

President's Budget Advisory Committee

Meeting Agenda

November 15, 2018
2:00p.m. @ MH-3318

I. Call to order

- Call for amendments to agenda

II. Information Item

- CSU Support Budget Request (Attachment 1)
- Mission Valley

III. Reports

- 2018/19 Revenues (Attachment 2)
- 2018/19 Base Reserves (Attachment 3)
- 2018/19 One-Time Reserves (Attachment 4)
- 2018/19 Multi-Year Budget (Attachment 5)

IV. Watch List

- Master Plan Costs
- Graduation Initiative 2025
- IT Governance
- Infrastructure (electrical/steam)
- Mission Valley

V. 2018/19 Funding Requests

- None

VI. New Business

VII. Reminder

- **Next Meeting Date – December 13, 2018 at 2:00 p.m. in MH 3318**

Action Item
Agenda Item 5
November 13-14, 2018
Page 1 of 5

COMMITTEE ON FINANCE

Approval of the 2019-2020 Operating Budget Request

Presentation By

Steve Relyea
Executive Vice Chancellor and
Chief Financial Officer

Ryan Storm
Assistant Vice Chancellor
Budget

Summary

This item seeks approval by the California State University Board of Trustees of the 2019-2020 CSU Operating Budget Request. Accompanying this agenda item as Attachment A is the proposed 2019-2020 CSU Operating Budget Request, which contains historical detail as well as prospective information, for the Board of Trustees' consideration.

The California State Constitution requires the submittal of the governor's budget proposal each year by January 10. To meet consequent deadlines of the Department of Finance, it is necessary to adopt the proposed 2019-2020 CSU Operating Budget Request at the November CSU Board of Trustees meeting.

At its September 2018 meeting, the Board of Trustees reviewed a preliminary plan for purposes of crafting the CSU's operating budget request to the state. That preliminary plan included consideration of past and forecasted information regarding the state's economy and tax revenue as well as past and planned funding of the CSU. Additionally, comments from the Board of Trustees on the preliminary plan have been considered and incorporated into the proposed request. With that history and context, the focus of this item will be the details of the proposed 2019-2020 CSU Operating Budget Request.

The executive summary in Attachment A is the official presentation of the operating budget request and, if approved, will be distributed to the governor, legislators, and other policy makers in the capitol. It can be accessed, along with additional supplemental detail, at www.calstate.edu/budget

Finance
 Agenda Item 5
 November 13-14, 2018
 Page 2 of 5

Proposed 2019-2020 CSU Operating Budget Priorities and Request

The proposed operating budget request prioritizes certain areas of recurring expenditures to continue the CSU’s commitment to Graduation Initiative 2025, increases access to the university, increases compensation for faculty and staff, attends to the highest priority academic infrastructure and deferred maintenance needs, and funds mandatory cost obligations.

A five percent enrollment growth for 2019-2020 is one of many critical elements included in this request. Over the next 15 years, the Public Policy Institute of California (PPIC) estimates that the state’s public and private institutions of higher education will produce 3.1 million bachelor’s degrees, while the projected need is closer to 4.2 million, leaving a gap of 1.1 million degrees. Of the 1.1 million degrees, the PPIC calculates that the CSU will need to graduate an additional 481,000 students to fulfill its role to meet workplace demand. The CSU will partially meet workplace demand by increasing access and completion outcomes through Graduation Initiative 2025. However, growing enrollment by three to five percent per year over the next decade, combined with predictable state funding, is also necessary to meet increasing student demand for a CSU education and to meet California’s future workforce needs.

The baseline CSU operating budget totals \$6.8 billion. As shown in the below table and in Attachment A, the 2019-2020 Operating Budget Request proposes a base increase of an additional \$554.3 million. The CSU’s highest priority is to advocate for \$456.0 million in new general fund from the state. An additional \$98.3 million in new tuition revenue would also be available from a five percent increase in full-time equivalent students (FTES) of approximately 18,207. With such an investment, the state will be in a better position to meet the overall economic and workforce needs of the future.

Proposed Incremental Expenditures:

| | |
|--|------------------------|
| • Graduation Initiative 2025 | \$75.0 million |
| • Employee Salaries | 147.8 million |
| • Full-Time Equivalent Student Growth: 18,207 FTES | 206.1 million |
| • Facilities and Infrastructure Needs | 80.0 million |
| • Mandatory Costs | 45.4 million |
| Total Incremental Expenditures | \$554.3 million |

Anticipated Revenue

| | |
|--|------------------------|
| • Tuition from Enrollment Growth | \$98.3 million |
| • Board of Trustees Additional Request | 456.0 million |
| Total Anticipated Revenue | \$554.3 million |

Finance
Agenda Item 5
November 13-14, 2018
Page 3 of 5

The proposed operating budget request also includes two one-time funding requests. The CSU seeks an additional \$250 million of one-time funding to further address the growing maintenance backlog of building and utility infrastructure systems that have passed their useful life. Also, the CSU requests \$15 million in one-time state funds to continue looking for sustainable solutions for students and pilot a variety of emergency housing programs systemwide. There is also a need to increase prevention, interventions and destigmatizing campaigns for basic needs, including outreach regarding mental health.

Potential Opportunities to Address Operating Budget Revenue Needs

The CSU's highest priority is to continue to advocate for and pursue increased state funding to cover the full operating budget request. The CSU will work collaboratively with stakeholders and partners across the system including trustees, students, faculty, staff, union leaders, alumni, business partners and friends to make the case in Sacramento for the level of new funding that supports our stated priorities, all leading to greater student success. With the historic gains made in four-year and six-year graduation rates, the aggressive targets set out in Graduation Initiative 2025, and the state focused on these same goals, arguments for increased state funding are strong. While additional state funding is the highest priority and the best option for the university, the state allocation will not be known until a final budget agreement is reached in June 2019.

At this stage, it is not known if the CSU will ultimately be successful in this effort regarding the state appropriation. Consequently, all options must remain open for as long as appropriate. As a regular and routine business matter, the CSU will follow state statute and prepare for, and discuss with, California State Student Association leadership a written tuition proposal that will align with the rate of inflation.

At this point, the CSU does not anticipate a need to raise tuition rates next year, but the CSU must reserve the right to keep the option open for any unforeseen state budget or economic circumstances. Also, the CSU must ensure that the university has the resources it needs to maintain the quality of educational and supportive services as well as students' authentic access to the university.

If funding is not secured for the operating budget request through these other options, priority areas of the operating budget would be reduced or eliminated, and campuses would have to redirect funding from existing programs, services and priorities like the Graduation Initiative to fund mandatory cost obligations and finalized employee salary commitments. Fewer course sections would be available to students, average unit load would go down, not up, and ultimately it could take longer for students to graduate.

Finance
Agenda Item 5
November 13-14, 2018
Page 4 of 5

Each year, inflation and other price increases affect each campus' bottom line. For the most part, annual operating budget requests address these types of increases on salaries and benefits through the mandatory costs category described above. However, in recent years, campuses have not received annual funding increases to cover inflationary costs in areas such as communication, information technology, contractual services, library subscriptions and instructional equipment. It is anticipated that these costs will increase for 2019-2020. Campus leadership regularly unearths and create ways of covering inflationary costs without additional resources and they deserve credit for being both efficient with their resources and effective in their outcomes.

Above and beyond efforts to address regular inflationary pressures, the CSU will continue to pursue cost avoidance strategies and administrative efficiencies to be good stewards of state and tuition resources as well as address as many unfunded cost increases as possible. Campuses and the Chancellor's Office make decisions annually to redistribute budgets to cover increased costs, pursue and implement efficiencies across the system, and reallocate from under-utilized programs to the most pressing needs of the campus and system.

Conclusion

The budget cycle is just beginning. As a result, there are no funding assumptions from the state and it is not known if the state will partially, fully, or not provide the necessary resources to properly invest in operating budget priorities. The CSU will work throughout the spring with its partners to advocate for full funding by the state of the trustees' budget priorities.

This is an action item presenting final recommendations for the CSU 2019-2020 Operating Budget Request to the governor and legislature. It is the CSU's goal that the state fully fund the budget plan so that the CSU can focus on the transformational goals of Graduation Initiative 2025 while continuing to invest in enrollment growth, faculty and staff salary increases, and important infrastructure needs.

Recommendation

The following resolution is presented for approval:

RESOLVED, that the Board of Trustees of the California State University acknowledges and expresses its appreciation to the governor and legislature for their increased budget support; and be it further

RESOLVED, that the Board of Trustees understands there are numerous competing interests for budgetary support given the fiscal constraints and competing policy priorities under which California continues to operate; and be it further

Finance
Agenda Item 5
November 13-14, 2018
Page 5 of 5

RESOLVED, that the future of California rests on CSU's ability to provide a high-quality, affordable, and accessible education to hundreds of thousands of students; and be it further

RESOLVED, by the Board of Trustees that the proposed CSU 2019-2020 Operating Budget Request is approved as submitted by the chancellor; and be it further

RESOLVED, that the chancellor is authorized to adjust and amend this budget to reflect changes in the assumptions upon which this budget is based, and that any changes made by the chancellor be communicated promptly to the trustees; and be it further

RESOLVED, that copies of this resolution be transmitted to the governor, to the director of the Department of Finance, and to the legislature.

SAN DIEGO STATE UNIVERSITY
2018/19 Revenue Estimates
As of November 15, 2018

| | | <u>2017/18</u> | <u>2017/18</u> | <u>Over/(Under)</u> | <u>%</u> | <u>2018/19</u> | <u>2018/19</u> | <u>2018/19</u> | <u>Over/(Under)</u> | <u>%</u> |
|----|--|---------------------|---------------------|---------------------|---------------|---------------------|---------------------|----------------------------------|---------------------|---------------|
| | | <u>Budget</u> | <u>Actual</u> | <u>Budget</u> | <u>Budget</u> | <u>Budget</u> | <u>Year to Date</u> | <u>Term End</u> | <u>Budget</u> | <u>Budget</u> |
| | | | | | | | <u>11/8/2018</u> | <u>Estimate</u> | | |
| 3 | <u>Basic Tuition Fee - Resident</u> | | | | | | | | | |
| 4 | Summer | 7,571,000 | 9,031,985 | 1,460,985 | 19.30% | 9,527,000 | 10,075,523 | 10,075,523 ^[2] | 548,523 | 5.76% |
| 5 | Fall | 78,130,000 | 79,657,717 | 1,527,717 | 1.96% | 78,201,000 | 76,331,799 | 78,764,143 ^[3] | 563,143 | 0.72% |
| 6 | Spring | <u>71,823,000</u> | <u>73,281,017</u> | <u>1,458,017</u> | <u>2.03%</u> | <u>72,332,000</u> | | <u>72,332,000</u> ^[4] | <u>0</u> | <u>0.00%</u> |
| 7 | Sub-Total Basic Tuition - Resident | 157,524,000 | 161,970,718 | 4,446,718 | 2.82% | 160,060,000 | 86,407,322 | 161,171,665 | 1,111,665 | 0.69% |
| 8 | Tuition Fee Discounts ^[1] | <u>(43,657,800)</u> | <u>(43,657,800)</u> | <u>0</u> | <u>0.00%</u> | <u>(41,975,000)</u> | <u>(41,975,000)</u> | <u>(41,975,000)</u> | <u>0</u> | <u>0.00%</u> |
| 9 | Net Basic Tuition - Resident | 113,866,200 | 118,312,918 | 4,446,718 | 3.91% | 118,085,000 | 44,432,322 | 119,196,665 | 1,111,665 | 0.94% |
| 10 | | | | | | | | | | |
| 11 | | | | | | | | | | |
| 12 | <u>Basic Tuition Fee - Non-Resident</u> | | | | | | | | | |
| 13 | Summer | 1,009,000 | 1,885,429 | 876,429 | 86.86% | 1,265,000 | 2,026,685 | 2,026,685 ^[2] | 761,685 | 60.21% |
| 14 | Fall | 8,776,000 | 13,135,568 | 4,359,568 | 49.68% | 8,779,000 | 13,035,971 | 13,314,108 ^[3] | 4,535,108 | 51.66% |
| 15 | Spring | <u>7,915,000</u> | <u>11,901,919</u> | <u>3,986,919</u> | <u>50.37%</u> | <u>7,924,000</u> | | <u>7,924,000</u> ^[4] | <u>0</u> | <u>0.00%</u> |
| 16 | Sub-Total Basic Tuition - Non-Resident | 17,700,000 | 26,922,915 | 9,222,915 | 52.11% | 17,968,000 | 15,062,656 | 23,264,794 | 5,296,794 | 29.48% |
| 17 | | | | | | | | | | |
| 18 | | | | | | | | | | |
| 19 | <u>Out-of-State Tuition</u> | | | | | | | | | |
| 20 | Summer | 508,000 | 1,125,083 | 617,083 | 121.47% | 784,000 | 1,361,090 | 1,361,090 ^[2] | 577,090 | 73.61% |
| 21 | Fall | 9,221,000 | 14,612,937 | 5,391,937 | 58.47% | 10,773,000 | 15,734,208 | 16,011,658 ^[3] | 5,238,658 | 48.63% |
| 22 | Spring | <u>8,293,000</u> | <u>13,197,923</u> | <u>4,904,923</u> | <u>59.15%</u> | <u>9,669,000</u> | | <u>9,669,000</u> ^[4] | <u>0</u> | <u>0.00%</u> |
| 23 | Sub-Total Out-of-State Tuition | 18,022,000 | 28,935,943 | 10,913,943 | 60.56% | 21,226,000 | 17,095,298 | 27,041,748 | 5,815,748 | 27.40% |
| 24 | | | | | | | | | | |
| 25 | | | | | | | | | | |
| 26 | <u>International Tuition</u> | | | | | | | | | |
| 27 | Summer | 757,000 | 1,516,474 | 759,474 | 100.33% | 1,042,000 | 1,557,414 | 1,557,414 ^[2] | 515,414 | 49.46% |
| 28 | Fall | 6,829,000 | 10,567,646 | 3,738,646 | 54.75% | 7,311,000 | 7,595,813 | 10,076,620 ^[3] | 2,765,620 | 37.83% |
| 29 | Spring | <u>6,252,000</u> | <u>9,629,238</u> | <u>3,377,238</u> | <u>54.02%</u> | <u>6,730,000</u> | | <u>6,730,000</u> ^[4] | <u>0</u> | <u>0.00%</u> |
| 30 | Sub-Total International Tuition | 13,838,000 | 21,713,357 | 7,875,357 | 56.91% | 15,083,000 | 9,153,227 | 18,364,034 | 3,281,034 | 21.75% |
| 31 | | | | | | | | | | |
| 32 | | | | | | | | | | |
| 33 | TOTAL TUITION | 163,426,200 | 195,885,134 | 32,458,934 | 19.86% | 172,362,000 | 85,743,503 | 187,867,241 | 15,505,241 | 9.00% |
| 34 | | | | | | | | | | |
| 35 | | | | | | | | | | |
| 36 | Application Fee | 2,294,000 | 4,013,680 | 1,719,680 | 74.96% | 2,294,000 | 0 | 2,294,000 ^[4] | 0 | 0.00% |
| 37 | | | | | | | | | | |
| 38 | TOTAL APPLICATION FEE | 2,294,000 | 4,013,680 | 1,719,680 | 74.96% | 2,294,000 | 0 | 2,294,000 | 0 | 0.00% |
| 39 | | | | | | | | | | |
| 40 | | | | | | | | | | |
| 41 | TOTAL | 165,720,200 | 199,898,814 | 34,178,614 | 20.62% | 174,656,000 | 85,743,503 | 190,161,241 | 15,505,241 | 8.88% |

[1] Tuition fee discounts includes State University Grant and other tuition fee discounts.

[2] Term estimates are based on actual revenues.

[3] Term estimates are based on SAS Enrollment Report as of 11/8/2018 discounted based on prior year waiver/collections experience.

[4] Term and Application fee estimates are based on budgeted revenues.

Base Budget Reserve ^[a]

| | | | |
|----|--|--|---------------------|
| 1 | 2018/19 Beginning Base Budget Reserve Balance | | 1,341,048 |
| 2 | | BL Allocations | 16,641,200 |
| 3 | | BL Mandatory Costs | (12,263,200) |
| 4 | | Campus Revenue Adjustments | 6,753,000 |
| 5 | 2018/19 Base Budget Reserve | | 12,472,048 |
| 9 | | | |
| 10 | 2018/19 Approved Base Funding Requests | | |
| 11 | | | |
| 14 | President's Office | | |
| 15 | | Executive Assistant to the President and Office Manager PBAC 5/10/2018 | (67,000) |
| 16 | | Presidential Speechwriter/Presidential Communications Director PBAC 5/10/2018 | (210,000) |
| 17 | | Travel PBAC 5/10/2018 | (5,250) |
| 18 | | Support the Aztec Identity Governing Authority PBAC 5/10/2018 | (200,000) |
| 19 | Academic Affairs | | |
| 20 | | Tenure-Track Faculty Hiring PBAC 5/10/2018 | (1,250,000) |
| 21 | | Tenure and Promotion PBAC 5/10/2018 | (339,822) |
| 22 | | Library Funding PBAC 5/10/2018 | (100,000) |
| 23 | | IVC Operational Budget PBAC 5/10/2018 | (20,000) |
| 24 | | University Graduate Fellowship (UGF) PBAC 5/10/2018 | (500,000) |
| 25 | | AVP IT PBAC 5/10/2018 | (125,000) |
| 26 | | Accountant PBAC 5/10/2018 | (112,500) |
| 27 | | 2017-18 Enrollment Growth (2778 FTES) - multi-year plan to fund base FTES PBAC 5/10/2018 | (1,000,000) |
| 49 | | AVP for Faculty Diversity and Inclusion (AVP FDI) Position PBAC 9/27/2018 | (276,006) |
| 28 | Student Affairs | | |
| 29 | | Economic Crisis Response Team (ECRT) - Coordinator (SSP II) PBAC 5/10/2018 | (75,218) |
| 30 | | University Judicial Officer (SSP III) PBAC 5/10/2018 | (81,966) |
| 31 | | Educational Opportunity Program (EOP) @ Imperial Valley Campus PBAC 5/10/2018 | (30,000) |
| 32 | Business & Financial Affairs | | |
| 33 | | Facilities Services – Custodians (restrooms) PBAC 5/10/2018 | (325,000) |
| 34 | | University Police – Administrative Lieutenant PBAC 5/10/2018 | (197,000) |
| 35 | University Relations & Development | | |
| 36 | | Development Officer, Diversity Prospect Development PBAC 5/10/2018 | (37,500) |

Base Budget Reserve [a]

| | | | |
|----|--|--|---------------------------|
| 37 | Institutional | | |
| 38 | | Red & Black Shuttle PBAC 5/10/2018 | (163,340) |
| 39 | | EIS – Maintenance to APPA Level 3 PBAC 5/10/2018 | (61,000) |
| 40 | | EIS – Maintenance to APPA Level 2 PBAC 5/10/2018 | (185,500) |
| 41 | | EIS –Meeting Space Support Technician PBAC 5/10/2018 | (42,500) |
| 42 | | University Lease Payments PBAC 5/10/2018 | (165,000) |
| 43 | | Staff Positions PBAC 5/10/2018 | (300,000) |
| 44 | Subtotal 2018/19 Approved Base Budget Funding Requests | | <u>(5,869,602)</u> |
| 45 | | | |
| 46 | 2018/19 PENDING Base Funding Requests | | |
| 47 | | | |
| 66 | | | |
| 67 | SubTotal 2018/19 PENDING Base Funding Requests | | <u>0</u> |
| 68 | | | |
| 69 | 2018/19 Estimated Base Budget Reserve Balance | | <u>6,602,446</u> |
| 70 | | | |
| 71 | | 2018/19 Target Unallocated Base Budget Reserve | (4,000,000) |
| 72 | 2018/19 Estimated Base Funding Available for Investment in the University | | <u>2,602,446</u> |

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

One-Time Reserve ^[a]

| | | | | |
|----|--|---|----------------|--------------------|
| 1 | 2018/19 Beginning One-Time Reserve Balance | | | 20,067,887 |
| 2 | | 2018/19 Target Unallocated One-Time Budget Reserve | | (8,000,000) |
| 3 | 2018/19 One-Time Funding Available for Investment in the University | | | 12,067,887 |
| 4 | | | | |
| 5 | 2018/19 Approved One-Time Funding Requests | | | |
| 6 | | | | |
| 7 | President's Office | | | |
| 8 | | Creation of Garden - "Building Bridges" | PBAC 5/10/2018 | (250,000) |
| 9 | | Est. Relocation Cost for New President and Staff | PBAC 5/10/2018 | (50,000) |
| 10 | Academic Affairs | | | |
| 11 | | Start-Up Funds for New TT Faculty | PBAC 5/10/2018 | (2,100,000) |
| 12 | | Summer Smart Technology Upgrades | PBAC 5/10/2018 | (500,000) |
| 13 | | Software and Database | PBAC 5/10/2018 | (550,000) |
| 14 | | Provost Milestone Award | PBAC 5/10/2018 | (100,000) |
| 15 | | Visiting Scholars | PBAC 5/10/2018 | (75,000) |
| 16 | | 2017-18 Enrollment Growth (2778 FTES) - 50% of 1x funding; balance to be funded in Fall | PBAC 5/10/2018 | (2,498,977) |
| 17 | | Student Support in Instruction | PBAC 5/10/2018 | (1,000,000) |
| 18 | | Instructional Equipment | PBAC 5/10/2018 | (3,040,655) |
| 19 | | Cover Costs of Enrollment and Academic Support (2 years of \$1.25M) | PBAC 5/10/2018 | (2,500,000) |
| 20 | | Social and Economic Vulnerabilities Initiative (3 years of \$51,560) | PBAC 5/10/2018 | (154,680) |
| 49 | | Summer Enrollment Growth Incentive Program | PBAC 9/27/18 | (273,600) |
| 21 | Student Affairs | | | |
| 22 | | Student Organization Conflict & Identity Awareness (SOCIA) | PBAC 5/10/2018 | (200,000) |
| 23 | | ADA Mandatory Accommodations | PBAC 5/10/2018 | (35,000) |
| 24 | | Black Resource Center - Infrastructure | PBAC 5/10/2018 | (44,501) |
| 25 | Business & Financial Affairs | | | |
| 26 | | Project Manager | PBAC 5/10/2018 | (180,000) |
| 27 | | Athletics – Baseball Warning Track | PBAC 5/10/2018 | (175,000) |
| 28 | | Athletics – Aztecs Going Pro & Nutrition | PBAC 5/10/2018 | (50,000) |
| 29 | University Relations & Development | | | |
| 30 | | | | |

One-Time Reserve ^[a]

| | | | |
|----|--|--|---------------------|
| 31 | Institutional | | |
| 32 | | Staff Professional Development PBAC 5/10/2018 | (250,000) |
| 33 | | ECCC PBAC 5/10/2018 | (500,000) |
| 34 | | Tennis Court Resurface PBAC 5/10/2018 | (80,000) |
| 35 | | Red & Black Shuttle PBAC 5/10/2018 | (240,040) |
| 36 | | Worker's Compensation Insurance Premium PBAC 5/10/2018 | (700,000) |
| 37 | | SDSU Home Page PBAC 5/10/2018 | (150,000) |
| 38 | | Painting PBAC 5/10/2018 | (500,000) |
| 39 | | Master Plan - EIR Mitigation PBAC 5/10/2018 | (2,200,000) |
| 40 | | Deep Cleaning in Classroom/Office PBAC 5/10/2018 | (500,000) |
| 41 | | Bridge Loan due to Early Registration PBAC 5/10/2018 | (860,000) |
| 42 | | Centennial Paver Repair PBAC 5/10/2018 | (1,000,000) |
| 43 | | SDSU Research Foundation PBAC 5/10/2018 | (750,000) |
| 44 | SubTotal 2018/19 Approved One-Time Funding Requests | | (21,507,453) |
| 45 | | | |
| 46 | 2018/19 PENDING One-Time Funding Requests | | |
| 47 | | | |
| 50 | | | |
| 73 | SubTotal 2018/19 PENDING One-Time Funding Requests | | 0 |
| 74 | | | |
| 75 | 2018/19 Funding Sources [b] | | |
| 76 | | | |
| 77 | B 2018-03 Enrollment Allocation | | 1,155,000 |
| 78 | Estimated Tuition and Fee Revenues over Budget (Sum/Fall Only) | | 15,505,241 |
| 79 | Estimated Tuition and Fee Revenues over Budget (Spring/Application Only) | | |
| 80 | Estimated One-Time Carry-forward of Base Budget Reserve ^[c] | | 6,602,446 |
| 81 | | | |
| 82 | 2018/19 Estimated One-Time Reserve Balance | | 21,823,121 |
| 83 | | 2018/19 Target Unallocated One-Time Budget Reserve | (8,000,000) |
| 84 | 2018/19 Estimated One-Time Funding Available for Investment in the University | | 13,823,121 |

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

[b] Additional \$5M held for 2017/18 funding gap as approved by PBAC on 2/16/2017.

[c] Carry-forward of base budget reserve will be reduce as base funds are allocated.

SDSU Multi-Year Budget Plan - BASE

| | | 2014/15 | 2015/16 | 2016/17 (B 2016-02) | 2017/18 (B 2017-05) | 2018/19 (B 2018-02) |
|----|---|------------------|-------------------|------------------------|------------------------|------------------------|
| 1 | <u>Institutional Base Reserve</u> | | | | | |
| 2 | Beginning Balance: | 4,236,929 | 2,675,762 | 5,200,077 | 1,588,256 | 1,341,048 |
| 3 | New Resources: | | | | | |
| 4 | Tuition Rollback/Buyback | | | | | |
| 5 | GF Base adjustments | 1,612,400 | 8,093,800 | 4,134,000 | 10,596,000 | 16,641,200 |
| 6 | GF Base Compensation (15/16) - Faculty (2% each year) | | | 2,424,000 | | |
| 7 | GF Base Compensation (16/17) - Faculty (2% each year) | | | 2,537,000 | | |
| 8 | Est. Compensation Costs - Faculty (7%) | | | (9,100,000) | | |
| 9 | GF Base Compensation (16/17) - Staff/Mgmt (2%) | | | 2,593,000 | | |
| 10 | Est. Compensation Costs - Staff/Mgmt (3%) | | | (4,035,000) | | |
| 11 | Est. Compensation Costs | | | | (14,392,000) | (8,634,000) |
| 12 | Adjust Compensation Pool for Projected vs Actual Bargained Increases | | | | 2,500,000 | |
| 13 | Student Success & Completion Initiatives (GF allocation) | | 982,000 | 120,000 | | |
| 14 | Enrollment Growth funding | 836,000 | 3,104,000 | 2,068,000 | | |
| 15 | GF tuition fee discount adjustment based on campus relative student need | | (155,000) | (96,000) | | |
| 16 | Basic Tuition Revenue (net of SUG tuition discounts)/Non-Resident Tuition | 5,148,100 | 3,903,800 | 3,268,000 | 11,459,000 | 6,753,000 |
| 17 | Est. Mandatory Costs | (2,718,500) | (8,093,800) | (4,134,000) | (2,954,000) | (3,629,200) |
| 18 | Est. Multi-Year Commitments [a] | (225,200) | - | - | | |
| 19 | Subtotal New Resources: | 4,652,800 | 7,834,800 | (221,000) | 7,209,000 | 11,131,000 |
| 20 | Subtotal Beginning Balance/New Resources: | 8,889,729 | 10,510,562 | 4,979,077 | 8,797,256 | 12,472,048 |

SDSU Multi-Year Budget Plan - BASE

| | | | | | | |
|----|-----------------------------------|---|--------------------|--------------------|--------------------|--------------------|
| 21 | PBAC Allocations: | | | | | |
| 22 | | Divisional Allocation | | | | |
| 23 | | University Non-Divisional Reduction | | | | |
| 24 | | PRES Strategic Initiatives | | | | (200,000) |
| 25 | | PRES Critical Support Needs | | (10,000) | | (282,250) |
| 26 | | AA Strategic Initiatives | (803,528) | (1,096,706) | (2,180,017) | (1,999,055) |
| 27 | | AA Critical Support Needs | (668,768) | (720,718) | (118,000) | (1,536,000) |
| 28 | | SA Strategic Initiatives | (264,588) | (291,056) | (203,646) | (407,167) |
| 29 | | SA Critical Support Needs | (25,000) | - | | - |
| 30 | | BFA Strategic Initiatives | (20,000) | (140,000) | (75,000) | (136,500) |
| 31 | | BFA Critical Support Needs | (433,013) | (602,500) | (599,158) | (620,160) |
| 32 | | URD Strategic Initiatives | (97,240) | (200,000) | (100,000) | (200,000) |
| 33 | | URD Critical Support Needs | (301,800) | - | | - |
| 34 | | Instit Strategic Initiatives | | | (105,000) | (82,188) |
| 35 | | Instit Critical Support Needs | | (107,400) | | - |
| 36 | | Encumbered for 2014/15 AA Faculty hires | | | | (917,340) |
| 37 | | Encumbered for 2015/16 AA Faculty hires | (2,300,030) | | | |
| 38 | | 4/16/15 PBAC Allocation | (1,300,000) | | | |
| 39 | | 11/19/15 PBAC Allocation | | (652,105) | | |
| 40 | | 11/19/15 PBAC Allocation Encumbered for 2017/18 (was 2016/17) Faculty hires | | (1,500,000) | | |
| 41 | | 1/18/2018 PBAC Allocation | | | | (2,475,138) |
| 42 | | 9/27/2018 PBAC Allocation | | | | (276,006) |
| 43 | Subtotal PBAC Allocations: | | (6,213,967) | (5,310,485) | (3,390,821) | (7,456,208) |
| 44 | | | | | | (5,869,602) |
| 45 | | Unallocated Base Reserve | 2,675,762 | 5,200,077 | 1,588,256 | 1,341,048 |
| 46 | | | | | | 6,602,446 |
| 47 | | Target Unallocated Base Reserve | | (4,000,000) | (4,000,000) | (4,000,000) |
| 48 | | Base Funding Surplus/(Deficit) from Target Reserve | | 1,200,077 | (2,411,744) | (2,658,952) |
| | | | | | | 2,602,446 |

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

SDSU Multi-Year Budget Plan - ONE-TIME

| | | 2014/15 | 2015/16 | 2016/17 (B 2016-02) | 2017/18 (B 2017-05) | 2018/19 (B 2018-02) |
|----|--|-------------------|-------------------|------------------------|------------------------|------------------------|
| 1 | <u>Institutional One-time Reserve</u> | | | | | |
| 2 | <u>Beginning Balance:</u> | 10,844,769 | 9,065,498 | 9,986,199 | 15,337,595 | 20,067,887 |
| 3 | <u>New Resources:</u> | | | | | |
| 4 | Unallocated Institutional Base Reserve [b] | 2,675,762 | 5,200,077 | 1,588,256 | 1,341,048 | 6,602,446 |
| 5 | Encumbered for Future Year AA Faculty hires - available for 1-time use in Current Year | 2,300,030 | 1,500,000 | 1,500,000 | - | - |
| 6 | GF Base Compensation (15/16) withheld by CO - Faculty (2%) | | | 2,424,000 | | |
| 7 | Student Success & Completion/Graduation Initiatives | | | 254,000 | 744,000 | |
| 8 | AA GI 2025 allocation (course sections, advising, data-informed decisions) | | | | (744,000) | |
| 9 | 2016/17 Student Success (\$35M CSU) | | | 1,650,000 | | |
| 10 | Est. Fee Revenues over Budget (Sum/Fall) | 21,566,615 | 13,910,518 | 15,248,090 | 18,731,838 | 15,505,241 |
| 11 | Est. Fee Revenues over Budget (Spr/application) | | 12,668,170 | 14,934,851 | 15,446,776 | |
| 12 | 1x compensation from CO | | | | 3,456,000 | |
| 13 | B 2018-03 Enrollment Allocation | | | | | 1,155,000 |
| 14 | <u>Subtotal New Resources:</u> | 26,542,407 | 33,278,765 | 37,599,197 | 38,975,662 | 23,262,687 |
| 15 | <u>Subtotal Beginning Balance/New Resources:</u> | 37,387,176 | 42,344,263 | 47,585,396 | 54,313,257 | 43,330,574 |

SDSU Multi-Year Budget Plan - ONE-TIME

| | | | | | | | |
|----|-----------------------------------|--|---------------------|---------------------|---------------------|---------------------|---------------------|
| 16 | PBAC Allocations: | | | | | | |
| 17 | | Divisional Allocation | | | | | |
| 18 | | PRES Strategic Initiatives | | | | (250,000) | |
| 19 | | PRES Critical Support Needs | | | | (50,000) | |
| 20 | | AA Strategic Initiatives | (850,000) | (3,391,000) | (10,349,600) | (6,544,000) | (3,325,000) |
| 21 | | AA Critical Support Needs | (3,118,428) | (4,169,032) | (4,679,508) | (4,803,700) | (9,194,312) |
| 22 | | SA Strategic Initiatives | (137,810) | (451,000) | (1,530,749) | (1,300,000) | (200,000) |
| 23 | | SA Critical Support Needs | | - | | (208,000) | (79,501) |
| 24 | | BFA Strategic Initiatives | (380,000) | (38,000) | (5,000) | - | |
| 25 | | BFA Critical Support Needs | (500,000) | (218,732) | (103,000) | (390,000) | (405,000) |
| 26 | | URD Strategic Initiatives | (595,000) | (450,000) | (300,000) | (100,000) | |
| 27 | | URD Critical Support Needs | | - | | - | |
| 28 | | Instit Strategic Initiatives | (1,250,000) | (1,250,000) | (1,250,000) | (750,000) | (750,000) |
| 29 | | Instit Critical Support Needs | (1,777,000) | (1,900,000) | (2,430,000) | (5,365,000) | (6,980,040) |
| 30 | | Encumbered for 2015/16 AA faculty start-up | (2,240,000) | | | | |
| 31 | | Encumbered for 2016/17 AA faculty start-up | | (1,617,000) | | | |
| 32 | | 10/16/14 PBAC Allocation | (3,043,440) | | | | |
| 33 | | 12/11/14 PBAC Allocation | (5,075,000) | | | | |
| 34 | | 2/12/15 PBAC Allocation | (855,000) | | | | |
| 35 | | 4/16/15 PBAC Allocation | (8,500,000) | | | | |
| 36 | | 11/19/15 PBAC Allocation | | (10,531,500) | | | |
| 37 | | 2/25/16 PBAC Allocation | | (6,220,000) | | | |
| 38 | | 4/14/16 PBAC Allocation | | (2,121,800) | | | |
| 39 | | 2/16/17 PBAC Allocation | | | (5,402,059) | | |
| 40 | | <i>2/16/17 PBAC Allocation - HOLD for 17/18 Funding Gap</i> | | | (5,000,000) | | |
| 41 | | 4/13/17 PBAC Allocation | | | (1,300,000) | | |
| 42 | | Project Balances for Completed PBAC Projects | | | 102,115 | 13,330 | |
| 43 | | 1/18/2018 PBAC Allocation | | | | (2,520,000) | |
| 44 | | 2/15/2018 PBAC Allocation | | | | (12,278,000) | |
| 45 | | 9/27/2018 PBAC Allocation | | | | | (273,600) |
| 46 | Subtotal PBAC Allocations: | | (28,321,678) | (32,358,064) | (32,247,801) | (34,245,370) | (21,507,453) |
| 47 | | | | | | | |
| 48 | | Unallocated One-Time Reserve | 9,065,498 | 9,986,199 | 15,337,595 | 20,067,887 | 21,823,121 |
| 49 | | | | | | | |
| 50 | | Target Unallocated One-Time Reserve | | (8,000,000) | (8,000,000) | (8,000,000) | (8,000,000) |
| 51 | | Est. One-Time Funding Surplus/(Deficit) from Target Reserve | | 1,986,199 | 7,337,595 | 12,067,887 | 13,823,121 |

[b] Carry-forward of base budget reserve will be reduce as base funds are allocated.