accounts.
 - **Luis Garcia-Chavez** asks **Rebecca Lee-Garcia** when the committee can expect a response and **Rebecca Lee-Garcia** states that early next calendar year so that they committee have enough time to evaluate the information and frame the call letter around the information.
 - **Luis Garcia-Chavez** asks if anyone else in the committee has any questions. No one has any questions and **Luis Garcia-Chavez** thanks **Rebecca Lee-Garcia** and **Vera Bakman** for their time.
- f. **Luis Garcia-Chavez** informs the committee that there will not be a meeting next week due to the Thanksgiving Holiday and week 10's meeting will be that last meeting of the quarter which will be held on December 1st.
- i. **Luis Garcia-Chavez** continues by informing the committee of several other household items for the upcoming quarter.
- g. **Luis Garcia-Chavez** asks for a motion to adjure the meeting.
- h. **Erinn McMahan** motions to adjure the meeting.
- i. **Kevin Carranza** seconds.

The meeting is adjured at 3:02pm.