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Thomas McCarron
Vice President and CFO

MEMORANDUM

DATE: October 16, 2014

TO: Elliot Hirshman
President

FROM: Tom McCarron 
Chair, President's Budget Advisory Committee

SUBJECT: President's Budget Advisory Committee
Recommendation of October 16, 2014

Attached is the recommendation from the President's Budget Advisory Committee (PBAC) meeting of October 16, 2014 for approval of 2014/15 one-time funding requests totaling \$3,043,440. Supporting materials are attached for your information. I recommend your approval.

If you have any questions, please let me know.

Attachments

PRESIDENT'S BUDGET ADVISORY COMMITTEE
October 16, 2014

RECOMMENDATION

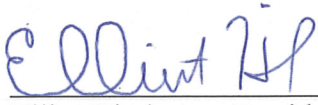
Approve 2014/15 one-time funding requests:

Academic Affairs

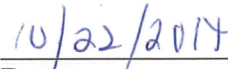
The Brazil Program	500,000
Critical Academic Needs (support for faculty)	2,250,000
Enrollment Growth (405 FTES Fall 2014)	293,440

2014/15 TOTAL 3,043,440

Approved by:



Elliot Hirshman, President



Date

President's Budget Advisory Committee

Meeting Agenda

October 16, 2014

2:00p.m. @ MH-3318

I. Call to order

- Call for amendments to agenda

II. Information Item

- 2014/15 Budget
 - Multi-Year Budget Plan (Attachment 1)
 - Staff Professional Development (Attachment 2)

III. Reports

- 2014/15 Revenues (Attachment 3)
- 2014/15 Reserves (Attachment 4)

IV. Watch List

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

V. Funding Requests

- Academic Affairs One-time (Attachment 5)

VI. Voting Items

VII. New Business

VIII. Reminder

- Next Meeting Date – October 30, 2014 at 2:00 p.m. in MH 3318

SDSU Multi-Year Budget Plan

Institutional Base Reserve		2012/13	2013/14	2014/15	2015/16
Beginning Balance		209,533	11,525,283	4,236,929	3,975,762
Tuition Rollback/Buyback		(9,381,000)	9,844,000		
GF Base adjustments		3,991,300	6,408,000	1,612,400	
<i>Resident Growth:</i>					
Enrollment Growth funding			1,388,000	836,000	
GF tuition fee discount adjustment based on campus relative student need			(4,100)		
Basic Tuition Revenue (net of SUG tuition discounts)			1,246,100	3,148,100	
<i>Non-Resident Growth:</i>					
Non-Resident Tuition Budget			2,000,000	2,000,000	
<i>PBAC allocations:</i>					
Est. Mandatory Costs		(1,605,000)	(10,259,000)	(2,718,500)	
Est. Multi-Year Commitments [a]		(225,200)	(225,200)	(225,200)	(225,200)
Divisional Allocation		12,274,490			
University Non-Divisional Reduction		6,261,160	(6,261,160)		
AA Strategic Initiatives			(880,982)	(803,528)	
AA Critical Support Needs			(1,198,709)	(668,768)	
SA Strategic Initiatives			(1,134,243)	(264,588)	
SA Critical Support Needs				(25,000)	
BFA Strategic Initiatives			(488,000)	(20,000)	
BFA Critical Support Needs			(1,500,000)	(433,013)	
URD Strategic Initiatives			(143,000)	(97,240)	
URD Critical Support Needs			(480,300)	(301,800)	
Instit Strategic Initiatives			(400,000)		
Instit Critical Support Needs			(100,000)		
Encumbered for 2014/15 AA Faculty hires			(5,099,760)		
Encumbered for 2015/16 AA Faculty hires				(2,300,030)	
Unallocated Base Reserve		11,525,283	4,236,929	3,975,762	3,750,562

Institutional One-time Reserve		2012/13	2013/14	2014/15	2015/16
Beginning Balance		7,361,340	8,797,124	10,844,769	13,244,213
Unallocated Institutional Base Reserve		11,525,283	4,236,929	3,975,762	3,750,562
Encumbered for 2014/15 AA Faculty hires - available for 1-time use in 2013/14			5,099,760	2,300,030	
Est. Fee Revenues over Budget [b]		10,266,172	16,626,697	10,015,330	
<i>PBAC Allocations:</i>					
Divisional Allocation		(3,000,000)			
AA Strategic Initiatives		(1,000,000)	(3,991,810)	(850,000)	
AA Critical Support Needs		(4,931,341)	(10,736,016)	(3,118,428)	
SA Strategic Initiatives		-	(492,815)	(137,810)	
SA Critical Support Needs		(249,391)	(60,100)		
BFA Strategic Initiatives		-	-	(380,000)	
BFA Critical Support Needs		(4,413,779)	(2,000,000)	(500,000)	
URD Strategic Initiatives		-	(901,000)	(595,000)	
URD Critical Support Needs		(500,000)	(862,000)		
Instit Strategic Initiatives			(260,000)	(1,250,000)	
Instit Critical Support Needs		(6,261,160)	(1,212,000)	(1,777,000)	
Encumbered for 2014/15 AA faculty start-up			(3,400,000)		
Encumbered for 2015/16 AA faculty start-up				(2,240,000)	
Pending PBAC allocations				(3,043,440)	
Unallocated One-Time Reserve		8,797,124	10,844,769	13,244,213	16,994,775

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

[b] 2014/15 estimated fee revenues over budget represents Fall semester only



SAN DIEGO STATE
 UNIVERSITY

MEMORANDUM

DATE: September 19, 2014

TO: Provost Enwemeka and Vice Presidents Carlton, McCarron, and Rivera

FROM: Budget Review Action Team (BRAT)
 Agnes Wong-Nickerson, Kathy LaMaster, Linda Lewiston, Sarah Slaughter, Crystal Little, Elvira McCalip, and Jessica Rentto

SUBJECT: Allocation of Funded Initiative for Staff Professional Development

The BRAT met on September 16, 2014 to consider methodologies for allocating the Strategic Planning Initiative allocation of \$250,000 for staff professional development (one-time). The team unanimously agreed to allocate a portion of funding off the top to support campus-wide professional development initiatives (see attached list) with the balance allocated to each division based on their respective share of total budgeted support staff as shown in the table below. This methodology is consistent with the intended use of the funds to support university staff employees.

Human Resources will track attendance and gather feedback from staff in FY 2014/15. If the data shows positive results, BRAT will recommend a separate allocation for campus-wide professional development initiatives in future years.

Recommended allocation to campus-wide proposals: \$57,720

Recommended allocation by division: \$192,280

	2013/14 Support Budget SUPPORT STAFF ONLY		2014/15 Staff Prof. Dvlpmt ^[1]	
President/KPBS	356,076	0.83%	1,596	0.83%
Academic Affairs	26,345,054	61.39%	118,041	61.39%
Athletics	-	0.00%	-	0.00%
Business & Financial Affairs	10,708,205	24.96%	47,993	24.96%
Student Affairs	4,278,872	9.97%	19,170	9.97%
Univ. Relations & Development	1,221,449	2.85%	5,480	2.85%
Total	42,909,656	100.00%	192,280	100.00%

[1] Proposed 2014/15 Staff Professional Development & Compensation funding allocated based on 2013/14 Support Budget Support Staff pro-rata.

ATTACHMENT

Current Program Proposal

Learning, Education and Development Series (SDSU LEADS)

Audience: All Faculty and Staff

<u>Training Topic</u>	<u>Presenter</u>	<u>Room Rental</u> <u>(Approximate Price</u> <u>based on 2 sessions)</u>	<u>Presentation Fee</u> <u>(Price based on 2</u> <u>sessions)</u>	
Values	Internal Presenter - Randy Timm	\$ 800.00	\$ -	
Sparkletude	Shery Roush - outside consultant	\$ 920.00	\$ 4,000.00	
Civility	The Center for Organization Effectiveness	\$ 920.00	\$ 4,000.00	
Public Speaking	Sheryl Roush - outside consultant	\$ 920.00	\$ 4,000.00	
Emotional Intelligence	The Centre for Organization Effectiveness	\$ 920.00	\$ 4,000.00	
Leadership	TBD - Internal presenter	\$ 920.00	TBD	
Generational Differences	The Centre for Organization Effectiveness	\$ 920.00	\$ 8,000.00	
Mindfulness (Field Day)	TBD - internal presenter	TBD	TBD	
				Total Cost
		\$ 5,520.00	\$ 24,000.00	\$ 29,520.00

Lunch- n- Learn Program

Audience: All Faculty and Staff

<u>Training Topic</u>	<u>Presenter</u>	<u>Room Rental</u> <u>(Approximate)</u>	<u>Presentation Fee</u>	
Effective Communication-Body Language/ Email and Technology	Employee Assistance Program	\$ 400.00	Included in contract	
Effective Communication - Email & Technology/Getting your message across	Employee Assistance Program	\$ 400.00		
Goal Setting for Life and Work	Employee Assistance Program	\$ 400.00		
New Year's Resolutions - How to keep them!	Employee Assistance Program	\$ 400.00		
Adopting a Healthy Lifestyle	Employee Assistance Program	\$ 400.00		
Nutrition Basics	Employee Assistance Program	\$ 400.00		
Stress Management	Employee Assistance Program	\$ 400.00		
Working Parents-Achieving Balance	Employee Assistance Program	\$ 400.00		
Dealing with Burnout	Employee Assistance Program	\$ 400.00		
Caring for Aging Loved Ones	Employee Assistance Program	\$ 400.00		
				Total Cost
		\$ 4,000.00	\$ -	\$ 4,000.00

Professional Assistants Academy I

Audience: Support Staff

	<u>Presenter</u>	<u>Room Rental</u> <u>(Approximate)</u>	<u>Program Fee</u>	<u>Food (Breakfast and Lunch)</u>
2 full day academy	The Center for Organization Effectiveness	\$ 500.00	\$ 9,200.00	\$ 2,400.00
One program				\$ 12,100.00
Two programs				\$ 24,200.00

* Rental of Space is approximated

* \$40 pp for breakfast and lunch catering

FY 2014/2015 Budget Request for Training

\$ 57,720.00

SAN DIEGO STATE UNIVERSITY

2014/15 Revenue Estimates
As of October 16, 2014

	2013/14 Budget	2013/14 Actual	Over/(Under) Budget	% Over/(Under) Budget	2014/15 Budget	Year to Date as of 10/16/2014	Term End Estimate	Over/(Under) Budget	% Over/(Under) Budget
Basic Tuition Fee - Resident									
Summer	9,891,223	9,846,972	(44,252)	-0.45%	9,773,574	8,993,322	9,297,213 ^[3]	(476,361)	-4.87%
Fall	73,124,671	74,589,065	1,464,394	2.00%	72,765,955	68,490,932	74,657,918 ^[4]	1,891,963	2.60%
Spring	66,653,619	68,421,495	1,767,876	2.65%	66,525,656		66,525,656 ^[5]	0	0.00%
Sub-Total Basic Tuition - Resident	149,669,513	152,857,531	3,188,018	2.13%	149,065,185 ^[1]	77,484,254	150,480,786	1,415,602	0.95%
Tuition Fee Discounts	(41,381,900)	(41,381,900)	0	0.00%	(40,506,800)	(40,506,800)	(40,506,800)	0	0.00%
Net Basic Tuition - Resident	108,287,613	111,475,631	3,188,018	2.94%	108,558,385	36,977,454	109,973,986	1,415,602	1.30%
Basic Tuition Fee - Non-Resident									
Summer	888,777	960,296	71,519	8.05%	1,004,427	1,140,806	1,170,368 ^[3]	165,941	16.52%
Fall	6,929,329	7,862,436	933,107	13.47%	8,487,045	8,277,743	9,234,647 ^[4]	747,602	8.81%
Spring	6,512,381	7,188,154	675,772	10.38%	7,736,344		7,736,344 ^[5]	0	0.00%
Sub-Total Basic Tuition - Non-Resident	14,330,487	16,010,885	1,680,398	11.73%	17,227,816 ^[1]	9,418,549	18,141,360	913,544	5.30%
Out-of-State Tuition									
Summer	389,333	529,292	139,959	35.95%	384,600 ^[2]	631,373	657,012 ^[3]	272,412	70.83%
Fall	5,216,408	8,041,131	2,824,723	54.15%	5,848,000 ^[2]	8,328,273	9,064,055 ^[4]	3,216,055	54.99%
Spring	4,705,271	7,175,772	2,470,501	52.50%	5,218,000 ^[2]		5,218,000 ^[5]	0	0.00%
Sub-Total Out-of-State Tuition	10,311,012	15,746,195	5,435,183	52.71%	11,450,600	8,959,647	14,939,067	3,488,467	30.47%
International Tuition									
Summer	428,531	685,224	256,693	59.90%	429,600 ^[2]	796,221	819,055 ^[3]	389,455	90.66%
Fall	3,195,795	5,822,752	2,626,957	82.20%	3,651,000 ^[2]	5,634,661	7,459,262 ^[4]	3,808,262	104.31%
Spring	3,073,862	5,546,308	2,472,446	80.43%	3,478,000 ^[2]		3,478,000 ^[5]	0	0.00%
Sub-Total International Tuition	6,698,188	12,054,284	5,356,096	79.96%	7,558,600	6,430,883	11,756,317	4,197,717	55.54%
TOTAL TUITION	139,627,300	155,286,996	15,659,696	11.22%	144,795,400	61,786,532	154,810,730	10,015,330	6.92%
Application Fee	2,294,000	3,261,001	967,001	42.15%	2,294,000	8,025	2,294,000 ^[4]	0	0.00%
TOTAL APPLICATION FEE	2,294,000	3,261,001	967,001	42.15%	2,294,000	8,025	2,294,000	0	0.00%
TOTAL	141,921,300	158,547,997	16,626,697	11.72%	147,089,400	61,794,557	157,104,730	10,015,330	6.81%

[1] Campus Basic Tuition Fee Calculation:

B 2014-01	166,552,988
SDSU Adjustments (a)	1,827,326
Designated for DPT program	(2,107,314)
	<u>166,273,000</u>

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

[2] Includes \$2 million increase in budget; Non-Resident and International Tuition budget is allocated by tuition type and term based on prior year percentage of each tuition type revenue

[3] Term estimates are based on Net Collections/Receivables from Cashier's Enrollment Report as of 10/1/2014 discounted based on prior year waiver/collections experience.

[4] Term estimates are based on Net Collections/Receivables from Cashier's Enrollment Report as of 9/25/2014 discounted based on prior year waiver/collections experience.

[5] Term estimates are based on budgeted revenues.

Base Budget Reserve ^[a]

2014/15 Beginning Base Budget Reserve Balance			4,236,929
	Net Campus and BL Adjustments		2,652,800
	Increase in Non-Resident Tuition Budget		2,000,000
2014/15 Base Budget Reserve			8,889,729
2014/15 Approved Base Funding Requests			
Academic Affairs			
	Academic Advising Center - Increase the Number of Advisors	5/29/14 PBAC	(192,984)
	International Recruitment	5/29/14 PBAC	(155,584)
	Honors College	5/29/14 PBAC	(253,480)
	On-line Course Development	5/29/14 PBAC	(201,480)
	GRA IT	5/29/14 PBAC	(193,616)
	Communications Director (Enrollment Services)	5/29/14 PBAC	(104,720)
	Out-of-state Recruiter	5/29/14 PBAC	(62,832)
	JDP fees w/UCSD	5/29/14 PBAC	(98,000)
	IT Share-support	5/29/14 PBAC	(60,000)
	Research Technicians	5/29/14 PBAC	(149,600)
Academic Affairs - <u>Encumbered in 2014/15, Base in 2015/16</u>			
	Tenure/Tenure Track Faculty (cross unit and multi-disciplinary collaborations)	5/29/14 PBAC	(1,066,680)
	2014/15 Resident Enrollment Growth of 175 FTES	5/29/14 PBAC	(1,233,350)
Student Affairs			
	Internship and Employment Specialist	5/29/14 PBAC	(83,175)
	Recruitment and Retention of Underrepresented Students	5/29/14 PBAC	(64,000)
	AOD Strategic Plan Task Force 2014/15 Resource Request	5/29/14 PBAC	(46,363)
	Evening Cart Service Expanded Hours	5/29/14 PBAC	(25,000)
	Women's Resource Center	5/29/14 PBAC	(71,050)
Business & Financial Affairs			
	President's Climate Commitment Administration	5/29/14 PBAC	(20,000)
	Athletics	5/29/14 PBAC	(80,000)
	Conversion of EO Specialist to ER Manager	5/29/14 PBAC	(37,000)
	Address vulnerabilities in plumbing & electrical systems	5/29/14 PBAC	(181,373)
	Construction Administrator	5/29/14 PBAC	(134,640)
University Relations & Development			
	Videographer	5/29/14 PBAC	(97,240)
	Director of Development, CBA	5/29/14 PBAC	(127,160)
	Sr. Director of Regional Relations & Events within Development	5/29/14 PBAC	(134,640)
	Annual Wealth Screening	5/29/14 PBAC	(25,000)
	Donor Relations Stewardship Events	5/29/14 PBAC	(15,000)
2014/15 Estimated Base Budget Reserve Balance			3,975,762

[a] All allocations for position funding are inclusive of average benefits costs.

One-Time Reserve ^[a]

2014/15 Beginning One-Time Reserve Balance **10,844,769**

2014/15 Approved One-Time Funding Requests

Academic Affairs

Honors College	5/29/14 PBAC	(30,000)
Community Arts Events	5/29/14 PBAC	(85,000)
Learning Analytics	5/29/14 PBAC	(70,000)
International Programs	5/29/14 PBAC	(100,000)
Undergraduate Research	5/29/14 PBAC	(65,000)
Zahn Center (SDSU match)	5/29/14 PBAC	(250,000)
2014/15 Resident Enrollment Growth of 175 FTES	5/29/14 PBAC	(320,381)
Non-Resident Enrollment Growth of 448	5/29/14 PBAC	(881,047)
SDCC funds to offset instructional costs of SDSU non-resident remedial students	5/29/14 PBAC	(150,000)
GRA IT	5/29/14 PBAC	(300,000)
Lottery Restoration	5/29/14 PBAC	(417,000)
Summer SMART Upgrades	5/29/14 PBAC	(450,000)
Lab Renovations	5/29/14 PBAC	(600,000)
Corky McMillan Real Estate Center	5/29/14 PBAC	(250,000)

Academic Affairs - Encumbered in 2014/15, One-time in 2015/16

New Tenure/Tenure Track Faculty Start-Up 5/29/14 PBAC (2,240,000)

Student Affairs

Aztec Mentor Program	5/29/14 PBAC	(38,000)
AOD Strategic Plan Task Force	5/29/14 PBAC	(99,810)

Business & Financial Affairs

Community Policing Enhancements	5/29/14 PBAC	(300,000)
Celebrating Aztec Faculty & Staff	5/29/14 PBAC	(40,000)
President's Climate Commitment Administration	5/29/14 PBAC	(40,000)
Facility Painting Initiative	5/29/14 PBAC	(500,000)

University Relations & Development

Branding & Marketing - Year 2	5/29/14 PBAC	(495,000)
SIMS Lost Alumni Project	5/29/14 PBAC	(100,000)

Institutional

Staff Professional Development	5/29/14 PBAC	(250,000)
Enhancing Campus and Culture (ECCC) initiatives	5/29/14 PBAC	(1,000,000)
SDSU Research Foundation	5/29/14 PBAC	(1,117,000)
Destination SDSU	5/29/14 PBAC	(260,000)
Engineering Addition & Renovation - Concept Design Services	5/29/14 PBAC	(400,000)

SubTotal 2014/15 Approved One-Time Funding Requests (10,848,238)

2014/15 PENDING One-Time Funding Requests

Academic Affairs

The Brazil Program	(500,000)
Critical Academic Needs	(2,250,000)
Enrollment Growth (405 FTES)	(293,440)

SubTotal 2014/15 PENDING One-Time Funding Requests (3,043,440)

2014/15 Funding Sources

AA - Encumbered in 2014/15, Base in 2015/16 - available for one-time use in 2014/15	2,300,030
Estimated Tuition and Fee Revenues over Budget [a]	10,015,330
Estimated One-Time Carry-forward of Base Budget Reserve	3,975,762

2014/15 Estimated One-Time Reserve Balance **13,244,213**

[a] All allocations for position funding are inclusive of average benefits costs.

Academic Affairs – One-time funding requests

Total Request: \$3,043,440

The Brazil Program \$500,000

The College of Arts and Letters (CAL) convened a group of faculty from CAL and several other colleges (Sciences, Professional Studies and Fine Arts, Health and Human Services, Business, and Extended Studies) to establish the Brazil Program. There is a Five-Year Strategic Plan to build our Brazil Program into one of the best in the United States. We have a donor who has contributed a first installment to the program, Academic Affairs requests one time funding of \$500,000 to support the start-up. Faculty will continue to seek and apply for additional funding from the U.S. and Brazilian Governments, Brazilian partner institutions, as well as foundations, major corporations and entities in the private sector with significant interests on Brazil.

Critical Academic Needs \$2,250,000

This will provide an opportunity to support critical academic support needs to academic departments and schools to support tenure-track, probationary, FERP, full-time and part-time lecturers. These funds are intended to allow faculty to carry out their work more effectively. Requests can include a wide array of items including; equipment, computers, library books, office furniture, conference travel, professional memberships, software, facility service requests (and more). Academic department(s) /school(s) should work with their faculty and the Dean's Office to generate their requests.

Enrollment Growth (405 FTES) \$293,440

Upon the conclusion of census, the Fall 2014 enrollment target was exceeded by 405 FTES. Courses were added to meet student demand resulting in the increase in FTES. AA now seeks funding to cover the cost of the additional instructional costs.

**PRESIDENT'S BUDGET ADVISORY COMMITTEE
OCTOBER 16, 2014
MINUTES**

Voting Members Present:	Area Budget Reps Present:	Staff Present:	Guests Present:
Tom McCarron	Sarah Slaughter		
Andrea Rollins	Agnes Wong Nickerson	Nance Lakdawala	
Douglas Deutschman	Linda Lewiston		
Alex Padua	Kathy LaMaster		
Eric Rivera			
David Ely			
Cezar Ornatowski			

Voting Members Absent:

Mary Ruth Carleton
Chukuka S. Enwemeka

I. Call to order - VP McCarron called the meeting to order at 2:05 p.m. VP McCarron inquired if there were any amendments to the agenda but there were none. VP McCarron introduced Alex Padua, A.S. Vice President for Financial Affairs. He is replacing Jonathan Cole.

II. Information Items

- **Multi-Year Budget Plan (Attachment 1)** – VP McCarron presented the multi-year budget plan. There was no change to the base reserve from our last meeting. The census figures have been included.
- **Staff Professional Development (Attachment 2)** – AVP Wong Nickerson said BRAT is recommending some campus wide professional development initiatives, per the Strategic Plan. The cost would be \$57,720. The remaining professional development allocation of \$192,280 could be split among the divisions, based on percentage of staff.

III. Reports

- **2014/15 Revenues (Attachment 3)** – VP McCarron presented our estimated tuition fee revenues. We are currently \$10M over budget but will have more accurate estimated enrollment figures in the Spring semester. A request was made to add a column on the spreadsheet to more accurately reflect budget variances.

- **2014/15 Reserves (Attachment 4)** – VP McCarron said our base budget reserves should not vary much the remainder of the year. The approved allocations from our final PBAC meeting last year are reflected in this report. We have three new one-time requests that will be presented later in the meeting.

IV. Watch List

- **Master Plan Costs** – We may be submitting a supplemental brief to the Supreme Court because of the changes in capital funding authority. We will incur some legal costs as we are using an outside firm.
- **SUF Class Action Suit** – No update.
- **Unfunded Compensation** – No update.

V. Funding Requests – Academic Affairs One-time (Attachment 5) – AVP LaMaster explained the three one-time requests. AR&P is supporting these proposals. Interim Associate Dean Ely moved to allow the three funding requests to be voted upon today, Dr. Deutschman seconded, and the motion passed unanimously.

VI. Voting Items - Dr. Ornatowski moved to approve the three funding requests, Interim Associate Dean Ely seconded, and the motion passed unanimously.

VII. New Business – None.

VIII. Reminder – Our next meeting is scheduled for Thursday, October 30th, 2014 at 2:00 p.m. in MH-3318. The meeting was adjourned at 2:45 p.m.