San Francisco State University
We Make Great Things Happen
Fiscal Year 2015/16

November 2015 University Budget Committee
Summary of the Governor’s 2015/16 Budget
Summary of the Governor’s 2015/16 State Budget

Budget Highlights

- $115 billion spending plan and $3.5 billion in reserve
- Advances multi-year budget plan expected to remain balanced in future years
- State revenues forecasted to increase
- Continue its reinvestment in education
  - Increase in Prop 98 Funding, $7.6 billion, total budget $68.4 billion
  - Funding increase for CSU and UC
  - Increase Cal Grant funding
  - Awards for Innovation
- Increase spending commitment due to the expansion of Medi-Cal under the Affordable Care Act
- Funding for drought related expenditures
Budget Highlights

- Retirement Costs:
  - CalPERS – Increase in retirement costs
  - CalSTRS – New funding formula, shared responsibility among state, school districts and teachers

- Rainy Day/Reserve Fund: Constitutional amendment to strengthen reserve fund

- Pay-Down Wall of Debt: maybe eliminated by 2017-18

- Spending Triggers

- The state’s current fiscal condition continues to improve, however it requires fiscal restraint
Summary of the Governor’s 2015/16 State Budget

Risks Remain

- Budget assumes continuing modest economic expansion, however, all economic expansion don’t last forever
- Long-Term Liabilities: State continues to address other long-term costs pressures, debts, and liabilities
- Capital Gains: State has benefited from a modestly improved economy over the last few years with markets performing better than expected
- Sunset of temporary sales and incomes taxes (Prop 30, Governor’s tax initiative)
- Drought will likely affect California’s agricultural sector
- World events will affect the fiscal outlook of California
Governor’s Budget Act
2015/16 General Fund Revenue Sources

(Dollars in Millions)

Total: $116.9 Billion
Governor’s Budget Act
2015/16 General Fund Expenditures by Agency

(Dollars in Millions)

- Legislative, Judicial, Executive: $3,158 (3%)
- Natural Resources: $2,479 (2%)
- K-12 Education: $49,373 (43%)
- Health and Human Services: $31,867 (27%)
- Higher Education: $14,200 (12%)
- Corrections and Rehabilitation: $10,078 (9%)
- Other: $4,214 (4%)
- Total: $115.4 Billion
Fiscal Year 2015/16
California State University
Budget Summary
November 2015
University Budget Committee
Governor’s Budget Act
2015/16 California State University Budget

Budget Highlights

- $216.5 million based funding, part of the Governor’s multi-year funding plan
- Shift general obligation and lease revenue bond debt-service into CSU’s budget
- Student success remains a major priority:
  - Improving graduation rates
  - Increasing the number of transfer students from community colleges
  - Increasing the number of degrees completed

Other Budget Items

- $25M Deferred Maintenance (one-time)
- California Dream Loan Program
- College Preparation Partnership Pilot Program
- Report on Graduation Factors
- Academic Sustainability Plan
- Awards for Innovation in Higher Education
## 2015/16 Support Budget

(Dollars in Millions)

<table>
<thead>
<tr>
<th>Category</th>
<th>Original</th>
<th>Final</th>
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<tbody>
<tr>
<td>3% Enrollment Growth (10,400 FTES)</td>
<td>$ 37.9</td>
<td>$ 103.2</td>
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<tr>
<td>Student Success and Completion</td>
<td>0</td>
<td>$ 38.0</td>
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<tr>
<td>Mandatory Costs Increase (health benefits, space)</td>
<td>$ 23.1</td>
<td>$ 23.1</td>
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<tr>
<td>2% Compensation Increase</td>
<td>$ 65.5</td>
<td>$ 65.5</td>
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<tr>
<td>Information Technology Renewal</td>
<td>0</td>
<td>$ 14.0</td>
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<tr>
<td>Academic Facilities &amp; Infrastructure Needs</td>
<td>0</td>
<td>$ 25.0</td>
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<tr>
<td>Center for California Studies</td>
<td>0</td>
<td>$ 0.2</td>
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<tr>
<td>System Wide Initiatives</td>
<td>$ 14.6</td>
<td>0</td>
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<tr>
<td><strong>Total Budget Plan Increase in Expenditures</strong></td>
<td><strong>$ 141.1</strong></td>
<td><strong>$ 269.0</strong></td>
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<tr>
<td>Tuition Fee Revenues Generated by 3% Enrollment Growth</td>
<td>($ 21.6)</td>
<td>($ 52.5)</td>
</tr>
<tr>
<td><strong>Total Budget Increase in State Support</strong></td>
<td><strong>$ 119.5</strong></td>
<td><strong>$ 216.5</strong></td>
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</table>

- An additional $97 million was added from the Governor's original Multi-Year Funding Plan of $119.5 million (5544 Plan).
Projected CSU General Fund Budget with Governor’s Assumptions

<table>
<thead>
<tr>
<th>Year</th>
<th>Billions</th>
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<tbody>
<tr>
<td>2011/12</td>
<td>$2.0</td>
</tr>
<tr>
<td>2012/13</td>
<td>$2.1</td>
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<td>2013/14</td>
<td>$2.3</td>
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<tr>
<td>2014/15</td>
<td>$142.2M</td>
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<tr>
<td>2015/16</td>
<td>$119.5M, 8%</td>
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<tr>
<td>2016/17</td>
<td>$124.3M, 4%</td>
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</table>

*In 2014-2015 bond debt service included in General Fund appropriation*
Fiscal Year 2015/16
San Francisco State University
Budget Summary
November 2015
University Budget Committee
The campus budget consists of multiple components that are administered as separate budgets due to the nature of their funding and restrictions:

- General (Operating) Fund
- Self-Support/Enterprise Fund
- Auxiliaries

Total: $446.3 Million
Other Notable Budget Changes Affecting SFSU

- $2.0 million set aside for Student Success and Completion
- Successful Summer enrollment program
- Successfully implemented a balanced budget plan
- Anticipated enrollment growth of 2%
- Successful groundbreaking of Mashouf Wellness Center
SF State Fiscal Year 2015/16 General Fund Revenue Budget

- Tuition Fee Revenues: $126.9M (37.5%)
- General Fund Allocation: $142.7M (42.2%)
- Release from Carry Forward: $3.6M (1.1%)
- Financial Aid (Tuition Fee Discount/SUG): $47.8M (14.1%)
- Other Fee Revenues: $15.7M (4.7%)
- Additional Allocation, CPO & BTR: $1.3M (0.4%)

Total: $338.0 Million
# State Appropriation Funding
## Fiscal Year 2015/16

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
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<tr>
<td><strong>2014-15 General Fund Base</strong></td>
<td>FTES 23,351</td>
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<tr>
<td></td>
<td>$ 131,532,859</td>
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<tr>
<td><strong>2015-16 Funding</strong></td>
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<tr>
<td>Retirement Rate Increase Adjustment</td>
<td>4,555,000</td>
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<td>Health Benefit Rates Adjustment</td>
<td>732,000</td>
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<tr>
<td>Student Access and Success Funding</td>
<td>1,002,000</td>
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<tr>
<td>2014-15 GSI 3% Compensation Increase/Cost</td>
<td>81,000</td>
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<tr>
<td>2015-16 GSI 2% Compensation Increase/Cost</td>
<td>2,085,000</td>
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<tr>
<td>Enrollment Growth net of Financial Aid (+485 FTES/2%)</td>
<td>2,722,000</td>
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<tr>
<td><strong>Total 2015-16 Funding</strong></td>
<td>$ 11,177,000</td>
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<tr>
<td><strong>2015-16 General Fund Base Allocation</strong></td>
<td>FTES 23,836</td>
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<td>$ 142,709,859</td>
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San Francisco State University
Expenditure Requirement Changes (Pass Through)

FY 2014/15 PERS Retirement Rate Increases $4.6M

2015/16 Compensation $2.1M

Health Benefits Rate Increase $0.7M

Expenditure Requirement Changes Total: $7.4M
Budgeted Tuition Fee Revenue

- Summer - State University Fee: $9,371,000 (5%)
- Non-Resident Fee: $16,769,000 (10%)
- Fall - State University Fee: $76,552,000 (44%)
- Spring - State University Fee: $71,987,000 (41%)

Total: $174.7 Million
FTE/ Actual Comparison

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<thead>
<tr>
<th>Year</th>
<th>FTE Target</th>
<th>FTE Actual</th>
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<tr>
<td>FY 2009/10</td>
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<td>FY 2010/11</td>
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<td>FY 2013/14</td>
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<td>FY 2014/15</td>
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<tr>
<td>FY 2015/16</td>
<td>23.8</td>
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Fiscal Year 2015/16 General Fund Budget by Cabinet

Total: $338.0 Million
San Francisco State University

University Wide Expenditures

- Compensation: $2.1M
- Operating Expenses: $5.5M
- Benefits: $85.1M
- Financial Aid (SUG): $47.8M
- Risk Pool: $5.0M
- Utilities: $5.2M

University Wide Expenditures Total: $150.7M
Operating Budget by Expenditure Categories
Fiscal Year 2015/16

- **Salaries**: $173.0M (51.2%)
- **Utilities**: $5.2M (1.5%)
- **Risk Pool**: $5.0M (1.5%)
- **Financial Aid (Tuition Fee Discount/SUG)**: $47.8M (14.1%)
- **Operating Expenses**: $21.9M (6.5%)
- **Benefits**: $85.1M (25.2%)

Total: $338.0 Million
Mashouf Wellness Center Project Summary

- Cabinet: Student Affairs & Enrollment Management
- Duration: 8/1/2015-9/1/2018
- Anticipated Cost: $86,487,000
- Square Feet: 118,700
- Contractor: CW Driver
- Project Manager: CPDC
SFSU Capital Projects Funded by Chancellor's Office
FY 2015-16

- Allocation New Facilities/Infrastructure: $56,800
- Allocation Critical Infrastructure/Deficiencies: $12,599
- Allocation Modernization/Renovation: $1,704
- Allocation Deferred Maintenance: $4,636

Total: $76.0 million
Self Support Budgets
Fiscal Year 2015/16

- Continuing Education: $19,129,419 (21.9%)
- Athletics: $3,410,544 (3.9%)
- Parking & Transportation: $2,665,916 (3.1%)
- Student Health Services: $12,040,898 (13.8%)
- Campus Recreation: $692,152 (0.8%)
- Housing: $49,424,839 (56.6%)

Total: $87.4 Million
San Francisco State University

- Three Pronged Approach

- $2.4 Million: 3% Reduction to Non-Faculty Salaries
- $3.6 Million: One-Time Trust Fund Allocations
- $1.5 Million: Cost Allocation Plan Reimbursement