




SAN DIEGO STATE
UNIVERSITY

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Sally Roush
Vice President

MEMORANDUM

DATE: February 24, 2011

TO: Stephen L. Weber
President 

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

SUBJECT: President's Budget Advisory Committee
Recommendation of January 27, 2011

Attached is the Recommendation from the President's Budget Advisory Committee (PBAC) Meeting of January 27, 2011 for approval of the Athletics Budget Restoration \$520,227 one-time funding and \$146,270 base budget. Supporting materials are attached for your information. I recommend your approval.

If you have any questions, please let me know.

SFR:nl

Attachments


PRESIDENT'S BUDGET ADVISORY COMMITTEE
January 27, 2011

RECOMMENDATION


1. Approve Athletics Budget Restoration:

\$520,227	one-time funding
\$146,270	base budget restoration

Approved by:



Stephen L. Weber, President



Date

President's Budget Advisory Committee

Meeting Agenda

January 27, 2011

3:30p.m. @ MH- 3318

I. Call to order

- Call for amendments to agenda

II. Information Item

- None

III. Reports

- Follow-up on Previous Request for Athletics Budget Information (Attachment 1)
- 2010/11 Reserves (Attachment 2)
- 2010/11 Estimated Revenues (Attachment 3)
- 2010/11 Budget B10-04 (Attachment 4)
- 2011/12 Budget Up-Date

IV. Funding Requests

- None

V. Watch List

- Master Plan Costs
 - Potential Court Appeal Costs – Estimated Cost \$175,000
- SUF Class Action Suit - Estimated Cost TBD
- 2011/12 Budget Issues
 - Aztec Nights – Estimated Cost \$ 175,000
 - International/Non-Resident Student Recruitment – One-time to Base Budget Funding - Estimated Cost \$248,730
- Imperial Valley Campus
 - Earthquake Damage – Estimated Cost \$1,000,000
 - Infrastructure – Estimated Cost TBD
- Unfunded Compensation Items

VI. Voting Items

- Athletics Budget Restoration - \$520,227 One-Time funding - \$146,270 Base Budget Restoration

VII. New Business

-

VIII. Reminder

- Next Meeting Date – February 24, 2011 at 3:30 p.m. in MH 3318

Athletics Percentage of Operating Fund

<u>Fiscal Year</u>	<u>Athletics Budget</u>	<u>Total Operating Fund</u>	<u>%</u>
1998/99	5,492,271	181,486,674	3.03%
2010/11	5,900,272	269,019,442	2.19%
With Prior Year Restoration of \$146,270			
2010/11	6,046,542	269,165,712	2.25%

Base Budget Reserve

2010/11 Base Budget Funding

Beginning Balance	524,396
2010/11 Beginning Base Budget Balance	524,396

One-Time Reserve

2010/11 Beginning One-time Balance	5,098,451
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2010/11 Approved Funding Requests

Academic Affairs

Non-Resident Recruitment (Approved 5/13/10)	(100,000)
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Student Affairs

Non-Resident Recruitment (Approved 5/13/10)	(148,730)
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Business & Financial Affairs

Hazardous Material/EHS (Approved 11/18/10)	(196,250)
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University Relations & Development

Campaign Funding (Approved 11/18/10)	(500,000)
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Institutional

Modular Buildings - Temporary Space Storm/Nasatir Halls Restoration (additional \$50,400 in 11/12 & \$142,425 in 12/13) (Approved 11/18/10)	(557,175)
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Contractual Dispute (Approved 11/18/10)	(1,436,412)
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Facility Air Conditioning Installations (Approved 11/18/10)	(1,800,000)
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2010/11 One-Time Reserve	359,884
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Proposed Carry Forward of Base Budget Reserve	524,396
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Revised 2010/ One-Time Reserve	884,280
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Athletics

Prior Year Funding Restoration (If Approved 1/27/11)	(520,227)
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2010/11 One-Time Reserve	364,053
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SAN DIEGO STATE UNIVERSITY
2010/11 Revenue Estimates
As of January 20, 2011

	<u>2009/10</u> <u>Budget</u>	<u>2009/10</u> <u>Actual</u>	<u>Over/(Under)</u> <u>Budget</u>	<u>%</u> <u>Over/(Under)</u> <u>Budget</u>	<u>2010/11</u> <u>Budget</u>	<u>Year to Date</u> <u>as of 1/20/11</u>	<u>Term End</u> <u>Estimate</u>	<u>Over/(Under)</u> <u>Budget</u>	<u>%</u> <u>Over/(Under)</u> <u>Budget</u>
<u>State University Tuition Fee</u>									
Summer	6,146,887	7,275,500	1,128,613	18.36%	7,602,899	8,752,662	8,752,662 ⁽¹⁾	1,149,763	15.12%
Fall	63,726,571	63,075,431	(651,140)	-1.02%	60,059,894	58,468,878	58,468,878 ⁽²⁾	(1,591,016)	-2.65%
Spring	57,922,959	56,105,201	(1,817,758)	-3.14%	66,760,207	54,868,971	60,471,721 ⁽⁴⁾	(6,288,486)	-9.42%
Sub-Total SUTF	127,796,417	126,456,132	(1,340,285)	-1.05%	134,423,000 ⁽⁶⁾	122,090,512	127,693,261	(6,729,739)	-5.01%
<u>Non-Resident Tuition</u>									
Summer	255,145	316,626	61,481	24.10%	265,653	348,192	348,192 ⁽¹⁾	82,539	31.07%
Fall	4,081,608	4,966,965	885,357	21.69%	4,167,344	5,268,621	5,268,621 ⁽³⁾	1,101,277	26.43%
Spring	3,322,707	4,055,695	732,988	22.06%	3,403,401	3,565,577	4,515,980 ⁽⁴⁾	1,112,579	32.69%
Sub-Total NR Tuition	7,659,460	9,339,285	1,679,825	21.93%	7,836,398	9,182,390	10,132,793	2,296,395	29.30%
<u>International Tuition</u>									
Summer	372,549	413,580	41,031	11.01%	346,999	428,817	428,817 ⁽¹⁾	81,818	23.58%
Fall	3,617,641	4,415,000	797,359	22.04%	3,704,239	3,436,654	3,436,654 ⁽³⁾	(267,585)	-7.22%
Spring	3,216,550	3,549,443	332,893	10.35%	2,978,564	1,561,721	2,707,044 ⁽⁵⁾	(271,520)	-9.12%
Sub-Total International Tuition	7,206,740	8,378,023	1,171,283	16.25%	7,029,802	5,427,191	6,572,515	(457,287)	-6.50%
TOTAL FEE & TUITION	142,662,617	144,173,440	1,510,823	1.06%	149,289,200	136,700,093	144,398,569	(4,890,631)	-3.28%
Application Fee	2,294,000	2,652,402	358,402	15.62%	2,294,000	2,593,655	2,593,655	299,655	13.06%
TOTAL APPLICATION FEE	2,294,000	2,652,402	358,402	15.62%	2,294,000	2,593,655	2,593,655	299,655	13.06%
TOTAL	144,956,617	146,825,842	1,869,225	1.29%	151,583,200	139,293,748	146,992,224	(4,590,976)	-3.03%

⁽¹⁾ Summer Term Estimates - Actual collected to date

⁽²⁾ Fall Term SUTF Estimates - Actual collected to date

⁽³⁾ Fall Term Non-Resident and International Tuition - Actual

⁽⁴⁾ Spring Term Estimates - Estimate based on enrolled units as of 1/20/11

⁽⁵⁾ Spring Term International Tuition - Net Collections/Receivables from Cashier's enrollment report as of 1/20/2011. Spring International reflects 352 less students and 2,254 less units taken than Spring 2010.

⁽⁶⁾ CSUTF Budget includes \$410,000 cumulative EDD SUF

09/10 Budget	
State Allocation	166,107,116
State University Fee	127,796,000
Other Revenue and Reimbursements	30,932,000
Total	324,835,116
Less 09/10 Allocation	(320,362,680)
Less Other Revenue Adjustments	(82,938)
09/10 "Unallocated" Permanent Funding	4,389,498

2010/11 Budget	PBAC Approved (May 13, 2010)		B 10-04 (With SDSU Adjustments)	
		+ / (-)		+ / (-)
State Allocation				
2009/10 State Allocation-Beginning Balance	166,107,116		166,107,116	
2010/11 Adjustments				
09/10 Retirement Adjustment	608,770		608,770	0
GF Base Expenditure Adjustment from Change in \$571M Distribution	(2,382,900)		(2,382,900)	0
Projected 10/11 State Appropriation (w/out SUG adjustments)	164,332,986		164,332,986	0
Estimated 1/3 Set-Aside from 10/11 SUF Revenue Increase	(3,698,640)		(2,858,000)	840,640
Estimated Financial Aid/SUG Distribution (Based on Need)	3,110,556		2,374,700	(735,856)
Budget Act Exp Incr (CSU \$109.9M)- enrollment funding			10,285,400	10,285,400
Budget Act Exp Incr (CSU \$23.6M) - mandatory cost (health, energy, space)			1,447,200	1,447,200
Budget Act Exp Incr (CSU \$119.8M) - operating fund restoration			10,367,390	10,367,390
Final State Allocation	163,744,902	(2,362,214)	185,949,676	22,204,774
				0
Fee Revenue				0
2009/10 State University Fee-Beginning Balance	127,796,417 ^(A)		127,796,000 ^(A)	0
2010/11 Adjustments				0
State University Fee Adjustment (Change in Enrollment Patterns)	153,000		153,000	0
Enrollment Decline (fm 342,893 to 310,317)	(6,412,321) ^(C)		(11,928,000)	(5,515,679)
Enrollment Growth (fm 310,317 to 326,290)			6,500,000	6,500,000
Summer SUF Rate Change (09/10 Rates)	2,296,000		2,420,000	124,000
5% SUF Fall; 5% SUF Spring			9,072,000	9,072,000
10% SUF Fee Increase	11,208,000			(11,208,000)
BL 10/11 SUF Revenue	135,041,096	7,244,679	134,013,000	(1,028,096)
Campus Adjusted 10/11 SUF Revenue	135,041,096		134,013,000	(1,028,096)
				0
Other Fees and Reimbursements				0
2009/10 Other Fees and Reimbursements Beginning Balance	30,932,000		30,932,000	0
Projected 10/11 Other Fees and Reimbursements	30,932,000	0	30,932,000	0
Projected Total 2010/11 Operating Fund Budget	329,717,998		350,894,676	21,176,678
				0
Cost Adjustments				0
2010/11 Mandatory Cost Increases (Retirement, Health, Energy & New Space)	(2,043,970)		(2,055,970)	(12,000)
SUG Designated (Fee Increase)	(3,110,556)		(2,374,700)	735,856
Misc. Adjustments \$32,600 09/10 space allocation			(32,600)	
SDSU Multiyear Commitments				0
Presidential Grant Program (Last year of funding)	(40,000)		(40,000)	0
Estimated 2010/11 Faculty Promotion (AA = 201,600; SA = 4,133) ^(B)	(205,523)		(205,523)	0
Ed.D. Funding (Estimate)	(136,000)		(136,000)	0
Projected 2010/11 Operating Fund Available for Allocation	324,181,949		346,049,883	21,867,934
				0
Less 2009/10 Divisional Allocations	(320,330,080)		(320,330,080)	0
				0
Net Funding Increase/ (Decrease)	3,851,869		25,719,803	21,867,934
				0
Less 10/14/10 PBAC Allocation			(8,752,400)	
Prior Year Athletics Funding Resroation (If Approved 1/27/11)			(146,270)	0
Recommended "Reserve" for SUF and contingency	(3,851,869)		(6,153,743)	(2,301,874)
EH&S Staffing			(300,000)	0
Recommended Divisional Allocations	0		10,367,390	10,367,390

^(A) 2009/10 campus budgeted SUF

^(B) Agreed upon formula: 70% funding of cost

^(C) B 10-1 Enrollment Decline Calculation:

Enrollment Decline (B 10-01, Attachment E - Column 2)	(11,928,000)
SUG Adjustment	2,310,000
SUG Set-Aside From Enrollment Decline of \$11,928,000	3,205,679
Net Enrollment Decline	(6,412,321)

PRESIDENT'S BUDGET ADVISORY COMMITTEE
January 27, 2011
MINUTES

Voting Members Present:	Area Budget Reps Present:	Staff Present:	Guests Present:
Sally Roush	Ethan Singer	Ray Rainer	
Grant Mack	Linda Lewiston	Jim Herrick	
Kathy LaMaster	Linda Stewart		
Cathie Atkins	Scott Burns		
Betsy Kinsley	Eric Rivera		
Bill Snavely			
Mary Ruth Carleton			
Nancy Marlin			
Jim Kitchen			

Voting Members Absent:

I. Call to order - VP Roush called the meeting to order at 3:32 p.m. VP Roush inquired if there were any amendments to the agenda. There were none.

II. Information Items – There were no items.

III. Reports

- **Follow-up on Previous Request for Athletics Budget Information (Attachment 1)**
– Discussed under VI. Voting Items
- **2010/11 Reserves (Attachment 2)** – There were no questions.
- **2010/11 Estimated Revenues (Attachment 3)** – AVP Burns explained the estimated revenues are lower due to a decline in tuition relative to budget. There may be another slight change after census. Student Affairs will continue to focus on recruitment of international students.
- **2010/11 Budget B10-04 (Attachment 4)** – There were no changes to this document since our last meeting.
- **2011/12 Budget Update** – There was some discussion about enrollment targets. The Chancellor's Office is asking each University to propose a target.

There will be multiple meetings in the next month to develop a budget plan. Governor Brown's goal is to have the 2011-12 budget passed in March. We may need to schedule another PBAC Meeting for mid-February to allow time to prepare a recommended budget plan for President Weber to take to the March 1st Executive Council Meeting.

IV. Funding Requests – There were no funding requests.

V. **Watch List** – VP Roush stated several of the items were removed from the Watch List after the last meeting since they have been completed.

- **Master Plan Costs – Potential Court Appeal Costs** – Estimated Cost \$175,000
- **SUF Class Action Suit** – Estimated Cost \$6,000,000
- **2011/12 Budget Issues**
 - **Aztec Nights** – Estimated Cost \$175,000
 - **International/Non-Resident Student Recruitment – One time to Base Budget Funding** – Estimated Cost \$248,730
- **Imperial Valley Campus**
 - **Earthquake Damage** – Estimated Cost \$1,000,000
 - **Infrastructure** – Estimated Cost TBD
- **Unfunded Compensation Items**

VI. **Voting Items**

- **Athletics Budget Restoration – \$520,227 One-time funding - \$146,270 Base Budget Restoration** –The item was tabled at the prior meeting pending receipt of additional information. The committee members discussed the matter in detail. VP Carleton moved to approve the \$520,227 one-time and \$146,270 base budget restoration amounts, Betsy Kinsley seconded.

Provost Marlin moved to first articulate a policy that states the understanding established in 98/99 regarding Athletics general operating budget going forward, and that Athletics be treated like the other divisions when funds are reduced or restored except there would be a ceiling of a 3.03% of the University's general operating budget (not including changes in benefits rates and mandated salary increases). Betsy Kinsley seconded the motion, and the committee voted unanimously to approve this motion in concept with **exact wording to be provided by Ethan, Scott and Linda.**

(Exact wording as submitted after the meeting: Going forward, the operating fund budget of the Department of Athletics shall not exceed the 98/99 base fiscal year of the university operating fund budget on a percentage basis of 3.03%, after adjustments for benefit rate increases, 04/05 IRA adjustment, and mandated compensation pool increases. The Department of Athletics will be allocated budget cuts and increases in a manner consistent with the divisions, as long as the cap of 3.03% is not exceeded.)

Following the vote which established the policy statement, the original motion to approve the proposed restoration amount as presented in the agenda materials was passed unanimously.

VII. **New Business** - None

VIII. **Reminder** - The next meeting is scheduled for Thursday, February 17, 2011 at 3:30 p.m. in MH-3318. The meeting was adjourned at 4:46 p.m.