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Sally Roush
Vice President

SAN DIEGO STATE UNIVERSITY

MEMORANDUM

DATE: December 7, 2007

TO: Stephen L. Weber
President

FROM: Sally F. Roush
Chair, President's Budget Advisory Committee

SUBJECT: President's Budget Advisory Committee
Recommendation of November 29, 2007

Attached is the Recommendation from the President's Budget Advisory Committee (PBAC) vote of November 29, 2007, for approval of the revised one-time funding requests for the current year. The supporting material is attached for your information.

Please sign and return a copy of the recommendation at your earliest convenience. Please let me know if you have any questions or concerns.

SFR:nl

Attachment

PRESIDENT'S BUDGET ADVISORY COMMITTEE
November 29, 2007

RECOMMENDATION

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1. Approve revised one-time funding requests for all divisions in the 2007/08 Budget.

   $1,393,000

Approved by:

Stephen L. Weber

Stephen L. Weber, President

12/20/07

Date

President's Budget Advisory Committee
Meeting Agenda
November 29, 2007
2:00p.m. @ MH 3318

I. Call to order
   a. Call for amendments to agenda

II. Funding Requests
   a. Master Plan Litigation (Back-up material to be distribute at a later date)

III. Information Item
   a. None

IV. Reports
   a. 2007/08 Revenue Estimates as of November 15, 2007 (Attachment 1)
   b. 2007/08 Reserves (Attachment 2)
   c. Two Year Budget Projection (Attachment 3)

V. Watch List
   a. CMS
      - Long Term Workload Costs – AA, BFA, SA
      - Student Management System
   b. Unfunded Compensation Items
   c. Master Plan Costs
   d. Freedom of Expression Policy
   e. Use of General Fund monies for scholarships

VI. Voting Items
   a. Revised One-Time Funding Requests (Attachment 4)

VII. New Business
   a.

VIII. Reminder

   a. Next Meeting Date – January 31, 2008 at 2:00 p.m. in MH 3318

SAN DIEGO ST UNIVERSITY

2007/08 Revenue Estimates

As of November 15, 2007

	2006/07 Budget	2006/07 Actual	Over/(Under) Budget	2007/08 Budget	Year to Date as of 11/15/07	Term End Estimate	Over/(Under) Budget
State University Fee							
Summer	5,642,420	5,500,330	(142,090)	5,571,375	5,223,946	5,223,946 [1]	(347,429)
Fall	39,283,534	40,173,998	890,464	44,278,563	46,394,331	47,156,796 [2]	2,878,233
Spring	37,366,628	37,816,539	449,911	41,680,243		43,090,028 [3]	1,409,785
Sub-Total SUF	**82,292,582**	**83,490,867**	**1,198,285**	**91,530,181**	**51,618,277**	**95,470,771**	**3,940,590**
Non-Resident Tuition							
Summer	231,106	197,976	(33,130)	216,263	280,353	280,353 [1]	64,090
Fall	3,042,775	3,461,996	419,221	3,781,789	3,939,546	4,007,082 [2]	225,293
Spring	2,658,696	2,872,313	213,617	3,137,636		3,324,555 [3]	186,919
Sub-Total NR Tuition	**5,932,577**	**6,532,285**	**599,708**	**7,135,688**	**4,219,899**	**7,611,989**	**476,301**
International Tuition							
Summer	336,565	345,102	8,537	359,989	328,543	328,543 [1]	(31,446)
Fall	2,576,968	2,740,815	163,847	2,859,046	3,192,534	3,125,817 [2]	266,771
Spring	2,302,008	2,485,129	183,121	2,592,332		2,834,217 [3]	241,885
Sub-Total International Tuition	**5,215,541**	**5,571,046**	**355,505**	**5,811,367**	**3,521,077**	**6,288,577**	**477,210**
TOTAL FEE & TUITION	**93,440,700**	**95,594,198**	**2,153,498**	**104,477,236**	**59,359,253**	**109,371,337**	**4,894,101**
Application Fee	2,225,000	2,761,099	536,099	2,234,000	764,356	2,234,000	0
TOTAL APPLICATION FEE	**2,225,000**	**2,761,099**	**536,099**	**2,234,000**		**2,234,000**	**0**
TOTAL	**95,665,700**	**98,355,297**	**2,689,597**	**106,711,236**	**59,359,253**	**111,605,337**	**4,894,101**

[1] Summer Term End - actual year to-date

[2] Fall Term End - Estimates developed using average % of prior two years actual achieved collections

[3] Spring Term End - Estimates developed using Academic Affairs projected Spring headcount as of Fall Census and average % of prior two years actual achieved collections

Permanent Reserve

2007/08 Beginning Balance	$	71,767
07/08 Unallocated Permanent Funding		1,659,611
Sub-Total	$	1,731,378
New Tenure-Track Funding (Approved 10/25/07)		(173,594)
Unfunded MPP 2007/08 Funding (Approved 10/25/07)		(893,389)
Balance as of 11/29/07	**$**	**664,395**

One-Time Reserve

2007/08 Beginning Balance	$	1,621,948
06/07 Institutional Carryforward		479,200
2007/08 One-Time Budget Requests		(1,393,000)
Risk Pool Premium Rebate		1,200,000
Balance	$	1,908,148

Estimated 2007/08 Revenue Over Budget

Fee Revenue Over Budget		4,894,101
Interest Revenue Projection		1,000,000
Total Estimated 2007/08 One-Time Balance	$	7,802,249

2007/08 Approved Funding Requests

Academic Affairs		
Fall over enrollment course section (Approved 10/25/07)		(1,773,600)
Balance as of 11/29/07	$	6,028,649

Note:
One percent reduction in SDSU's 2007/08 General Fund Budget Appropriation - **$2,213,400**

2008/09			2009/10		
Estimated Gross Budget Allocation		374,144,000			
Less 2007-08 Base Budget		(345,328,000)			
Estimated Gross Budget Increase		28,816,000			
CSU Funding (Included in above allocation)					
Estimated Mandatory Costs					
(Retirement, Health Benefits, Energy, SUG, etc.)		10,565,147			
CSU Funding for Compensation		11,977,748	CSU Funding for Compensation		12,808,071
Resident FTES Growth 2.40%	693		Resident FTES Growth 2.00%	580	
Marginal Cost	7,412	5,136,516	Marginal Cost	7,412	4,297,826
Fee Revenue	1,640	1,136,589	Fee Revenue	1,640	950,905
Total Resident Funding		6,273,105	Total Resident Funding		5,248,531
Funding for Nursing Program	40		Funding for Nursing Program	40	
BSN FTES Growth Funding (per FTES)	10,588	423,520	BSN FTES Growth Funding (per FTES)	10,588	423,520
Incremental BSN Growth Revenue	3,111	124,440	Incremental BSN Growth Revenue	3,111	124,440
Total Nursing Program		547,960	Total Nursing Program		547,960
SDSU Funding (In addition to CSU Allocation)					
International/ Non-Resident FTES Growth	75		International/ Non-Resident FTES Growth	75	
Annual Tuition	8,814	661,050	Annual Tuition	8,814	661,050
Fee Revenue	1,640	123,008	Fee Revenue	1,640	123,000
Total International/Non-Resident		784,058	Total International/Non-Resident		784,050
Other Permanent Funding Sources			Other Permanent Funding Sources		
Risk Pool Budget Balance		600,000	Risk Pool Budget Balance		
Debt Retirement			Debt Retirement		
CSU Budget			CSU Budget		
Total Other Funding		600,000	Total Other Funding		-
Total New Funding	**$**	**30,748,018**	**Total New Funding**	**$**	**19,388,611**
Estimated Mandatory Costs					
(Retirement, Health Benefits, Energy, SUG, etc.)		10,565,147			
Total Bargaining Unit Compensation Costs		15,650,118	Total Bargaining Unit Compensation Costs		16,194,263
Multi-Year Initiatives/Commitments:			Multi-Year Initiatives/Commitments:		
CMS		720,000			
City Heights		200,696			
Presidential Grant Awards		176,000	Presidential Grant Awards		80,000
Total Multi-Year Initiatives/Commitments		1,096,696	Total Multi-Year Initiatives/Commitments		80,000
Funding Commitment for Ed.D Program	30	FTES	Funding Commitment for Ed.D Program	30	
Marginal Cost	7,412	222,360	Marginal Cost	7,412	222,360
Fee Revenue	1,640	49,203	Fee Revenue	1,640	49,200
Total Ed.D. Commitment		271,563	Total Ed.D. Commitment		271,560
Funding Commitment for Nursing Program	40	FTES	Funding Commitment for Nursing Program	40	FTES
BSN FTES Growth Funding (per FTES)	10,588	423,520	Marginal Cost	10,588	423,520
Incremental BSN Growth Revenue	3,111	124,440	Fee Revenue	3,111	124,440
Total Nursing Program		547,960	Total Ed.D. Commitment		547,960
Course Section Funding ($2,700 per new FTES)			Course Section Funding ($2,700 per new FTES)		
New Residents (minus Ed.D. FTES Grow	663	1,790,100	New Residents (minus Ed.D. & Nursing	510	1,376,514
Non-Resident	75	202,500	International Non-Resident FTES Growth	75	202,500
		1,992,600			1,579,014
Total New Costs	**$**	**30,124,084**	**Total New Costs**	**$**	**18,672,797**
TOTAL - FUNDING LESS COSTS	**$**	**623,934**	**TOTAL - FUNDING LESS COSTS**	**$**	**715,814**
08/09 Resident FTES	28,991		09/10 Resident FTES	29,571	
Assumptions:			Assumptions:		
Resident Growth	2.40%		Resident Growth	2.00%	
International Non-Resident FTES Growth	75		International Non-Resident FTES Growth	75	
Course Section Cost Increase to	2,700		Course Section Cost	2,700	
10% Increase in Student Fees	1,640		Student Fees	1,640	
Salary increase for units without agreements			Salary increase for units without agreements		
GSI	5.00%		GSI	5.00%	
Salary Lag	2.83%		Salary Lag	0.00%	
CSU Funding			CSU Funding		
GSI	3.00%		GSI	3.00%	
Salary Lag	2.08%		Salary Lag	2.00%	
Projected New Ed.D. FTES	30		Ed.D. Projected New Enrollment	30	
Projected New Nursing FTES	40		Projected New Nursing Enrollment	40	

CSU funding as requested by Board of Trustees 2008/09 Budget - Total 2008/09 compensation pool of 5.83% that includes 3% GSI ($7,073,473) and an estimated 2.83% salary lag. An estimated 2.08% ($4,904,275) of salary lag compensation will be is included in the Trustees budget allocations with the remaining .075% ($1,768,368) to be funded by campus.

SAN DIEGO STATE UNIVERSITY
2007/08 Budget
One-Time Funding Requests
Revised November 2007

	Initial Request	Revised Request	
Business and Financial Affairs			
Master Plan	250,000	500,000	[a]
Classroom Renovation - Leased Space/College Square	145,000	145,000	
Identity Management	250,000	250,000	
Revisions to the Imperial Valley Campus Rodney Auditorium	190,000	0	
Sub-Total Business and Financial Affairs	$ 835,000	$ 895,000	
University Relations and Development			
University Signature Event	75,000	0	
Development Staff Relocation (Estimate)	125,000	160,000	[b]
SDSU Month and Explore SDSU costs	-	40,000	
Sub-Total University Advancement	$ 200,000	$ 200,000	
President's Office			
Manchester Hall Renovation	$ 298,000	$ 298,000	
Sub-Total President's Office	$ 298,000	$ 298,000	
Total One-Time Requests	$ 1,333,000	$ 1,393,000	

[a] Additional $250,000 requested not included in 10/25/07 email vote

[b] Additional $35,000 requested for staff move to ESC building not included in 10/25/07 email vote

Funding Request for November 29, 2007 PBAC Meeting

Funding for Master Plan Litigation - $300,000 One-Time Funding

One time funding is requested to support upcoming litigation costs to defend the 2007 Campus Master Plan Revision.

The CSU Board of Trustees unanimously approved SDSU's 2007 Campus Master Plan at their November 14, 2007 meeting in response to unprecedented demand for higher education in the region and state. The 2007 SDSU Master Plan raises SDSU's enrollment ceiling capacity from 25,000 FTES to 35,000 FTES and provides proposed building site locations and increases for the academic, research and support facilities necessary to accommodate the new students, faculty and staff provided for in the Plan.

While this decision concludes the environmental review process, there remains the potential that litigation against the Plan may be forthcoming. Following the 2005 SDSU Master Plan, the campus was served with three legal suits, subsequently followed by the CSU suit known as the Marina case also affecting SDSU's Master Plan. In preparation for litigation against the recent decision on the 2007 Master Plan, it is proposed that funding be provided that will enable SDSU to proceed to legally defend the Plan should litigation be filed.

PRESIDENT'S BUDGET ADVISORY COMMITTEE
November 29, 2007
MINUTES

Voting Members Present:	Area Budget Reps Present:	Staff Present:	Guests Present:
Sally Roush	Linda Stewart	Ray Rainer	
Lena Rodriguez	Linda Lewiston	Crystal Little	
Kathy LaMaster	Scott Burns		
Mary Ruth Carleton	Ethan Singer		
Cezar Ornatowski			
Jim Kitchen			
Edith Benkov			
James Poet			

Voting Members Absent:

Nancy Marlin

I. Call to order

VP Roush called the meeting to order at 2:02 p.m. VP Roush introduced Crystal Little, Interim Associate Director of Budget and Finance.

Call for Amendments to Agenda - VP Roush said we would advance the voting item since VP Carleton needed to depart early. VP Roush inquired if there were any other changes to the agenda but there were none.

VI. Voting Items

a. Revised One-Time Funding Requests (Attachment 4)

VP Roush explained this item was initially presented at the September 2007 meeting. After some discussion, Dr. Benkov motioned to approve the revised one-time funding requests, VP Carleton seconded, and the motion passed unanimously.

II. Funding Requests

a. Master Plan Litigation

VP Roush stated the Master Plan that was approved by the Board of Trustees this month. Litigation will likely occur with opportunities for added parties. VP Roush distributed a funding request describing the request and based on an estimate of legal expenses from our Master Plan consultants.

III. Information Items – None

IV. Reports

a. 2007/08 Revenue Estimates as of November 15, 2007 (Attachment 1)

This information was distributed to the committee in October via email. VP Roush questioned the progress in meeting nursing enrollment targets. AVP Singer will review nursing enrollment for Spring and report at next meeting.

b. 2007/08 Reserves (Attachment 2)

AVP Burns said the historical information was removed and the presentation begins with the 07/08 beginning balance. This handout reflects the current reserve amounts. In addition, the footnote reflects the magnitude of a 1% reduction in the general fund budget appropriation, however, the Governor may ask for a 10% reduction. This note is provided just as a rough estimating tool in discussing possible budget cut scenarios.

c. Two Year Budget Projection (Attachment 3)

VP Roush stated that President Weber has requested a 5-year forecast, however, anything greater than a 2-year forecast would be highly speculative. . AVP Burns explained the handout and said it includes planned growth and allowances for the funding gap. The footnotes are extremely important.

AVP Burns distributed the presentation made to the Board of Trustees Committee on Finance. According to the presentation, the Trustees approved budget is based on the compact being funded and will include the funding to address compensation gap. The Trustees approved budget also assumes a student fee increase of 10%. Although the budget includes as assumed fee increase, the Trustees will need to approve an action until the January or March BOT meeting. VP Roush requested this item (State Budget) be added to the Watch List

V. Watch List

a. CMS – No Update

b. Unfunded Compensation Items – No update

c. Master Plan Costs – Already discussed

d. Freedom of Expression Policy – Business and Financial Affairs is tracking costs associated with maintaining the grounds due to the expansion in the Freedom of Expression Policy.

e. Use of General Fund Monies for Scholarships – This item can be removed.

VII. New Business – None.

VIII. Reminder

The next meeting is scheduled for Thursday, January 17, 2008, at 2:00 p.m. in MH-3318. The meeting was adjourned at 2:45 p.m.