



SAN DIEGO STATE
UNIVERSITY


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Sally Roush
Vice President

MEMORANDUM

DATE: December 8, 2010

TO: Stephen L. Weber
President

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

SUBJECT: President's Budget Advisory Committee
Recommendation of November 18, 2010

Attached is the Recommendation from the President's Budget Advisory Committee (PBAC) Meeting of November 18, 2010 for approval of the 2010/11 Budget revised based on the Chancellor's Office Budget Allocation "B10-04". The recommendation includes Divisional Allocations, Hazardous Material/EHS Costs (resulting from recent audit by County HazMat), one time Campaign Funding, and Temporary Space Storm/Nasatir Renovation incurred costs which must still be covered even though the bond sale is on hold. Supporting materials are attached for your information.

I recommend your approval.

If you have any questions, please let me know.

SFR:nl

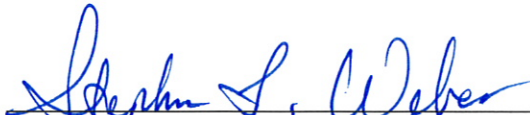
Attachments

PRESIDENT'S BUDGET ADVISORY COMMITTEE
November 18, 2010

RECOMMENDATION

- | | |
|--|---|
| 1. Approve 2010/11 Budget B10-04 and Proposed Distribution as presented in the attached materials: | \$346,049,883 |
| 2. Approve Hazardous Material/EHS Costs | \$300,000 Base Budget Funding and
\$196,250 One-time Funding |
| 3. Approve Campaign Funding | \$500,000 One-time Funding |
| 4. Approve Temporary Space Storm/Nasatir | \$557,175 One-time Funding |
| 5. Approve Contract Dispute | \$1,500,000 (Final: \$1,436,412)
One-time Funding |
| 6. Approve Facility Air Conditioning | \$1,800,000 One-time Funding |

Approved by:


Stephen L. Weber, President

12-9-10
Date

PRESIDENT’S BUDGET ADVISORY COMMITTEE
November 18, 2010
MINUTES

Voting Members Present:	Area Budget Reps Present:	Staff Present:	Guests Present:
Sally Roush	Ethan Singer	Ray Rainer	
Grant Mack	Linda Lewiston	Crystal Little	
Kathy LaMaster	Linda Stewart	Dan Cornthwaite	
Cathie Atkins	Scott Burns	Jim Herrick	
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 no changes.

II. Information Item – VP Roush commented the PBAC informational meetings were successful. Then she gave a brief summary: The Board of Trustees passed a 5% spring 2011 tuition increase; a 10% tuition increase for fall 2011; adopted a 2011/12 budget proposal to present to the Governor that included the option for a “buy out” of the fee increase in the 11/12 state budget. The Chancellor’s Office has some reserves that may be available to help the campuses if there is a mid-year budget reduction. The new governor is required present a proposed 2011/12 budget in January, 2011. The current governor has called a special session to deal with a \$6 billion shortfall in the budget that was finalized only a month ago.

III. Reports

2010/11 Reserves (Attachment 1) – No discussion.

2010/11 Estimated Revenues (Attachment 2) – No discussion.

IV. Funding Requests

Athletics One-Time Prior Year Funding Restoration – Estimated Costs \$520,227 one time funding (Attachment 3) – VP Roush said this amount is based on the cumulative impact of Athletics not participating in funding proposal submissions or pro-rata funding distributions in FY 06/07 and 07/08 when all other divisions benefited from funding restorations. There was discussion about the request. A motion was made and passed to table the Athletics request until next meeting, move forward to a vote the funding for the Communications building air conditioning, as well as the other one-time items of Hazardous Waste/EHS, UR&D campaign support, modular buildings for Storm/Nasatir project, contractual dispute item, and approval of the B 10-4 budget as

presented. It was requested that information be provided at the next meeting regarding the athletics operating fund budget as a percentage of the overall university operating fund budget in prior fiscal years and current year as information to bring to a vote the tabled \$520,227 one time restoration to Athletics.

V. **Watch List** – VP Roush stated the contractual dispute and air conditioning items should be moved from the watch list to action. The chilled water line item can be covered through the utility budget which has savings due to reimbursements and lower energy costs. Storm/Nasatir renovation is postponed because the state has put lease revenue bond sale on hold. We already have incurred the cost of the relocation trailers but will use them for A.S. relocations required by the Aztec Center construction project. The Aztec Center project will reimburse the state funding in an amount to be determined.

- **Master Plan Costs – Potential Court Appeal Costs** – Estimated Cost \$175,000
- **SUF Class Action Suit** – Estimated Cost \$6,000,000
- **Chill Water Infrastructure** – Estimated Cost \$2,045,000
- **Contractual Dispute** – Estimated Cost \$1,500,000
- **Facility Air Conditioning Installations** – Estimated Cost \$1.8M
- **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** – After some discussion, Provost Marlin moved to recommend the 2010/11 budget as proposed, with the exception of Athletics \$146,270 and \$520,227 one time funding items to be voted on at a later meeting. Provost Marlin wanted a somewhat different Athletics funding justification that could more readily be used when discussing proposed Athletics funding with individuals outside of PBAC. Director Snavelly seconded and the motion passed unanimously.

- **2010/11 Budget B10-04 and Proposed Distribution (Attachments 4 and 5)**
- **Hazardous Material/EHS Costs - \$300,000 base budget funding and \$196,250 one-time funding (Attachment 6)**
- **Campaign Funding - \$500,000 one-time funding (Attachment 7)**
- **Temporary Space Storm/Nasatir Renovation - \$557,175 one-time funding (Attachment 8)**

VII. **New Business** - None

VIII. **Reminder**

The next meeting is scheduled for Thursday, January 27, 2011 at 2:00 p.m. in MH-3318. The meeting was adjourned at 4:20 p.m.

President's Budget Advisory Committee

Meeting Agenda

November 18, 2010

3:30p.m. @ PSFA - 200

I. Call to order

- Call for amendments to agenda

II. Information Item

- None

III. Reports

- 2010/11 Reserves (Attachment 1)
- 2010/11 Estimated Revenues (Attachment 2)

IV. Funding Requests

- Athletics One-Time Prior Year Funding Restoration – Estimated Costs \$520,227 one time funding (Attachment 3)

V. Watch List

- Master Plan Costs
 - Potential Court Appeal Costs – Estimated Cost \$175,000
- SUF Class Action Suit – Estimated Cost \$6,000,000
- Chill Water Infrastructure – Estimated Cost \$2,045,000
- Contractual Dispute – Estimated Cost \$1,500,000
- Facility Air Conditioning Installations – 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

- 2010/11 Budget B10-04 and Proposed Distribution (Attachment 4 & 5)
- Hazardous Material/EHS Costs – \$300,000 base budget funding and \$196,250 one-time funding – (Attachment 6)
- Campaign Funding - \$500,000 one-time funding - (Attachment 7)
- Temporary Space Storm/Nasatir Renovation – \$557,175 one-time funding (Attachment 8)

VII. New Business

-

VIII. Reminder

- Next Meeting Date – January 27, 2011 at 3:30 p.m. in MH 3318

Base Budget Reserve

2010/11 Base Budget Funding

	Beginning Balance	<u>524,396</u>
2010/11 Beginning Base Budget Balance		524,396

One-Time Reserve

2010/11 Beginning One-time Balance **5,098,451**

2010/11 Approved Funding Requests

Academic Affairs

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

Student Affairs

Non-Resident Recruitment **(148,730)**
(Approved 5/13/10)

2010/11 Pending Funding Requests

Business & Financial Affairs

Hazardous Material/EHS **(196,250)**
(If Approved 11/18/10)

Athletics

Prior Year Funding Restoration **(520,227)**
(If Approved)

University Relations & Development

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

Institutional

Modular Buildings - Temporary
Space Storm/Nasatir Halls Restoration **(557,175)**
(additional \$50,400 in 11/12 & \$142,425 in 12/13)
(If Approved 11/18/10)

2010/11 One-Time Reserve **3,076,069**

SAN DIEGO STATE UNIVERSITY
 2010/11 Revenue Estimates
 As of November 10, 2010

		2009/10 Budget	2009/10 Actual	Over/(Under) Budget	% Over/(Under) Budget	2010/11 Budget	Year to Date as of 10/26/10	Term End Estimate	Over/(Under) Budget	% Over/(Under) Budget
State University Fee										
	Summer	6,146,887	7,275,500	1,128,613	18.36%	7,602,899	8,719,801	8,719,801 ⁽¹⁾	1,116,902	14.69%
	Fall	63,726,571	63,075,431	(651,140)	-1.02%	60,059,894	57,131,524	59,142,748 ⁽²⁾	(917,146)	-1.53%
	Spring	57,922,959	56,105,201	(1,817,758)	-3.14%	66,760,207	64,593,521 ⁽⁵⁾		(2,166,686)	-3.25%
	Sub-Total SUF	127,796,417	126,456,132	(1,340,285)	-1.05%	134,423,000 ⁽⁶⁾	65,851,325	132,456,069	(1,966,931)	-1.46%
Non-Resident Tuition										
	Summer	255,145	316,626	61,481	24.10%	265,653	343,195	343,195 ⁽¹⁾	77,542	29.19%
	Fall	4,081,608	4,966,965	885,357	21.69%	4,167,344	5,054,821	5,054,821 ⁽³⁾	887,477	21.30%
	Spring	3,322,707	4,055,695	732,988	22.06%	3,403,401	3,403,401 ⁽⁴⁾		0	0.00%
	Sub-Total NR Tuition	7,659,460	9,339,285	1,679,825	21.93%	7,836,398	5,398,016	8,801,417	965,019	12.31%
International Tuition										
	Summer	372,549	413,580	41,031	11.01%	346,999	422,865	422,865 ⁽¹⁾	75,866	21.86%
	Fall	3,617,641	4,415,000	797,359	22.04%	3,704,239	3,283,439	3,704,239 ⁽³⁾	0	0.00%
	Spring	3,216,550	3,549,443	332,893	10.35%	2,978,564	2,978,564 ⁽⁴⁾		0	0.00%
	Sub-Total International Tuition	7,206,740	8,378,023	1,171,283	16.25%	7,029,802	3,706,304	7,105,668	75,866	1.08%
TOTAL FEE & TUITION		142,662,617	144,173,440	1,510,823	1.06%	149,289,200	74,955,644	148,363,154	(926,046)	-0.62%
Application Fee		2,294,000	2,652,402	358,402	15.62%	2,294,000	799,235	2,294,000 ⁽⁴⁾	0	
TOTAL APPLICATION FEE		2,294,000	2,652,402	358,402	15.62%	2,294,000	799,235	2,294,000		
TOTAL		144,956,617	146,825,842	1,869,225	1.29%	151,583,200	75,754,879	150,657,154	(926,046)	-0.61%

⁽¹⁾ Summer Term Estimates - Actual collected

⁽²⁾ Fall Term SUF Estimates - Net Collections/Receivables from Cashier's enrollment report as of 10/22/2010

⁽³⁾ Fall Term Non-Resident and International Tuition - Net Collections/Receivables from Cashier's enrollment report as of 10/22/2010. Fall International reflects 270 less students and 2,619 less units taken than Fall 09.

⁽⁴⁾ Spring Term Estimates - Estimated at budget

⁽⁵⁾ Spring Term SUF Estimate - Based on enrollment estimate as of 10/28/2010

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

**Divisional Summary
University Operating Fund Budget**

Fiscal Year		President / Diversity & Equity	KPBS	Academic Affairs	Athletics	Business & Financial Affairs	Student Affairs / SHS	University Advancement	
2002/03 Mid Year Reduction		(11,810)	(16,142)	(1,585,190) (1)	(68,125)	(374,946)	(145,594)	(47,560)	
2003/04 Shortfall Reduction		(58,428)	(77,704)	(9,820,610) (1)	(324,898)	(1,790,245) (1)	(687,093) (1)	(232,565) (1)	
2004/05 Reduction		(73,539)	(93,177)	(10,951,138)	(266,146)	(2,126,843)	(826,449)	(303,767)	
2005/06 Pro-rata Increase	2,749,283	30,947		2,032,953 (2)	72,120	399,234	153,282	60,747	
2006/07 Increase from Proposals	3,210,417	80,000		2,100,000 (2)	81,417 (4)	579,000	250,000	120,000	
2007/08 Increase from Proposals	3,395,787	135,000		2,011,634 (2)	64,853 (4)	685,000	349,300	150,000	
2008/09 Reduction	(12,304,160)	(58,419)	(73,874)	(9,051,601)	(253,786)	(1,823,492)	(746,894)	(296,094)	Begin incl Faculty Promotion Costs
2009/10 Reduction	(26,153,024)	(118,265) (1)	(205,646)	(18,400,339) (1)(3)	(748,209)	(4,009,238) (1)	(1,852,540) (1)	(818,787) (1)	
2010/11 Pro-rata Allocation	19,119,789	75,047	99,162	14,179,062	419,345	2,756,528	1,153,147	437,498	
		533	(367,381)	(29,485,229)	(1,023,429)	(5,705,002)	(2,352,841)	(930,528)	

(1) Amount net of benefits credit.

(2) Amounts do not include enrollment/course section allocations of \$1,929,600, \$2,001,600, and \$1,668,000 made in 05/06, 06/07, and 07/08 respectively.

(3) AA cut was decreased by \$2,100,000 which was absorbed by auxiliaries

(4) Amount that would have been allocated to Athletics on a pro-rata basis.

*Does not include changes re: compensation increases, IRA Fee, EDD, Nursing, Enrollment Growth/Course Sections, multi-year initiatives and other designated allocations.

Proposed Athletics base funding increase based on 06/07 and 07/08 pro-rata 146,270

Proposed Athletic one time increase as if had received the pro-rata in 06/07 and 07/08. 520,227

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
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)
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
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)	(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
Less 2009/10 Divisional Allocations	(320,330,080)		(320,330,080)	0
Net Funding Increase/(Decrease)	3,851,869		25,719,803	21,867,934
Less 10/14/10 PBAC Allocation			(8,752,400)	(8,752,400)
Recommended "Reserve" for SUF and contingency	(3,851,869)		(6,153,743)	(2,301,874)
EH&S Staffing			(300,000)	(300,000)
Athletics Prior Year Base Budget Restoration			(146,270)	(146,270)
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)

Recommended Divisonal Allocation of B10-04

Recommended Divisonal Allocation	10,367,390		
2010/11 Budget Allocation *			New Money Allocation
President	2,356,705	0.91%	94,462
Academic Affairs	191,813,998	74.16%	7,688,362
Athletics	5,672,889	2.19%	227,383
Business & Financial Affairs	37,290,250	14.42%	1,494,682
Student Affairs	15,599,747	6.03%	625,275
UR&D	<u>5,918,463</u>	<u>2.29%</u>	<u>237,226</u>
Sub-Total	258,652,052	100.00%	10,367,390
Institutional	<u>58,458,220</u>		
TOTAL	317,110,272		

* Does not include Cost Recovery and Revenue-Based

Business and Financial Affairs

2010/11 Base Funding Request – Compliance Specialists	\$300,000
2010/11 One Time Funding Request	\$196,250

Currently, a \$1,096,250 draft consent order has been received from the County of San Diego Department of Environmental Health, Hazardous Materials Division to San Diego State University (SDSU) for a variety of violations. The County has agreed to a \$196,250 cash penalty with the balance of the order offset by new expenditures directly related to SDSU's increased monitoring, training and compliance regarding the safe handling and disposal of hazardous materials regulations.

Business and Financial Affairs is requesting \$300,000 base funding to recruit and hire three (3) Administrator I Compliance Specialists in Environmental Health and Safety and to improve training for affected departments. The Compliance Specialists will be responsible for continual compliance monitoring and training for SDSU faculty and staff in response to recurring problems across the University regarding hazardous materials safe handling and disposal.

University Support for Comprehensive Campaign

Beginning in fiscal year 2004/2005, University Advancement (now University Relations and Development) began a campus conversation about the need and funding strategies for a comprehensive campaign. Via research and process a philosophical model was put forward that had the university and the Campanile Foundation (TCF) equally sharing the incremental financial investment necessary to support a \$500,000,000 campaign.

The attached document describes the underlying rationale and methodologies for both the university and TCF for securing these funds.

PBAC approved a multi-year funding plan for the campaign June 2, 2005. The university's commitment included a permanent allocation of \$500,000 beginning in 05/06 with one-time funding of \$1,000,000 in increments of \$200,000 per year from 2007/08 through 2011/12. Due to transcendent university budgetary constraints, URAD agreed in 07/08 to defer the \$200,000 times 5 years allocation.

Given the fact that the campaign will go public in September 2011, URAD/TCF is now requesting an allocation of \$500,000. The remaining \$500,000 is requested over the final 3 years of the campaign. Expenses include the following:

Campaign Kickoff event at Viejas Arena—September 16, 2011	\$250,000
Upgrade of SunGard Donor Data base system	\$425,000
Other Campaign Events	\$125,000
University Branding Campaign	\$125,000
Regional Council Engagement	\$75,000

Along with the university's permanent funding augmentation, TCF provides funding from fees on gifts and endowment earnings. The funding has been used to supplement the personnel required for raising the campaign increment identified by the initial Marts and Lundy study. While the accelerated hiring of development officers has not just been put on hold, but scaled back the past two years, it is now necessary to refill that void to have the necessary personnel to complete the campaign.

Budget Proposal The Campaign for SDSU

Background

Since the beginning of the current academic year, a multi-faceted planning process has been underway designed to move SDSU towards its first comprehensive campaign. The planning for a comprehensive campaign is a complex process since it involves both simultaneous and as well as sequential planning activities some of which are free standing while others are integrative.

The three fundamental planning processes currently underway are: determining the priorities for the campaign (the things for which we intend to raise money), the resources (staff and operating) required to successfully fund the priorities identified, and the creation of a budget model that identifies the potential sources of the incremental investment required.

Campaign Budget Principles

In the development of a campaign budget, the President established a number of basic planning principles. These principles were established to guide the creative process, ensure an equal commitment across interested parties, and to establish a minimum threshold of resource support required to be successful.

The first principle established was that the funding for a campaign should be a partnership between the Campanile Foundation and the University with each providing 50% of the incremental investment of launching a comprehensive campaign.

The second principle was that the minimum funding required to successfully launch a campaign should be approximately 15 cents for each dollar of incremental fund raising proposed.

The third principle established was that the Campanile Foundation would identify resources by imposing a variety of fees the future philanthropic gift flow to SDSU for at least the duration of the campaign consistent with the best practices in higher education.

These principles have been tested with various constituencies and have been found to be both acceptable and to provide a sufficient minimum budget with reasonable budgetary impact on all stakeholders.

While it is not possible to forecast exactly what a comprehensive campaign reflecting the uniqueness of SDSU would require, a budget model based on the above principles for the

size of campaign goal most likely to flow from the priority setting process was developed and shared with both internal and external stakeholders.

Budget Model

The budget model shared was based on an assumed comprehensive campaign goal of \$500 million with \$100 million being the incremental fund raising goal for which incremental funding is required. Based on the minimum funding ratio principle, that translates into a campaign budget of approximately \$15 million over a 7 to 8 year planning/campaign process beginning in fiscal year 2005-06.

The share of the campaign investment by the Campanile Foundation will come from a variety of revenue related fees to be determined by the Campanile Foundation Board of Directors over the next six months to be dedicated to a special Campaign Fund.

Based on the partnership principle, the campus would be responsible for identify approximately \$7.5 million in resources. As part of the planning process to date, various units and divisions have identified future investments of up to \$2.5 million leaving an unfunded institutional commitment of approximately \$5 million over the life of the Campaign.

The exact sequence of need for the \$5 million is dependent on the staffing plan required to meet the campaign goal. While a generic staffing plan has been developed at this point, its exact form and deployment schedule is very dependent on the specific priorities that surface, the required financial strategies for maximizing budget dollars through the efficient allocation of expenditures between foundation budgets and general fund budgets, and the timing of the decision that starts the campaign counting clock.

The budget model does not address what happens to campaign budget augmentations [both foundation and general fund] provided during the campaign when it is completed. Those decisions will be driven by whether or not the campus has successfully not only met its overall campaign goal but has raised the level of ongoing annual support. It is part of this proposal that a comprehensive review will take place at the end of the campaign and the campus will determine the level of investment necessary to sustain the momentum and progress made during this first campaign.

PABC Request for 2005-06

That PABC acknowledge that a total of \$5 million in additional investments will be needed over the next 7-8 years with minimum annual allocations of \$500,000 beginning

in 2005-06 with larger annual amounts to be determined based on actual cash flow needs up to the total University commitment of \$5 million.

All amounts [both foundation and general fund] allocated to the Campaign will be managed in separate funds to provide ongoing accountability of the investments being made towards the Campaign.

Business and Financial Affairs

2010/11 One Time Funding Request – Storm/Nasatir Hall Temporary Space \$750,000

Temporary modular buildings to be located at the west end of ENS700 field will be used as part of the surge space for additional classrooms and offices required during the renovation and expansion of Storm/Nasatir Halls scheduled to begin in January 2011. Total funding requested is \$750,000 to be allocated as follows:

2010/11	\$557,175	Initial site preparation, setup and lease expense
2011/12	50,400	Lease expense
2012/13	<u>142,425</u>	Lease expense, removal and site restoration
TOTAL	\$750,000	