



SAN DIEGO STATE
UNIVERSITY


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Sally Roush
Vice President

MEMORANDUM

DATE: November 4, 2011

TO: Elliot Hirshman
President

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

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

Attached is the Recommendation from the President's Budget Advisory Committee (PBAC) Meeting of October 27, 2011 for approval of the 2011/12 one-time and base budget allocations. 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
October 27, 2011

RECOMMENDATION


Approve 2011/12 one-time budget allocations:

- | | |
|---|-----------|
| 1. CSU On-line | \$50,000 |
| 2. IVC Auditorium, Library & Library Addition (earthquake repair) | \$261,000 |
| 3. Veterans Affairs Repayment | \$185,000 |
| 4. Additional Out-of-State Recruitment | \$57,613 |

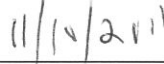
Approve 2011/12 base budget allocations:

- | | |
|-----------------------------|-----------|
| 1. Out-of-State Recruitment | \$143,000 |
|-----------------------------|-----------|

Approved by:



Elliot Hirshman, President



Date

**President's Budget Advisory Committee
Meeting Agenda**

October 27, 2011
2:00p.m. @ MH- 3318

I. Call to order

- Call for amendments to agenda

II. Information Item

- Update on 2011/12 State Budget

III. Reports

- 2011/12 Revenues (Attachment 1)
- 2011/12 Reserves (Attachment 2)

IV. Funding Requests

- 2011/12 One-time Funding Requests
 - CSU On-line - \$50,000
 - IVC Auditorium, Library & Library Addition (earthquake damage repair) - \$261,000 (Attachment 3)
 - Veterans Affairs Repayment - \$185,000 (Attachment 4)
 - Additional Out-of State Recruitment - \$57,613 (Attachment 5)
- 2011/12 Base Funding Request (Attachment 5)
 - Out-of-State Recruitment - \$143,000

V. Watch List

- Master Plan Costs
 - Potential Court Appeal Costs – Est. Cost \$175,000
- SUF Class Action Suit – Est. Cost TBD
- Aztec Nights – Est. Cost \$175,000
- Unfunded Compensation Items
- Imperial Valley Campus Infrastructure – Est. Cost TBD
- Imperial Valley Campus North Classroom
- Storm & Nasatir Hall modular classroom buildings – Est. Cost \$1,700,000

VI. Voting Items

VII. New Business

VIII. Reminder

- Next Meeting Date – November 17, 2011 at 2:00 p.m. in MH 3318

SAN DIEGO STATE UNIVERSITY
2011/12 Revenue Estimates
As of October 20, 2011

		<u>2010/11</u> <u>Budget</u>	<u>2010/11</u> <u>Actual</u>	<u>Over/(Under)</u> <u>Budget</u>	<u>%</u> <u>Over/(Under)</u> <u>Budget</u>	<u>2011/12</u> <u>Budget</u>	<u>Year to Date</u> <u>as of</u> <u>10/20/2011</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>Basic Tuition Fee</u>										
	Summer	7,602,899	8,775,213	1,172,314	15.42%	9,694,000	9,826,843	9,826,843	132,843	1.37%
	Fall	60,059,894	58,689,413	(1,370,481)	-2.28%	78,216,000	73,225,416	78,969,330 ^[3]	753,330	0.96%
	Spring	66,760,207	62,408,628	(4,351,579)	-6.52%	71,163,000	71,163,000	71,163,000	0	0.00%
	Sub-Total Basic Tuition	134,423,000	129,873,253	(4,549,747)	-3.38%	159,073,000 ^[1]	83,052,259	159,959,173	886,173	0.56%
<u>Non-Resident Tuition</u>										
	Summer	265,653	350,424	84,771	31.91%	294,529 ^[2]	471,970	471,970	177,441	60.25%
	Fall	4,167,344	5,324,909	1,157,565	27.78%	4,475,543 ^[2]	5,265,001	5,807,996 ^[3]	1,332,453	29.77%
	Spring	3,403,401	5,018,419	1,615,018	47.45%	4,217,940 ^[2]	4,217,940	4,217,940	0	0.00%
	Sub-Total NR Tuition	7,836,398	10,693,752	2,857,354	36.46%	8,988,012	5,736,971	10,497,906	1,509,894	16.80%
<u>International Tuition</u>										
	Summer	346,999	428,817	81,818	23.58%	360,416 ^[2]	383,160	383,160	22,744	6.31%
	Fall	3,704,239	3,444,684	(259,555)	-7.01%	2,895,229 ^[2]	3,280,910	3,584,362 ^[3]	689,133	23.80%
	Spring	2,978,564	3,120,247	141,683	4.76%	2,622,543 ^[2]	2,622,543	2,622,543	0	0.00%
	Sub-Total International Tuition	7,029,802	6,993,748	(36,054)	-0.51%	5,878,188	3,664,070	6,590,065	711,877	12.11%
	TOTAL TUITION	149,289,200	147,560,753	(1,728,447)	-1.16%	173,939,200	92,453,301	177,047,144	3,107,944	1.79%
	Application Fee	2,294,000	2,748,405	454,405	19.81%	2,294,000	286,445	2,294,000	0	0.00%
	TOTAL APPLICATION FEE	2,294,000	2,748,405	454,405	19.81%	2,294,000	286,445	2,294,000	0	0.00%
	TOTAL	151,583,200	150,309,158	(1,274,042)	-0.84%	176,233,200	92,739,746	179,341,144	3,107,944	1.76%

[1] Campus Basic Tuition Fee Calculation:

B 2011-02	164,061,000
SDSU Adjustments (a)	<u>(4,988,000)</u>
	<u>159,073,000</u>

(a) SDSU adjusts the CO fee calculation to account for campus discretionary fee waivers, student mix and enrollment projections.

[2] Non-Resident and International Tuition budget is allocated by tuition type and term based on prior year percentage of total tuition revenue.

[3] Fall term estimates are based on Net Collections/Receivables from Cashier's Enrollment Report as of 10/14/2011 discounted based on prior year waiver/collections experience.

Base Budget Reserve

2011/12 Beginning Base Budget Reserve Balance		524,395
	President's Office/ODE Augmentation (Approved 5/26/2011)	(314,862)
2011/12 Proposed Funding Requests		
	Increase Non-Resident Tuition Budget	143,000
	Out-of-State Recruitment	(143,000)
2011/12 Base Budget Reserve		<u>209,533</u>

One-Time Reserve

2011/12 Beginning One-time Reserve Balance		<u>4,610,156</u>
2011/12 Approved Funding Requests		
Academic Affairs		
	Lottery Funds Reduction - Equip & Software (Approved 9/15/2011)	(417,000)
	Out-of-State Recruitment (Approved 9/15/2011)	(118,060)
	Research, Scholarship and Creative Activity (no CSU funding) (Approved 9/15/2011)	(194,168)
Business & Financial Affairs		
	IVC Earthquake Damage - CAL EMA FEMA reimbursement (Approved 4/28/11)	104,972
	Don Powell Theater ADA Accessibility Enhancements (Approved 9/15/2011)	(444,582)
Student Affairs		
	International Recruitment (Approved 9/15/2011)	(151,920)
Institutional		
	Staff Professional Development (Approved 9/15/2011)	(250,000)
2011/12 Proposed Funding Requests		
	CSU On-line	(50,000)
	Veterans Affairs Repayment	(185,000)
	Additional Out-of-State Recruitment	(57,613)
	IVC Earthquake Damage - Auditorium, Library & Library Addition	(261,000)
2011/12 One-Time Reserve Balance		<u>2,585,785</u>

**IVC Earthquake Repair
Library Exterior and Auditorium Exterior and Interior
One-Time Funding Request**

On April 4, 2010 the SDSU Imperial Valley Campus (IVC) at Calexico suffered a 7.2 magnitude earthquake. The quake was centered in Baja California, 40 miles south of the U.S.-Mexican border. This high magnitude quake along with a substantial string of aftershocks of 4.0-5.0 magnitude over the next several months caused damage to IVC campus buildings.

At the April 28, 2011 PBAC meeting \$305,000 in one-time funding was approved for interior cracks that required paint and repair in all IVC buildings and for exterior stucco repair to the smaller buildings.

Additional funding is requested for previously deferred repairs of damages from the 2010 earthquake as follows:

IVC Library/Library Addition Exterior Repairs (Stucco/Paint):	\$ 66,000
IVC Auditorium Exterior (Stucco/Paint) and Interior (Drywall/Paint):	\$195,000
 Total request:	 \$261,000

The University requested and received FEMA reimbursement in the amount of \$104,972 which was returned to the one-time reserve upon receipt. We anticipate there will be some level of FEMA reimbursement for this additional work, of an undetermined amount, which would again be returned to the one-time reserve upon receipt of the funds.

Academic Affairs Request for \$185,000 in One-Time Funds for VA Reimbursement

When the Post-9/11 GI Bill was implemented, there was confusion throughout the nation, and in particular in California, with regard to the cap on tuition reimbursement from the VA. California's cap was supposed to be set at the cost of the most expensive public institution in California which is UC Berkeley. However, Berkeley is on a trimester, resulting in a lower per-term cost than SDSU. Further complicating the reimbursement calculation is that prior to this year, California only charged "fees" and not tuition fees. This did not present a VA reimbursement problem for resident students. However, for out-of-state students, SDSU charged the maximum allowable fees and non-resident tuition cost to the fee category and the balance of non-resident tuition to the tuition category.

During our recent VA compliance survey, we were told that the CSU Chancellor's Office procedure for charging fees and non-resident tuition was incorrect. That is, we should have been reporting the State University Fee (now tuition fee) and any non-resident tuition in the tuition category and other fees in the fee category. Over the last two years, SDSU's fee and non-resident tuition procedures have been inspected twice by James Vanderbilt, State Approving Agency Specialist and Bob Curry, VA Compliance Auditor before this most recent compliance survey. We were not told that we were certifying our non-resident students incorrectly. If we had known we were making submissions in error over a year ago, most of this overpayment would have been prevented.

As a result of the most current VA audit, it has been determined that there was an overpayment in allowable VA tuition reimbursement of approximately \$185,000. Rather than go back and charge the student veterans for those funds, we are requesting \$185,000 in one-time funds to reimburse the VA for the non-resident tuition overpayments charged to the VA. As a "footnote" to this issue, it is of interest to note that beginning August 2011 the VA will no longer pay any non-resident tuition costs.

**Academic Affairs Request for \$143,000 in Ongoing Funds and \$57,613 in
Additional One-Time Out-of-State Recruitment Funds**

In order to significantly increase the number of out-of-state students and thereby increase the university's non-resident tuition revenue, Enrollment Services must scale up its out-of-state recruitment staffing and resources. Therefore, Academic Affairs is requesting the following funds for out-of-state recruitment:

Ongoing Funds

Out-of-State Recruitment Coordinator/Lead	\$60,000
Benefits at 43%	\$25,800
Out-of-State Recruiter/Admission Counselor	\$40,000
Benefits at 43%	\$17,200
Total	\$143,000

One-Time Funds

Travel/lodging to additional targeted states (NY, MD, MA, IL, PA) – Includes Spring Admit visits only	\$8,500
Hotel receptions for additional targeted states	\$5,000
Ship recruiting materials to additional venues	\$1,467
Student Recruiting Ads (Increase Campaigns in Additional Targeted states using Cappex, Zinch, Reach Local, Advertising)	\$15,000
Promotional items sent to prospective students	\$6,646
Purchase list from SSS (i.e. College Board (SAT/PSAT) 15,000 prospects	\$2,500
Reprographic Services/Print Material for additional prospects	\$7,500
Student Assistant	\$11,000
Total	\$57,613

PRESIDENT'S BUDGET ADVISORY COMMITTEE
October 27, 2011
MINUTES

Voting Members Present:	Area Budget Reps Present:	Staff Present:	Guests Present:
Sally Roush	Loretta Leavitt	Nance Lakdawala	
Andrea Rollins	Linda Lewiston		
Kathy LaMaster	Eric Rivera		
Cathie Atkins	Ethan Singer		
Nancy Marlin	Sarah Slaughter		
Bill Snavelly	Crystal Little		
Jim Kitchen			
Mary Ruth Carleton			
Cody Barbo			

Voting Members Absent:

- I. **Call to order** - VP Roush called the meeting to order at 2:00 p.m. VP Roush inquired if there were any amendments to the agenda. There were none.

- II. **Information Items**
 - **Update on 2011/12 State Budget** – VP Roush reviewed the status of the budget.

- III. **Reports**
 - **2011/12 Revenues (Attachment 1)** – VP Roush presented the revenues for this year.
 - **2011/12 Reserves (Attachment 2)** – VP Roush presented the reserves for this year.

- IV. **Funding Requests**

2011/12 One-Time Funding Requests

 - **CSU Online \$50,000** – After some discussion, members proposed the following recommendation: PBAC approves \$50,000 to explore the benefits of CSU Online to SDSU. PBAC does not support additional allocations to CSU Online unless and until there are established benefits for SDSU's online programs.
 - **IVC Auditorium, Library & Library Addition (earthquake damage repair) \$261,000 (Attachment 3)**
 - **Veterans Affairs Repayment \$185,000 (Attachment 4)**
 - **Additional Out-of-State Recruitment \$57,613 (Attachment 5)** – Provost Marlin said this effort is quite successful and more funding is needed to hire experienced staff and conduct outreach programs. Revenues are reinvested in the program.

2011/12 Base Funding Request

- **Out-of-State Recruitment \$143,000 (Attachment 5)**

V. Watch List (Additions)

- **Imperial Valley Campus North Classroom** – The Chancellor’s Office added the project to the Minor Capital Outlay Budget for 2012/13.
- **Storm and Nasatir Hall Modular Classroom Buildings – est. \$1,700,000.** – This item was added to the Watch List. Bonds have been sold and we are awaiting allocation of funds. We will present more information at our next meeting.

VI. Voting Items – Director Snively moved to approve the funding requests listed above, with the exception of the CSU Online Item, Provost Marlin seconded, and the motion passed unanimously. Provost Marlin moved to approve the CSU Online Item with the added stipulation listed above, VP Carleton seconded, and the motion passed with one opposed.

VII. New Business - None

VIII. Reminder - The next meeting is scheduled for Thursday, November 17, 2011 at 2:00 p.m. in MH-3318.