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THE PRESIDENT

June 28, 2013

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

FROM: Elliot Hirshman *EH*
President

SUBJECT: PBAC Recommendation of June 14, 2013

Thank you for conveying the PBAC recommendation regarding the 2013/14 divisional base and one-time funding requests totaling \$22,621,087 and the University Operating Fund Budget of \$328,433,347. I approve the recommendations regarding the divisional base and one time funding requests, as well as the referenced University Operating Fund Budget.

In addition, I approve the following one time allocations totaling \$240,000 for fy2013-2014.

- 1) \$100,000 to support the recruitment and retention of under-represented faculty. This allocation is to Academic Affairs.
- 2) \$100,000 to support integrative diversity experiences for all students. These funds will be combined with funds raised from private sources to support this initiative. This allocation is to Student Affairs.
- 3) \$40,000 to support Community Arts events. This allocation is in addition to the allocation of \$10,000 in the PBAC recommendation. This allocation is to Academic Affairs.

Thanks to you and all of the members of PBAC for your diligent efforts in integrating the budget process with our strategic planning initiatives and bringing the budget process to a successful conclusion.

EH:rjl

c: PBAC Members
Crystal Little, Director of Budget and Finance

**PRESIDENT’S BUDGET ADVISORY COMMITTEE
JUNE 13, 2013
MINUTES**

Voting Members Present:	Area Budget Reps Present:	Staff Present:	Guests Present:
Sally Roush Andrea Rollins Kathy LaMaster	Linda Lewiston Sarah Slaughter Ethan Singer	Crystal Little Nance Lakdawala	Josh Morse Ghada Osman Tom McCarron (via phone)
Mary Ruth Carleton Eric Rivera Rob O’Keefe (via phone)	Lorretta Leavitt		

Voting Members Absent:

Nancy Marlin
Bill Eadie
Julio Valdez

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 but there were none.

II. Information Items

- **2013/14 B 2013-01 Budget (Attachment 1)** – There were no changes to this document since our last meeting. The State budget will be passed in a few days. We don’t anticipate needing changes to our budget.
- **Multi-year Funding (Attachment 2)** – There were some modifications to this document since our last meeting. They will be discussed in VI. Voting Items.

III. Reports

- **2012/13 Revenues (Attachment 3)** – There was no discussion on this item.
- **2012/13 Reserves (Attachment 4)** – There was no discussion on this item.

IV. Watch List – There was no discussion on these items.

- **Master Plan Costs**
- **SUF Class Action Suit**
- **Unfunded Compensation**

V. Funding Requests – None.

VI. Voting Items – 2013/14 Budget Proposals (Attachment 5). – We have some additional one-time funding so the divisions explained their proposals.

- University Relations and Development – Proposing to move entire division into one area, and to continue the Veterans’ House.
- Academic Affairs – Proposing to hire more faculty.
- Business and Financial Affairs – Moving ARPE back into the EBA Building. Replacing elevators, adding door actuators, and upgrading restroom. Painting academic buildings.
- Student Affairs – No changes.

Julio was unable to attend this meeting but wanted everyone to know that he is in favor of all the proposals except for the one about the commuter student office. “It is more reasonable to provide monetary incentives to student organizations that recruit commuter students. This way we would provide funding to such organizations and delegate the recruitment effort to them. The best recruiters are students themselves.”

The diversity outreach and equity group had emailed PBAC members to request funding. Sally referred them to the appropriate Vice Presidents, as is our current process.

Associate Dean LaMaster moved to approve the 2013/14 Budget Proposals as defined in Attachment 5. Vice President Carleton seconded and the motion passed unanimously.

VII. New Business – None.

VIII. Reminder –Our next meeting is scheduled for Thursday, September 12, 2013 at 2:00 p.m. in MH-3318. The meeting was adjourned at 2:30 p.m.

President's Budget Advisory Committee
Meeting Agenda

June 13, 2013
2:00p.m. @ MH-3318

I. Call to order

- Call for amendments to agenda

II. Information Item

- 2013/14 B 2013-01 Budget (Attachment 1)
- Multi-year Funding (Attachment 2)

III. Reports

- 2012/13 Revenues (Attachment 3)
- 2012/13 Reserves (Attachment 4)

IV. Watch List

- Master Plan Costs
 - Potential Court Appeal Costs – Est. Cost \$300,000
- SUF Class Action Suit – Est. Cost TBD
- Unfunded Compensation Items

V. Funding Requests

VI. Voting Items

- 2013/14 Budget Proposals (Attachment 5)

VII. New Business

VIII. Reminder

- **Next Meeting Date – September 12, 2013 at 2:00 p.m. in MH 3318**

SAN DIEGO STATE UNIVERSITY

ATTACHMENT 1
PBAC JUNE 13, 2013 MEETING

2013/14 Budget

B 2013-01 DRAFT ESTIMATE - Contingent on Passage of State Budget and Chancellor's Office Allocation of Funding

	B 2013-01	
	2012/13	2013/14
Support Budget		
State General Fund Allocation	124,792,196	
Basic (SUF) Tuition Fee (net of SUG tuition discounts)	121,937,180	
Other Fee Revenue	37,235,037	
Other Revenue and Cost Recovery	23,633,422	
Support Budget	307,597,835	
2012/13 Budget Allocations		
Less Divisional & Institutional Allocations (includes benefits, rev-based and cost recovery)	(296,072,552)	
Less PERM Base Reserve	(209,533)	
Unallocated Base Reserve	11,315,750	11,315,750
Adjustments:		
Prior Year GF Base Adjustments		
Mandatory Retirement Adjustment	Attach B (2)	3,892,300
Mandatory Retirement Adjustment - funded by benefit pool	Attach B (2)	(3,892,300)
		0
Current Year GF Base Adjustments		
SDSU share of operating revenue interest assessment	Attach B (6)	(59,300)
SDSU share of operating revenue interest assessment - funded by investment earnings	Attach B (6)	59,300
SDSU share of base increase for tuition buyout (\$125M systemwide)	Attach B (4)	9,844,000
311 FTES - Enrollment Growth funding	Attach C (8)	1,388,000
GF tuition fee discount adjustment based on campus relative student need	Attach C (9)	(4,100)
		11,227,900
Revenue Adjustments		
Basic Tuition Revenue (net of SUG tuition discounts)	SDSU	1,246,100
Increase base budget for non-resident tuition	SDSU	2,000,000
		3,246,100
Mandatory Costs		
CO Projected Health (\$36.2M systemwide) and Energy (\$5.2M systemwide)	Attach C (1)(2)(6)	(3,558,000)
CO full funding for Health, Energy and New Space	Attach C (1)(2)(6)	3,558,000
Compensation - Faculty Equity II Program	Estimate	(401,000)
Compensation - 3% increase (1% increase = \$2.1M)	Estimate	(6,300,000)
CO Compensation funding for 1.2% increase (\$38M systemwide)	Estimate	2,850,000
		(3,851,000)
Multi-year Commitments		
2012/13 University Non-Divisional Reduction	SDSU	(6,261,160)
Faculty Promotions (70% of cost) [a]	SDSU	(225,200)
		(6,486,360)
Net Funding Available for Investment in the University		15,452,390
Support Budget		
State General Fund Allocation		146,261,096
Basic (SUF) Tuition Fee (net of SUG tuition discounts)		123,183,280
Other Fee Revenue (estimate)		39,235,037
Other Revenue and Cost Recovery (estimate)		23,633,422
Support Budget		332,312,835

[a] Agreed upon formula = funding allocated for 70% of cost; estimated cost, data not available until late May.

SDSU Multi-Year Budget Plan

<u>Institutional Base Reserve</u>		2011/12	2012/13	2013/14	2014/15
Beginning Balance		209,533	209,533	11,525,283	4,236,929
Trigger		(20,696,750)	20,696,750		
Tuition Rollback/Buyback			(9,381,000)	9,844,000	
GF Base adjustments		3,991,300			
GF Base Increase ^[a]				6,408,000	6,728,000
<i>Resident Growth:</i>					
311 FTES - Enrollment Growth funding				1,388,000	
GF tuition fee discount adjustment based on campus relative student need				(4,100)	
Basic Tuition Revenue (net of SUG tuition discounts)				1,246,100	
<i>Non-Resident Growth:</i>					
Non-Resident Tuition Budget				2,000,000	
Est. Mandatory Costs/Multi-Year Commitments		(1,830,200)		(10,484,200)	(6,953,200)
Divisional Base Allocation		12,274,490			
University Non-Divisional Base Reduction		6,261,160		(6,261,160)	
Strategic Planning/Critical Support Needs Base Allocation				(6,325,234)	-
2013/14 Funds encumbered for succeeding year base purposes, available for current year one-time purposes				(5,099,760)	5,099,760
2013/14 Succeeding year expenditure purposes					(5,099,760)
Ending Balance		209,533	11,525,283	4,236,929	4,011,729
<u>Institutional One-time Reserve</u>					
Beginning Balance		4,610,156	7,361,340	8,214,971	6,455,607
Unallocated Institutional Base Reserve		209,533	11,525,283	4,236,929	4,011,729
Funds encumbered for succeeding year base purposes, available for current year one-time purposes				5,099,760	-
Current year expenditure purposes				(5,099,760)	-
Est. Fee Revenues over Budget		6,432,194	9,684,019	5,199,800	5,199,800
<i>PBAC Allocations:</i>					
University Non-Divisional Base Reduction			(6,261,160)		
AA Equip/Software (Lottery Reduction)		(417,000)	(417,000)		
AA Out-of-State Recruitment		(175,673)	(175,673)		
AA International Recruitment			(144,500)		
SA International Recruitment		(151,920)	(156,328)		
AA Univ Grant Program (RSCA)		(194,168)	(194,168)		
BFA IVC earthquake, Don Powell ADA, Storm/Nasatir modularity		(2,466,782)			
Professional Development, CSU Online, VA repayment		(485,000)			
Divisional Allocations			(3,000,000)		
Mar2013 1X allocations			(10,006,842)		
Strategic Planning/Critical Support Needs Allocation				(11,196,093)	-
Ending Balance		7,361,340	8,214,971	6,455,607	15,667,136
<u>Support Budget</u>					
State General Fund Allocation		133,941,246	124,792,196	146,261,096	
Basis Tuition Fee (net of SUG tuition discounts)		118,731,200	121,937,180	123,183,280	
Other Fee Revenue		36,690,122	37,235,037	39,235,037	
Other Revenue and Cost Recovery		16,278,325	23,633,422	23,633,422	
Total Support Budget		305,640,893	307,597,835	332,312,835	

[a] CSU GF base will increase by 5% in 2013/14 and 2014/15 and by 4% in 2015/16 and 2016/17. Allocation to campus includes mandatory costs and compensation. Funding for resident enrollment growth is listed separately under Resident Growth. Additional funding may be allocated to campus via the RFP process to support state and systemwide initiatives (i.e. technology and student success).

SAN DIEGO STATE UNIVERSITY
2012/13 Revenue Estimates
As of June 5, 2013

	2011/12 Budget	2011/12 Actual	Over/(Under) Budget	% Over/(Under) Budget	2012/13 Budget	Year to Date as of 6/5/2013	Term End Estimate	Over/(Under) Budget	% Over/(Under) Budget
<u>Basic Tuition Fee</u>									
Summer	9,694,000	9,966,266	272,266	2.81%	11,405,000	11,467,623	11,467,623	62,623	0.55%
Fall	78,216,000	79,073,833	857,833	1.10%	79,390,000	79,719,341	79,719,341	329,341	0.41%
Spring	71,163,000	72,115,920	952,920	1.34%	71,555,000	72,518,473	72,518,473	963,473	1.35%
Sub-Total Basic Tuition	159,073,000	161,156,019	2,083,019	1.31%	162,350,000 ^[1]	163,705,437	163,705,437	1,355,437	0.83%
Tuition Fee Discounts	(40,341,800)	(40,341,800)	0	0.00%	(40,978,000)	(40,978,000)	(40,978,000)	0	0.00%
Net Basic Tuition	118,731,200	120,814,219	2,083,019	1.75%	121,372,000	122,727,437	122,727,437	1,355,437	1.12%
<u>Non-Resident Tuition</u>									
Summer	299,215	491,027	191,812	64.11%	385,358 ^[2]	508,391	508,391	123,033	31.93%
Fall	4,546,749	5,908,217	1,361,468	29.94%	4,636,763 ^[2]	6,806,641	6,806,641	2,169,878	46.80%
Spring	4,285,048	5,235,596	950,548	22.18%	4,108,891 ^[2]	6,054,698	6,054,698	1,945,807	47.36%
Sub-Total NR Tuition	9,131,012	11,634,840	2,503,828	27.42%	9,131,012	13,369,730	13,369,730	4,238,718	46.42%
<u>International Tuition</u>									
Summer	360,416	386,508	26,092	7.24%	300,225 ^[2]	592,596	592,596	292,371	97.38%
Fall	2,895,229	3,694,333	799,104	27.60%	2,869,625 ^[2]	4,427,643	4,427,643	1,558,018	54.29%
Spring	2,622,543	3,486,694	864,151	32.95%	2,708,338 ^[2]	4,202,371	4,202,371	1,494,033	55.16%
Sub-Total International Tuition	5,878,188	7,567,535	1,689,347	28.74%	5,878,188	9,222,609	9,222,609	3,344,421	56.90%
TOTAL TUITION	133,740,400	140,016,594	6,276,194	4.69%	136,381,200	145,319,776	145,319,776	8,938,576	6.55%
Application Fee	2,294,000	2,874,366	580,366	25.30%	2,294,000	3,039,443	3,039,443	745,443	32.50%
TOTAL APPLICATION FEE	2,294,000	2,874,366	580,366	25.30%	2,294,000	3,039,443	3,039,443	745,443	32.50%
TOTAL	136,034,400	142,890,960	6,856,560	5.04%	138,675,200	148,359,219	148,359,219	9,684,019	6.98%

[1] Campus Basic Tuition Fee Calculation:

B 2012-03 (Prop 30 Passed)	159,342,000
SDSU Adjustments (a)	3,008,000
	<u>162,350,000</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 each tuition type revenue.

Base Budget Reserve

2012/13 Beginning Base Budget Reserve Balance	209,533
2012/13 Base Budget Reserve	<u>209,533</u>

One-Time Reserve

2012/13 Beginning One-time Reserve Balance	<u>7,361,340</u>
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2012/13 Approved Funding Requests

Academic Affairs

Lottery Funds Reduction - Equip & Software	(417,000)
Out-of-State Recruitment	(175,673)
China International Student Recruitment	(89,000)
Graduate International Student Transcript Evaluation/Recruitment	(55,500)
(Approved 6/14/2012)	
University Grant Program (RSCA)	(194,168)
(Approved 11/15/2012)	
Equipment	(4,000,000)
GRA - advance research mission	(1,000,000)
(Approved 3/14/2013)	

Student Affairs

International Recruitment	(156,328)
(Approved 6/14/2012)	
SA - Career Services Employer Workshop Room Renovation	(93,063)
(Approved 3/14/2013)	

Business & Financial Affairs

AA/BFA - Building infrastructure to enable effective operation and installation of equipment	(250,000)
AA/BFA - Physics/Astronomy Room 216 Renovation	(244,721)
AA/BFA - North Life Science Room 223 Renovation	(222,479)
AA/BFA - North Life Science Room 228 Renovation	(223,841)
AA/BFA - Physics Room 248 Renovation	(119,713)
AA/BFA - Hepner Hall Room 130 Renovation	(353,025)
BFA - Elevator Replacement Love Library	(300,000)
BFA - Emergency Replacement of Failing Steam Lines	(2,700,000)
(Approved 3/14/2013)	

University Relations & Development

URD - Comprehensive Campaign	(500,000)
(Approved 3/14/2013)	

Divisional Allocation

2012/13 One-Time Funding	(3,000,000)
(Approved 12/13/2012)	

Institutional

Univ. Non-Divisional Budget Reduction ^[a]	(6,261,160)
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2012/13 Funding Sources

Prop 30 Passed - B 2012-03 Funding	11,315,750
Estimated Tuition and Fee Revenues over Budget	9,684,019
One-Time Carry-forward of Base Budget Reserve	209,533
2012/13 Estimated One-Time Reserve Balance	<u>8,214,971</u>

[a] The Univ. Non-Divisional Budget Reduction of \$6,261,160 is a base reduction and is being funded with one-time funds for 2012/13. It will need to be funded with base funds in 2013/14.

2013/14 Integrated Budget Proposals -- Consolidated

	(1)	(2)	(3)	(4)	(5)
Strategic Planning Initiatives	2013/14 One-Time	2013/14 Base	2013/14 Encumbered 2014/15 Base	Cummulative Base	2013/14 TOTAL
				(Cols 2 + 3)	(Cols 1 + 4)
Academic Affairs:					
Tenure/Tenure track faculty (cross unit and multi-disciplinary collaborations) start-up funds	\$1,900,000			\$0	\$1,900,000
Tenure/Tenure track faculty (cross unit and multi-disciplinary collaborations)			\$1,065,320	\$1,065,320	\$1,065,320
Support for multi-disciplinary research proposals	\$1,000,000			\$0	\$1,000,000
University Grant Program		\$350,000		\$350,000	\$350,000
Increase in students studying abroad		\$233,139		\$233,139	\$233,139
Chinese international student recruitment	\$100,700			\$0	\$100,700
Grad international student transcript evaluation/recruitment	\$55,500			\$0	\$55,500
UG international student transcript evaluation/recruitment	\$55,500			\$0	\$55,500
Writing and Math Center - Writing			\$325,000	\$325,000	\$325,000
Academic Advising Center - increase number of advisors		\$154,433		\$154,433	\$154,433
On-line course development		\$143,410		\$143,410	\$143,410
Community Arts Events	\$10,000			\$0	\$10,000
Expand Student Research Symposium	\$150,000			\$0	\$150,000
Learning Analytics	\$70,000			\$0	\$70,000
Zahn Center (SDSU match)	\$250,000			\$0	\$250,000
Subtotal Academic Affairs	\$3,591,700	\$880,982	\$1,390,320	\$2,271,302	\$5,863,002
Student Affairs:					
Commuter Center Support Services	\$115,000	\$100,653		\$100,653	\$215,653
LGBT Resource Center		\$200,000		\$200,000	\$200,000
Campus internship Coordinator		\$80,240		\$80,240	\$80,240
Financial Aid		\$171,037		\$171,037	\$171,037
International Student Center	\$217,815	\$115,813		\$115,813	\$333,628
Recruitment and retention of Underrepresented Students		\$250,000		\$250,000	\$250,000
Aztec nights		\$211,500		\$211,500	\$211,500
Student Disability Services	\$60,000	\$5,000		\$5,000	\$65,000
Subtotal Student Affairs	\$392,815	\$1,134,243	\$0	\$1,134,243	\$1,527,058
Business & Financial Affairs:					
Wireless Refresh (Technician and annual equipment investment)		\$488,000		\$488,000	\$488,000
Subtotal Business & Financial Affairs	\$0	\$488,000	\$0	\$488,000	\$488,000
University Relations & Development:					
Alumni Volunteer Coordinator	\$180,000			\$0	\$180,000
360 Magazine, other media materials	\$156,000			\$0	\$156,000
Communications writers - digital and written		\$143,000		\$143,000	\$143,000
Upgrades to SDSU website	\$150,000			\$0	\$150,000
Subtotal University Relations & Development	\$486,000	\$143,000	\$0	\$143,000	\$629,000
Institutional:					
Staff Compensation (across the University)		\$400,000		\$400,000	\$400,000
Staff Professional Development (across the University)	\$250,000			\$0	\$250,000
Employee Satisfaction Survey	\$10,000			\$0	\$10,000
Subtotal Institutional	\$260,000	\$400,000	\$0	\$400,000	\$660,000
Total Strategic Planning Initiatives	\$4,730,515	\$3,046,225	\$1,390,320	\$4,436,545	\$9,167,060

2013/14 Integrated Budget Proposals -- Consolidated

	(1)	(2)	(3)	(4)	(5)
Critical Support Needs	2013/14 One-Time	2013/14 Base	2013/14 Encumbered 2014/15 Base	Cummulative Base	2013/14 TOTAL
				(Cols 2 + 3)	(Cols 1 + 4)
Academic Affairs:					
2012/13 non-resident enrollment growth of 310 FTES		\$130,410	\$1,854,720	\$1,985,130	\$1,985,130
2013/14 resident enrollment growth of 311 FTES		\$130,410	\$1,854,720	\$1,985,130	\$1,985,130
Funds to SDCC funds to offset instructional cost of SDSU non-resident remedial students	\$150,000			\$0	\$150,000
Out-of-state recruitment		\$220,999		\$220,999	\$220,999
GRA IT	\$204,578	\$439,700		\$439,700	\$644,278
SIMS IT		\$277,190		\$277,190	\$277,190
Lottery funds restoration (instructional equipment and software purchases)	\$417,000			\$0	\$417,000
Library books, journals, and periodicals	\$500,000			\$0	\$500,000
Cost of new FERP faculty	\$3,100,000			\$0	\$3,100,000
Subtotal Academic Affairs	\$4,371,578	\$1,198,709	\$3,709,440	\$4,908,149	\$9,279,727
Student Affairs:					
Subtotal Student Affairs	\$0	\$0	\$0	\$0	\$0
Business & Financial Affairs:					
Custodians (25 @ \$40,000 inclusive of benefits)		\$1,000,000		\$1,000,000	\$1,000,000
Steam Technicians (3 @ \$100,000 inclusive of benefits)		\$300,000		\$300,000	\$300,000
Public Safety Retention/Recruitment		\$200,000		\$200,000	\$200,000
Painting academic buildings	\$500,000			\$0	\$500,000
Accessibility improvements to EBA in conjunction with relocation of ARPE	\$1,000,000			\$0	\$1,000,000
Subtotal Business & Financial Affairs	\$1,500,000	\$1,500,000	\$0	\$1,500,000	\$3,000,000
University Relations & Development:					
Improve and enhance on-line giving capability	\$100,000			\$0	\$100,000
Technology system upgrades, wealth screening, research	\$250,000			\$0	\$250,000
Increased planning giving communication & research to identify prospects	\$52,000			\$0	\$52,000
TCF staffing to handle increase in # of gifts, endowment growth, endowment reports (2 positions)		\$157,300		\$157,300	\$157,300
Renovation of Foundation offices to accommodate new staff	\$60,000			\$0	\$60,000
Alumni engagement call floor coordinator		\$57,200		\$57,200	\$57,200
PLF development & communications writer (2 positions)		\$151,400		\$151,400	\$151,400
Director of donor relations		\$114,400		\$114,400	\$114,400
Space planning and architectural rendering of 4th floor Manchester Hall and PPGAC	\$20,000			\$0	\$20,000
Subtotal University Relations & Development	\$482,000	\$480,300	\$0	\$480,300	\$962,300
Institutional:					
Institutional Shortfall		\$100,000		\$100,000	\$100,000
Veteran's House rent (4 years)	\$112,000			\$0	\$112,000
Subtotal Institutional	\$112,000	\$100,000	\$0	\$100,000	\$212,000
Total Critical Support Needs	\$6,465,578	\$3,279,009	\$3,709,440	\$6,988,449	\$13,454,027
Total Strategic Planning Initiatives/Critical Support Needs	\$11,196,093	\$6,325,234	\$5,099,760	\$11,424,994	\$22,621,087