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Sally Roush
Vice President

SAN DIEGO STATE UNIVERSITY

MEMORANDUM

DATE: October 21, 2008

TO: Stephen L. Weber
President

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

SUBJECT: President's Budget Advisory Committee
Recommendation of October 16, 2008

Attached is the Recommendation from the President's Budget Advisory Committee (PBAC) Meeting of October 16, 2008 for final approval of the 2008/09 Budget Allocation, and Summer and Fall 2008 Course Section Funding. Minutes and the supporting material are attached for your information.

If you have any questions, please let me know.

SFR:nl

Attachments

PRESIDENT'S BUDGET ADVISORY COMMITTEE
October 16, 2008

RECOMMENDATION

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1. Approve final 2008/09 Budget Allocation.

   $346,089,746

2. Approve Summer and Fall 2008 Course Section Funding

   $1,430,936

Approved by:

Stephen L. Weber, President — Date: 10/22/08

PRESIDENT'S BUDGET ADVISORY COMMITTEE
October 16, 2008
MINUTES

Voting Members Present:	Area Budget Reps Present:	Staff Present:	Guests Present:
Sally Roush	Ethan Singer	Scott Burns	
Edith Benkov	Linda Lewiston	Ray Rainer	
Kathy LaMaster	Eric Rivera	Crystal Little	
Val Renegar		Stephanie Casenza	
James Poet			
Betsy Kinsley			
Mary Ruth Carleton			
Jim Kitchen			

Voting Members Absent:
Nancy Marlin

I. Call to order

VP Roush called the meeting to order at 2:05 p.m.

a. **Call for Amendments to Agenda -** VP Roush inquired if there were any changes to the agenda. VP Kitchen asked for two items to be added to the Watch List – Aztec Nights and Judicial related to the Residential Education budget. These items will be discussed later on in the meeting.

II. Funding Requests - None.

III. Information Items – None.

IV. Reports

a. **2008/09 Potential Mid-Year Reductions (Attachment 1)** – VP Roush presented several mid-year reduction scenarios with 3%, 5% and 7% General Fund reductions, and modeled how these reductions might affect the individual division budgets. She also mentioned the CSU may be asked to give a flat amount back to the State. Enrollment targets and management, in light of possible budget reductions, will be discussed further both at systemwide and campus levels.

b. **2008/09 Reserves (Attachment 2)** – VP Roush reiterated we have $524,395 available in our permanent reserves. The one-time reserves contain updated fee revenue figures; the balance of $6.6M reflects the additional summer and fall over enrollment course sections amount to be voted upon today.

c. **2008/09 Revenue Estimates (Attachment 3)** – VP Roush presented the updated revenue estimates.

V. Watch List

VP Kitchen stated Aztec Nights was very successful and many events were well attended. Police incidents decreased greatly during the first five weeks of school. The committee is still evaluating the program. VP Kitchen requested this item be held annually and considered to be a campus-wide event with permanent funding. He asked to add this item to the Watch List for the time being.

AVP Rivera explained Residential Education is required to cut its budget due to decreased occupancy in residential halls. This program has been very successful during the last five years in helping students raise their grades and choose more meaningful activities, and he would like to maintain this program. Judicial services have been supported out of Residential Life fees but should be a general fund item.

a. **Unfunded Compensation Items** – No update.

b. **Master Plan Costs (Litigation Costs)** –Master Plan additional funding of $126,000 should last through June 2009.

c. **Alumni Center** – VP Roush mentioned the furniture originally thought to be usable in the new Alumni Center was actually antiquated and has already been surveyed out. Previous furniture purchase was not for Alumni staff.

d. **BioScience Custodial Services** – No update.

e. **Legal Claims Reserve** – VP Roush stated legal costs will exceed the budgeted amount of $450,000. We received a dividend of approximately $800,000 from our Risk Pool and apply it to the legal claims reserve.

VI. Voting Items

a. **Recommendation on final 2008/09 budget allocation**
b. **Summer and Fall 2008 Course Section Funding (Attachment 4)**

AVP Burns explained that BRAT recommended the $8M added back into our budget from the governor be held centrally. VP Roush asked if members preferred to vote for the two items separately or combined. Associate Dean LaMaster moved that both items be combined for a vote, Dr. Renegar seconded, and the motion passed with unanimously.

VII. New Business – None.

VIII. Reminder

The next meeting is on Thursday, October 30, 2008, at 2:00 p.m. in MH-3318. VP Roush said we may cancel that meeting but will inform everyone later. She also mentioned that President Weber will be issuing a campus-wide email about the budget situation (directing VPs to fill positions with temporary employees, and only negotiate maximum end of fiscal year commitments on products and services). The meeting was adjourned at 2:30 p.m.

President's Budget Advisory Committee
Meeting Agenda

October 16, 2008
2:00p.m. @ MH 3318

I. Call to order

a) Call for amendments to agenda

II. Funding Requests

a) None

III. Information Item

a) None

IV. Reports

a) 2008/09 Potential Mid-Year Reductions - Attachment 1
b) 2008/09 Reserves - Attachment 2
c) 2008/09 Revenue Estimates - Attachment 3

V. Watch List

a) Unfunded Compensation Items
b) Master Plan Costs
   - Litigation Costs
c) Alumni Center
   - Maintenance and Utilities
   - Furniture
d) BioScience Maintenance and Utilities
e) Legal Claims Reserve

VI. Voting Items

a) Recommendation on final 2008/09 budget allocation
b) Summer and Fall 2008 Course Section Funding – Attachment 4
   ($1,430,936 from One-time Reserves)

VII. New Business

a)

VIII. Reminder

a) **Next Meeting Date – October 30, 2008 at 2:00 p.m. in MH 3318**

SAN DIEGO STATE UNIVERSITY

2008/09

Mid-Year Reduction Scenarios

Mid-Year Reduction Scenarios

		3% General Fund Reduction	5% General Fund Reduction	7% General Fund Reduction
2008/09 General Fund Allocation (B 08-03)	221,267,746	(6,638,032)	(11,063,387)	(15,488,742)
2008/09 Unallocated Budget	7,877,696	7,877,696	7,877,696	7,877,696
Net Reduction		**1,239,664**	**(3,185,691)**	**(7,611,046)**

2008/09 Divisional Budget Allocations [1]

President's Office/Diversity/KPBS	2,890,632	0.99%		(31,655)	(75,629)
Academic Affairs	214,342,551	73.68%		(2,347,270)	(5,607,946)
Athletics - Operational Fund	6,091,773	2.09%		(66,711)	(159,382)
Business & Financial Affairs	42,374,718	14.57%		(464,047)	(1,108,670)
Student Affairs	18,297,607	6.29%		(200,378)	(478,729)
University Relations & Development	6,906,232	2.37%		(75,630)	(180,691)
TOTAL	**290,903,513**	**100%**		**(3,185,691)**	**(7,611,046)**

[1] Excludes Instructionally Related Activities fee, Student Health Services fees, and other revenue-based departmental expenses.

[2] For information: A one-percent salary increase across all bargaining units = $2,783,000 (Salary and Benefits)

SAN DIEGO STATE UNIVERSITY

Attachment 2

Permanent Reserve

2008/09 Beginning Balance	**524,395**

SAN DIEGO STATE UNIVERSITY

One-Time Reserve

2008/09 Beginning One-time Balance	**4,960,752**
***Estimated* 2008/09 Revenue Over Budget**	
Fee Revenue Over Budget (as of 10/13/08)	3,089,335
Total Estimated 2007/08 One-Time Balance	**8,050,087**
2007/08 Approved Funding Requests	
Academic Affairs	
Fall over enrollment course sections (If Approved)	*(1,430,936)*
Balance as of 10/16/08	**6,619,151**

SAN DIEGO STATE UNIVERSITY

2008/09 Revenue Estimates

As of October 13, 2008

	2007/08 Budget	2007/08 Actual	Over/(Under) Budget	2008/09 Budget	Year to Date as of 10/13/08	Term End Estimate		Over/(Under) Budget	% Over/(Under) Budget
State University Fee									
Summer	5,571,375	5,353,849	(217,526)	5,587,352	5,777,632	5,778,000	(1)	190,648	3.41%
Fall	44,278,563	47,166,005	2,887,442	49,268,875	48,726,419	50,504,703	(2)	1,235,828	2.51%
Spring	41,680,243	43,847,785	2,167,542	46,019,412	-	46,019,412	(3)	0	
Sub-Total SUF	**91,530,181**	**96,367,639**	**4,837,458**	**100,875,639**	**54,504,051**	**102,302,115**		**1,426,476**	
Non-Resident Tuition									
Summer	216,263	299,337	83,074	357,211	269,952	269,952	(1)	(87,259)	-24.43%
Fall	3,781,789	4,172,885	391,096	3,509,107	3,983,880	4,321,030	(2)	811,923	23.14%
Spring	3,137,636	3,353,770	216,134	3,696,109	-	3,696,109	(3)	0	
Sub-Total NR Tuition	**7,135,688**	**7,825,992**	**690,304**	**7,562,427**	**4,253,832**	**8,287,091**		**724,664**	
International Tuition									
Summer	359,989	333,629	(26,360)	299,303	406,853	406,853	(1)	107,550	35.93%
Fall	2,859,046	3,277,452	418,406	2,940,246	3,688,473	3,770,891	(2)	830,645	28.25%
Spring	2,592,332	3,080,517	488,185	2,806,129	-	2,806,129	(3)	0	
Sub-Total International Tuition	**5,811,367**	**6,691,598**	**880,231**	**6,045,678**	**4,095,326**	**6,983,873**		**938,195**	
TOTAL FEE & TUITION	**104,477,236**	**110,885,229**	**6,407,993**	**114,483,744**	**62,853,209**	**117,573,079**		**3,089,335**	2.70%
Application Fee	2,234,000	2,935,532	701,532	2,294,000	70,235	2,294,000		0	
TOTAL APPLICATION FEE	**2,234,000**	**2,935,532**	**701,532**	**2,294,000**	**70,235**	**2,294,000**		**-**	
TOTAL	**106,711,236**	**113,820,761**	**7,109,525**	**116,777,744**	**62,923,444**	**119,867,079**		**3,089,335**	2.65%

(1) Summer year end - Actual Collections to date

(2) Fall Term Estimates - Estimates developed using average % of prior two years actual achieved collections

(3) Spring Term Estimates - Estimates developed using average % of prior two years actual achieved collections

SUMMER AND FALL 2008 ACTUAL FTES VS TARGET FTES
Course Section Funding Request Due to Over Enrollemt

Attachment 4

Summer 2008

Census FTES	2,834			
Ed.D FTES	(18)			
Sub-Total	2,816			
FTES Target	2,794			
Difference	**22**	**/2 x $2,744**	**$**	**30,184**
		Benefits (32.2%)		10,021
		Summer Sub-Total	**$**	**40,205**

Fall 2008

Census FTES	30,822			
Ed.D FTES	(17)			
Sub-Total	30,805			
FTES Target	30,044			
Difference	**761**	**/2 x $2,744**	**$**	**1,044,092**
		Benefits (32.2%)		346,639
		Fall Sub-Total	**$**	**1,390,731**

TOTAL COURSE SECTION DUE TO OVER ENROLLMENT **$ 1,430,936**

(Request from One-Time Reserves)

President's Budget Advisory Committee
Meeting Agenda

October 2, 2008
2:00p.m. @ MH 3318

I. Call to order

a) Call for amendments to agenda

II. Funding Requests

a) None

III. Information Item

a) PBAC Calendar – (Attachment 1)

IV. Reports

a) 2008/09 Budget Update – Attachment 2)
b) 2008/09 Reserves (Attachment 3)
c) 2008/09 Revenue Estimates (Attachment 4)

V. Watch List

a) Unfunded Compensation Items
b) Master Plan Costs – (Ligation Costs)
c) Alumni Center
   - Maintenance and Utilities
   - Furniture
d) BioScience Custodial Services
e) Legal Claims Reserve

VI. Voting Items

a) None

VII. New Business

a)

VIII. Reminder

a) **Next Meeting Date – October 16, 2008 at 2:00 p.m. in MH 3318**

Attachment 1

PBAC
2008-2009 Schedule

Scheduled	Scheduled	Scheduled	Scheduled	Scheduled	Scheduled	
Call for Agenda Items	**Draft Meeting Materials to BRAT**	**BRAT Tuesdays @ 3:00 AD 323**	**Meeting Materials to AR&P - PBAC**	**AR&P Tuesdays @ 2:00 Fac/Staff**	**PBAC Thursdays @ 2:00 MH 3318**	
		August 26				Sept. 2 - First day fall Classes
September 2	September 4	September 9	September 12	September 16	September 18	
September 15	September 18	September 23	September 26	September 30	October 2	
September 22	September 25	October 7	October 10	October 14	October 16	
October 13	October 16	October 21	October 24	October 28	October 30	
November 3	November 6	November 4	November 14		November 20	
				November 25		
				December 9 (Tentative)		Dec. 12 - Last day of fall classes
January 12	January 15	January 20	January 23	January 27	January 29	Jan. 22 - First day of spring classes
January 26	January 29	February 3		February 10		
February 9	February 12	February 17	February 20	February 24	February 26	
March 2	March 5	March 10	March 13	March 17	March 19	
March 30	April 2	April 7	April 10	April 14	April 16	
April 13	April 16	April 21	April 24	April 28	April 30	**Division Presentations (AA & BFA)**
April 27	April 30	May 5	May 8	May 12 (Tentative)	May 14	**Division Presentations (SA, UR&D, PO)** May 13 - Last day of spring classes
May 11	May 14	May 19	May 22		May 28	**2009/10 Allocation Vote** May 22 - 24 - Commencement Days
May 25	May 28	June 2	June 5		June 11	Hold

SAN DIEGO STATE UNIVERSITY

PBAC Recommended Budget
vs.
Preliminary Final Budget Agreement

	Budget Recommended by PBAC & Approved by President (6/12/08)		Preliminary Final Budget Agreement (B 08-03)	
Gross Budget Allocation	328,646,250 (a)		346,089,746 (a)	
Less 2007/08 Budget (Including Mid-Year Adjustments)	(337,398,350) (a)		(337,398,350) (a)	
		(8,752,100)		8,691,396
2008/09 CSU Adjustments and Mandatory Costs				
Mandatory Costs				
Heath Benefits	(1,791,000)		(1,791,000)	
Service-based Salary Increases (SSI)	(342,000)		(342,000)	
Energy	(334,000)		(334,000)	
Total Mandatory Costs		(2,467,000)		(2,467,000)
2007/08 Unfunded Bargaining Unit Net Costs		(3,388,000)		(3,388,000)
SUG Adjustment from SUF Revenue Increase (b)				(3,647,800) (b)
2008/09 Faculty Unfunded Compensation				
6/30/08 2% GSI	(2,602,000)		(2,602,000)	
Merit/PPI	(596,000)		(596,000)	
Faculty Promotion Costs	(215,640)		(215,640)	
(AA = $302,945*70%=$212,062 - SA = $5,112*70%=$3,578)				
Total 08/09 Faculty Unfunded Comp		(3,413,640)		(3,413,640)
2008/09 10% SUF Rate Increase		5,918,000 (c)	(Included in Gross Budget Allocation Above)	
2008/09 SDSU Adjustments and Mandatory Costs				
CMS	(720,000)		(720,000)	
City Heights	(200,696)		(200,696)	
Presidential Grant Awards	(176,000)		(176,000)	
Total Multi-Year Commitments		(1,096,696)		(1,096,696)
Funding Commitment for Ed.D. Program (30 FTES)				
Marginal Cost ($8,173 less $442-New Space per FTES)	(231,930)		(231,930)	
Fee Revenue ($2,399 less $800 SUG per FTES)	(47,970)		(47,970)	
Total Ed.D. Commitment		(279,900)		(279,900)
Course Section Funding ($2,744 per new FTES)				
Non-Resident (75 FTES)		(205,800)		(205,800)
Total Adjustments & Mandatory Costs		(5,480,996)		(15,046,796)
Additional Fee Revenue Above Budget				
SDSU Funding (In addition to CSU Allocation)				
International/ Non-Resident FTES Growth	75		75	
Annual Tuition	661,050		661,050	
Fee Revenue	119,925		119,925	
Total International/Non-Resident		780,975		780,975
Other Permanent Funding Sources				
Risk Pool Budget Balance		600,000		600,000
Total Additional Fee Revenue Above Budget		1,928,935		1,928,935
Total 2007/08 to 2008/09 Funding Change		(12,304,161)		(4,426,465)

(a) The only reimbursements included is lease bond payments reimbursement in SWPs
(b) Increase in State University Grant (SUG) from 10% Fee Increase - (Can only be used for aid to SUG eligible students)
(c) SUF net of SUG

SAN DIEGO STATE UNIVERSITY
2008/09 Reserves

Attachment 3

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)	
BioScience Utilities and Custodial Support (Approved 3/20/08)	(140,000)	
Balance as of 5/21/08	524,395	(Transferred to 2008/09 One-Time Reserve)
2008/09 Beginning Balance	524,395	

SAN DIEGO STATE UNIVERSITY
2008/09 Reserves

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 (as of 5/21/08)	7,109,525
Interest Revenue Projection	1,000,000
Total Estimated 2007/08 One-Time Balance	**10,017,673**
2007/08 Approved Funding Requests	
Academic Affairs	
Fall over enrollment course sections (Approved 10/25/07)	(1,773,600)
Spring over enrollment course sections (Approved 3/20/08)	(2,263,200)
Business Affairs	
Master Plan Litigation (Approved 2/28/08)	(300,000)
Chiller Emergency Repair (Approved 3/20/08)	(753,871)
Feasibility Study for Engineering Renovation (Approved 4/24/08)	(250,000)
Balance as of 5/21/08	**4,677,002**
2007/08 End of Year Adjustment	
Additional Fee Revenue Over Budget	471,278
2007/08 Institutional	(711,923)
2007/08 Permanent Reserve Carryforward	524,395
2008/09 Beginning One-time Balance	**4,960,752**

SAN DIEGO STATE UNIVERSITY

2008/09 Revenue Estimates

As of September 23, 2008

	2007/08 Budget	2007/08 Actual	Over/(Under) Budget	2008/09 Budget	Year to Date as of 9/23/08	Term End Estimate	Over/(Under) Budget	% Over/(Under) Budget
State University Fee								
Summer	5,571,375	5,353,849	(217,526)	5,587,352	5,777,632	5,778,000 (1)	190,648	3.41%
Fall	44,278,563	47,166,005	2,887,442	49,268,875	48,689,952	49,500,000 (2)	231,125	
Spring	41,680,243	43,847,785	2,167,542	46,019,412	-	46,019,412 (3)	0	
Sub-Total SUF	**91,530,181**	**96,367,639**	**4,837,458**	**100,875,639**	**54,467,584**	**101,297,412**	**421,773**	
Non-Resident Tuition								
Summer	216,263	299,337	83,074	357,211	269,952	269,952 (1)	(87,259)	-24.43%
Fall	3,781,789	4,172,885	391,096	3,509,107	3,749,549	3,850,000 (2)	340,893	
Spring	3,137,636	3,353,770	216,134	3,696,109	-	3,696,109 (3)	0	
Sub-Total NR Tuition	**7,135,688**	**7,825,992**	**690,304**	**7,562,427**	**4,019,501**	**7,816,061**	**253,634**	
International Tuition								
Summer	359,989	333,629	(26,360)	299,303	406,853	406,853 (1)	107,550	35.93%
Fall	2,859,046	3,277,452	418,406	2,940,246	3,425,960	3,550,000 (2)	609,754	
Spring	2,592,332	3,080,517	488,185	2,806,129	-	2,806,129 (3)	0	
Sub-Total International Tuition	**5,811,367**	**6,691,598**	**880,231**	**6,045,678**	**3,832,813**	**6,762,982**	**717,304**	
TOTAL FEE & TUITION	**104,477,236**	**110,885,229**	**6,407,993**	**114,483,744**	**62,319,898**	**115,876,455**	**1,392,711**	1.22%
Application Fee	2,234,000	2,935,532	701,532	2,294,000	55,330	2,294,000	0	
TOTAL APPLICATION FEE	**2,234,000**	**2,935,532**	**701,532**	**2,294,000**	**55,330**	**2,294,000**	**-**	
TOTAL	**106,711,236**	**113,820,761**	**7,109,525**	**116,777,744**	**62,375,228**	**118,170,455**	**1,392,711**	1.19%

(1) Summer year end - Actual Collections to date

(2) Fall Term Estimates - Estimates developed using average % of prior two years actual achieved collections

(3) Spring Term Estimates - Estimates developed using average % of prior two years actual achieved collections

SUMMER AND FALL 2008 ACTUAL FTES VS TARGET FTES

Summer 2008

Census FTES	2,834	
Ed.D FTES	-18	
Sub-Total	2,816	
FTES Target	2,794	
Difference	**22 / 2 x $2,744 =**	**$30,184**

Fall 2008

Census FTES	30,822	
Ed.D FTES	-17	
Sub-Total	30,805	
FTES Target	30,044	
Difference	**761 / 2 x $2,744 =**	**$1,044,092**

TOTAL		**$1,074,276**