

San Francisco State University 2012-13 Budget Update

September 2012

Budget Administration & Operations



SF STATE

State Budget 2012-13

- **Governor's Budget closes a \$15.7 Billion Gap**
 - Solutions total \$16.7 Billion which include \$1 Billion in reserve
 - \$ 8.1 Billion Expenditure Reductions
 - \$ 3.0 Billion Other Revenues and Fund Shifts
 - \$ 5.6 Billion Temporary Taxes (Governor's Tax Initiative)

- Budget relies on the passage of the Governor's Tax Initiative

- Tax Initiatives on the November ballot
 - **Governor's Tax Initiative (Proposition 30)**
 - Increase taxes on higher income taxpayers for seven years and increase state sales tax by 0.25 percentage points for four years

 - **Munger Tax Initiative (Proposition 38)**
 - Raise state income tax for 12 years on ALL but the poorest earners along a sliding scale (greatest burden falling on the wealthiest)

- **What Happens if Voters Approve Both?**
 - State Constitution states that the measure receiving more "Yes" votes prevails and the other would not go into effect

Summary of Governor's 2012-13 Budget for the CSU

Long-term Budget Plan for Higher Education (CSU & UC): *NOT adopted*

Incorporation of Debt Service into University Budgets: *NOT adopted*

Employer rates for retirement (pension) contributions: *NOT adopted*

Health Care Benefit Costs: *NOT adopted*

One-time transfer of Continuing Education Revenue Funds: *Adopted*

State's Offer of a Delayed Buy-Out of Tuition Fee Roll-Back: The State proposes to “buy-out” the current 9.1% tuition fee increase for the 2012-13 academic year. Both the CSU & UC would receive \$125M of state appropriation funding in the 2013-14 academic year.

Two conditions must be met for the CSU & UC to access the appropriation in 2013-14:

- (1) the governor's tax initiative must be enacted and,
- (2) CSU & UC must reset its tuition fee rates for the 2012-13 academic year back to the levels in effect for the 2011-12 academic year.



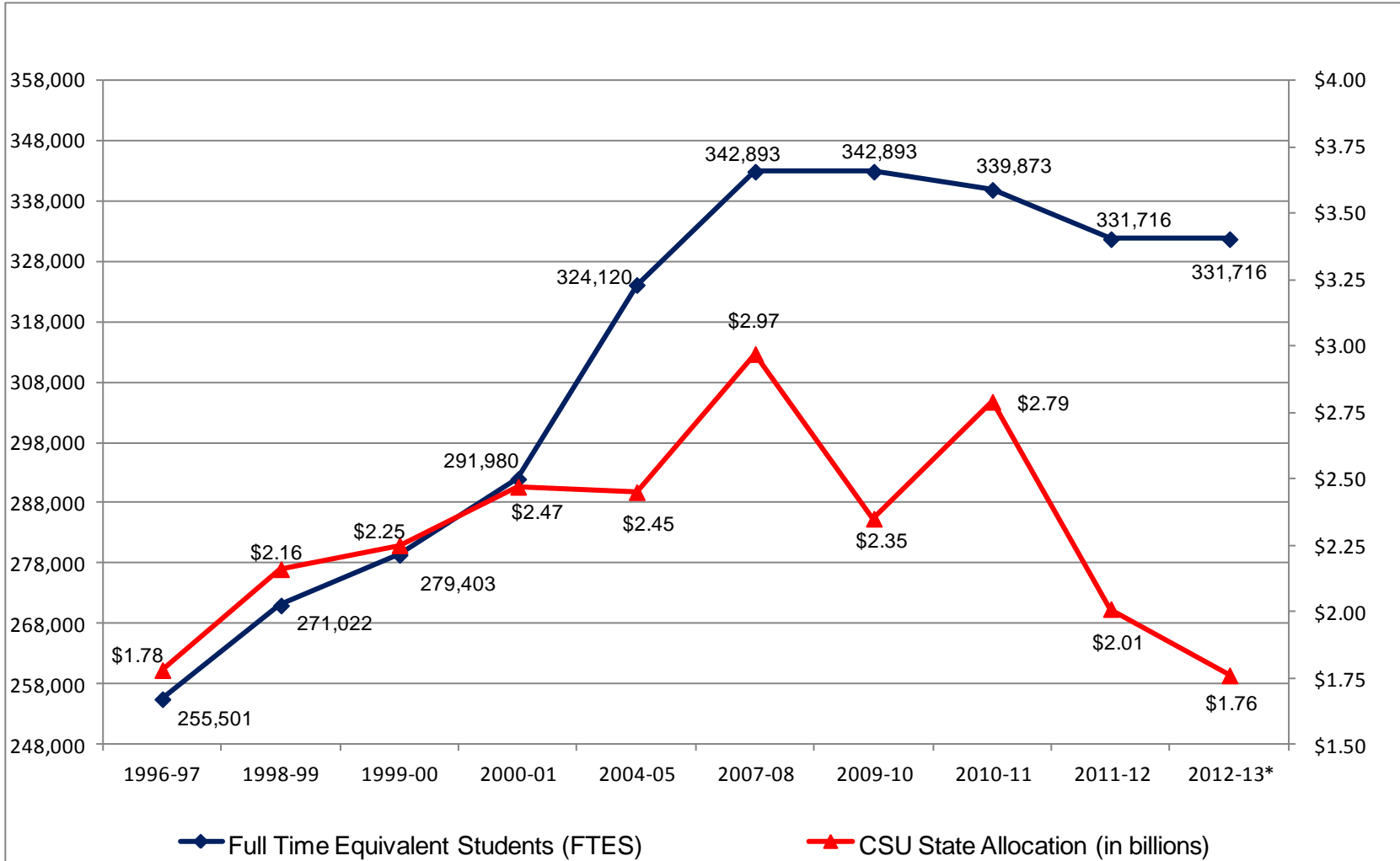
2012-13 CSU Budget

FY 2011-12 Budget	\$ 2.79 Billion
General Fund Reduction	(650 Million)
Mid-Year Reduction	(100 Million)
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Final FY 2011-12 Budget	\$ 2.04 Billion
FY 2012-13 Budget (after base adjustments)	\$ 2.01 Billion
\$250M Trigger Reduction	(250 Million)
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FY 2012-13 Budget (<i>after Trigger Reduction</i>)	\$ 1.76 Billion



CSU

General Fund Allocation at 1996-97 levels



* Enrollment has increased over 76K FTES

* Assumes \$250M Trigger Cut in 2012-13



CSU Budget Reductions 2011-12 to 2012-13

Budget Reduction Summary

\$650M Permanent Reduction (\$500M + \$150M)

\$100M Permanent Reduction (Mid-Year)

\$750M Total FY 2011-12 Reductions

Proposed Additional Permanent Reduction

\$250M If trigger is pulled for FY 2012-13

\$ 1B Permanent Reductions in less than 18 months if the
trigger occurs



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2012-13 Operating Budget



SF State General Fund

2011-12 to 2012-13

(in millions)

	FTES	
2011-12 General Fund Base	22,800	\$152.4
Governor's \$650M Budget Reduction		(40.7)
Governor's \$100M Mid-Year Reduction		(6.7)
Retirement Adjustment		(.8)

2011-12 Final General Fund Base		\$104.2
2012-13 General Fund Base	22,800	\$104.2
Share of Governor's \$250M Trigger Reduction		(17.4)
State Interest Assessment		(.2)
Tuition Fee Discount Adjustment (State University Grant)		.6

2012-13 General Fund Base Allocation	22,800	\$87.2



SF State Budget Reductions 2008-09 to 2012-13

(in millions)

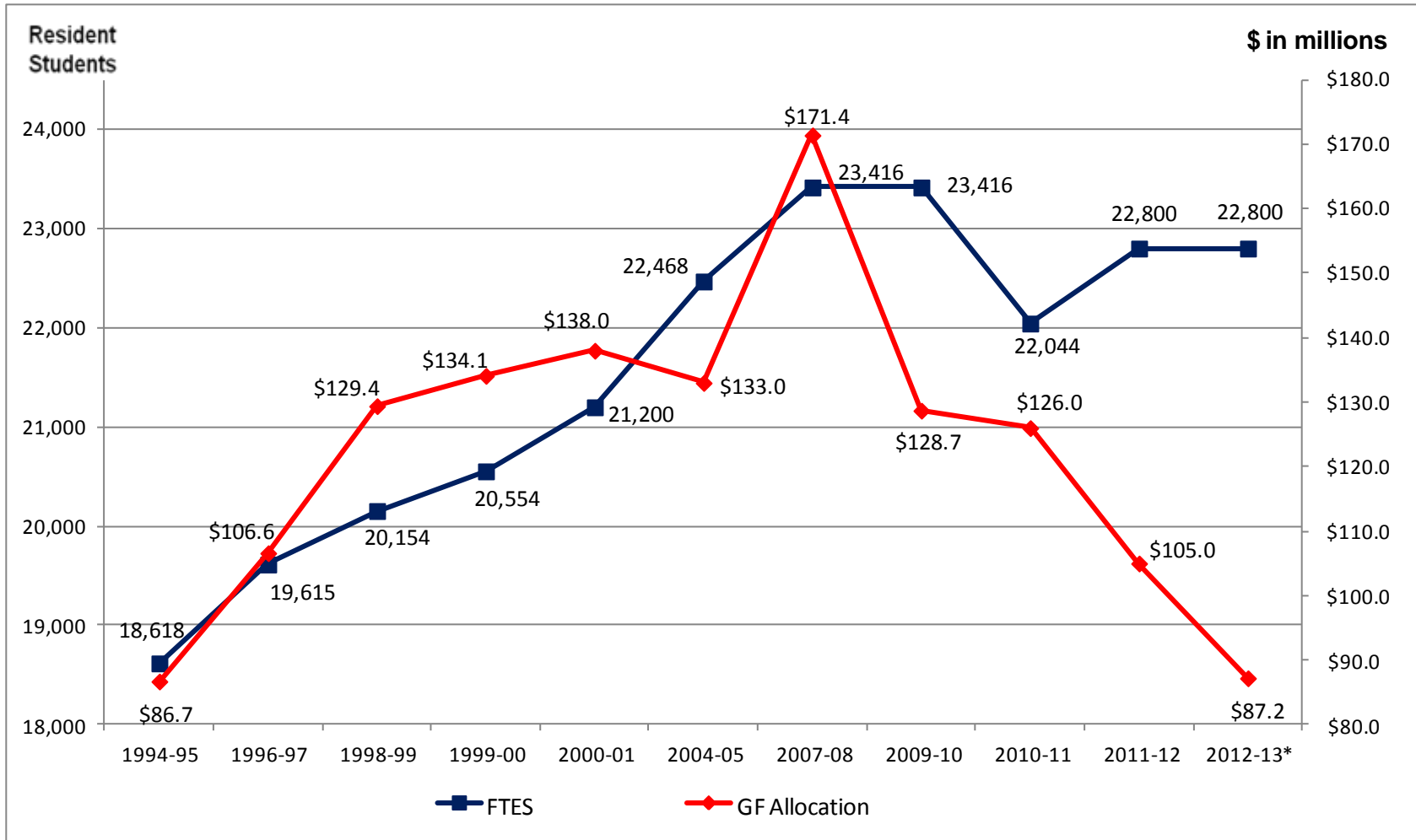
General Fund Reductions

08-09	\$66.3M Budget Reduction	(\$3.9M)
09-10	\$571.1M Budget Reduction	(37.2M)
10-11	Enrollment Increase & Operating Support	13.6M
11-12	\$750M Budget Reduction & Enrollment Increase	(40.1M)
12-13	\$250M Budget Reduction if trigger is pulled	(17.4M)
		<hr/>
	Net Fiscal Effect	(\$85M)



SF State

General Fund Allocation at 1994-95 levels



* Enrollment has increased over 4K FTES

* Assumes \$250M Trigger Cut in 2012-13



SF State Operating Budget Impact 2012-13

(in millions)

Share of \$250M Trigger Reduction	\$ (17.4)
General Fund Adjustments:	
State Interest Adjustment	(.2)
Additional Operating Impact:	
Unfunded Mandatory Costs	(1.0)
Non-General Fund Summer 2012	(5.0)
One-time 2011-12 Solution	(14.6)
	<hr/>
Total Budget Impact	\$ (38.2)



SF State Operating Budget Solutions 2012-13

(in millions)

Budget Impact \$ (38.2)

Solutions:

Tuition Fee Increase (9.1%) General Fund Offset, net Financial Aid 8.0

Unallocated Budget Reduction 8.0

Revenue and Expenditure Adjustments* 1.9

Summer 2012 Self-Support 5.0

One-time Carry Forward 15.3

Total Budget Solutions
\$ 38.2

* Such as application fees, interest assessment, operating support reductions



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2012-13 Projected Revenues

(in millions)

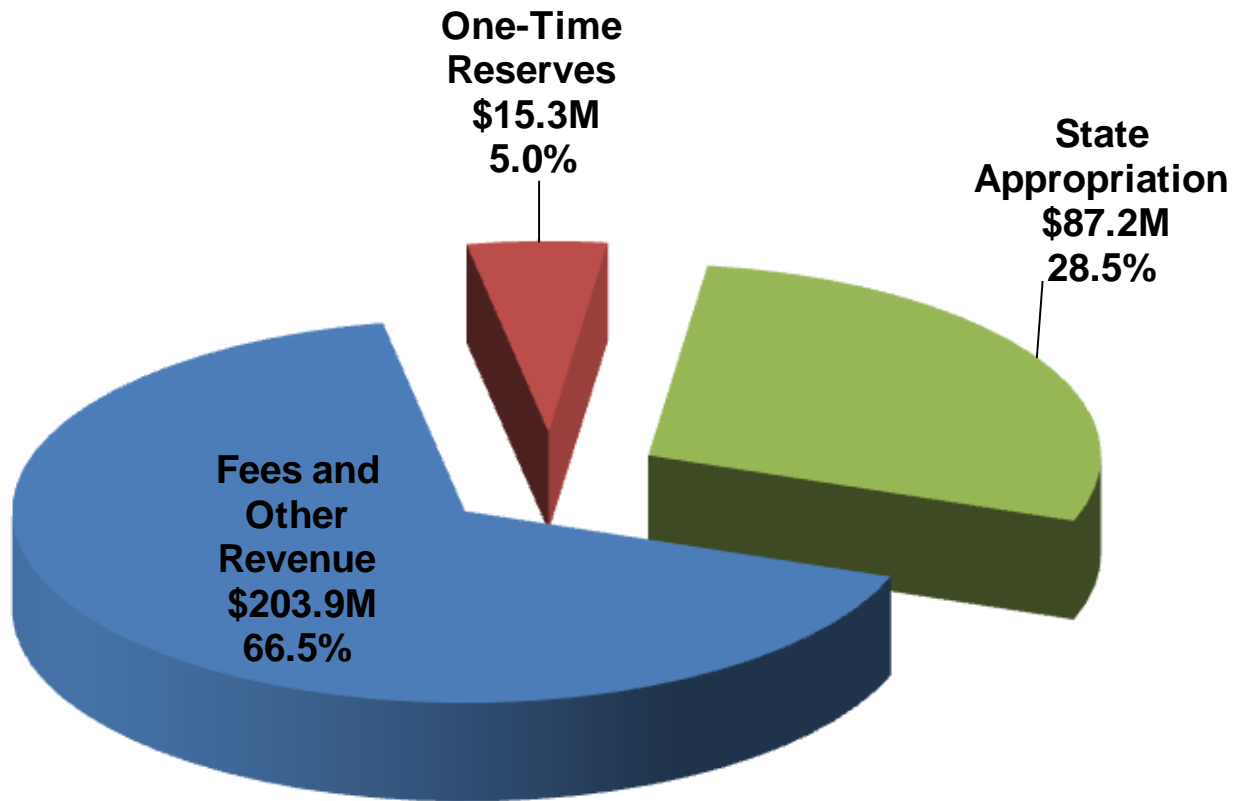
General Fund Allocation	\$ 87.2
Tuition Fees	161.7
Nonresident Tuition	15.8
Application Fee	1.8
CEL Summer & AY Support (\$5M & \$2.1M)	7.1
Student Health (pass-through)	7.6
Reimburse Released Time	2.8
Federal Work Study and Reimbursements	1.7
Other Fees & Sources	5.4
One-time Carry Forward	15.3

2012-13 Projected Revenues	\$ 306.4



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2012-13 Sources of Revenue

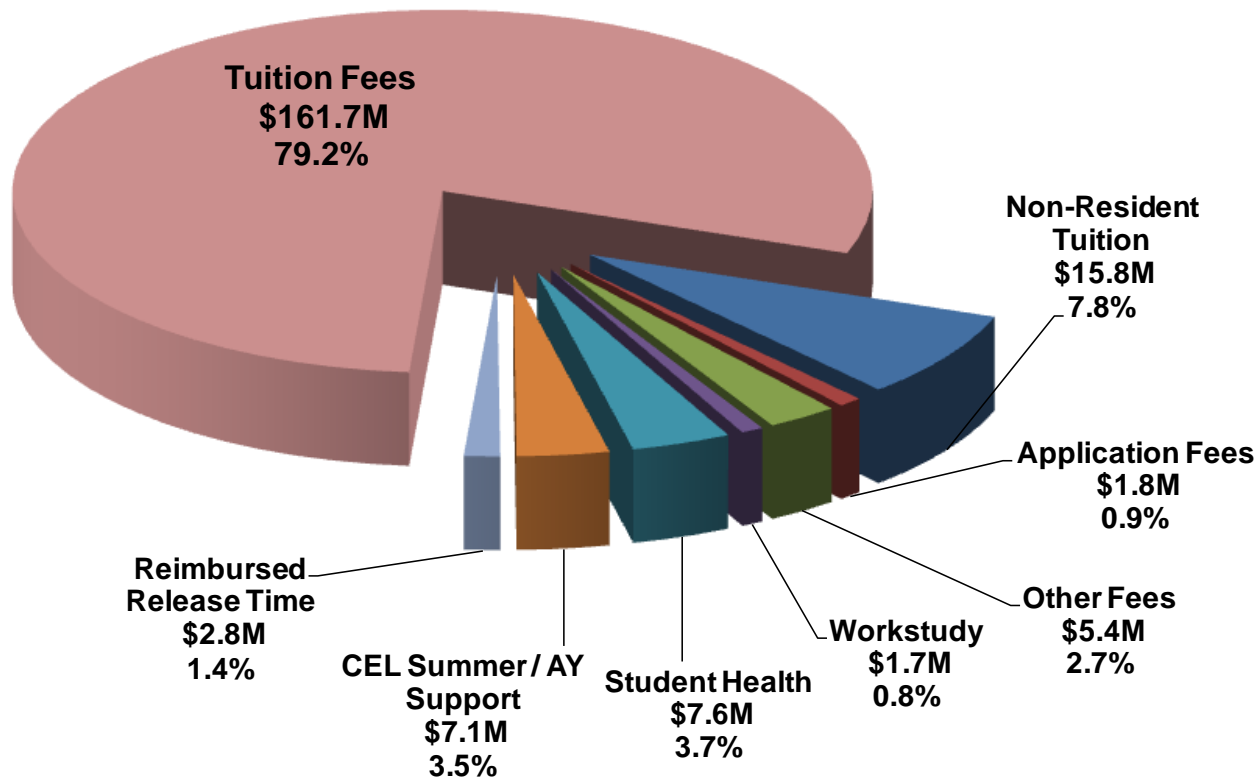


Total Operating Revenue: \$306.4M



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2012-13 Fees and Other Revenue

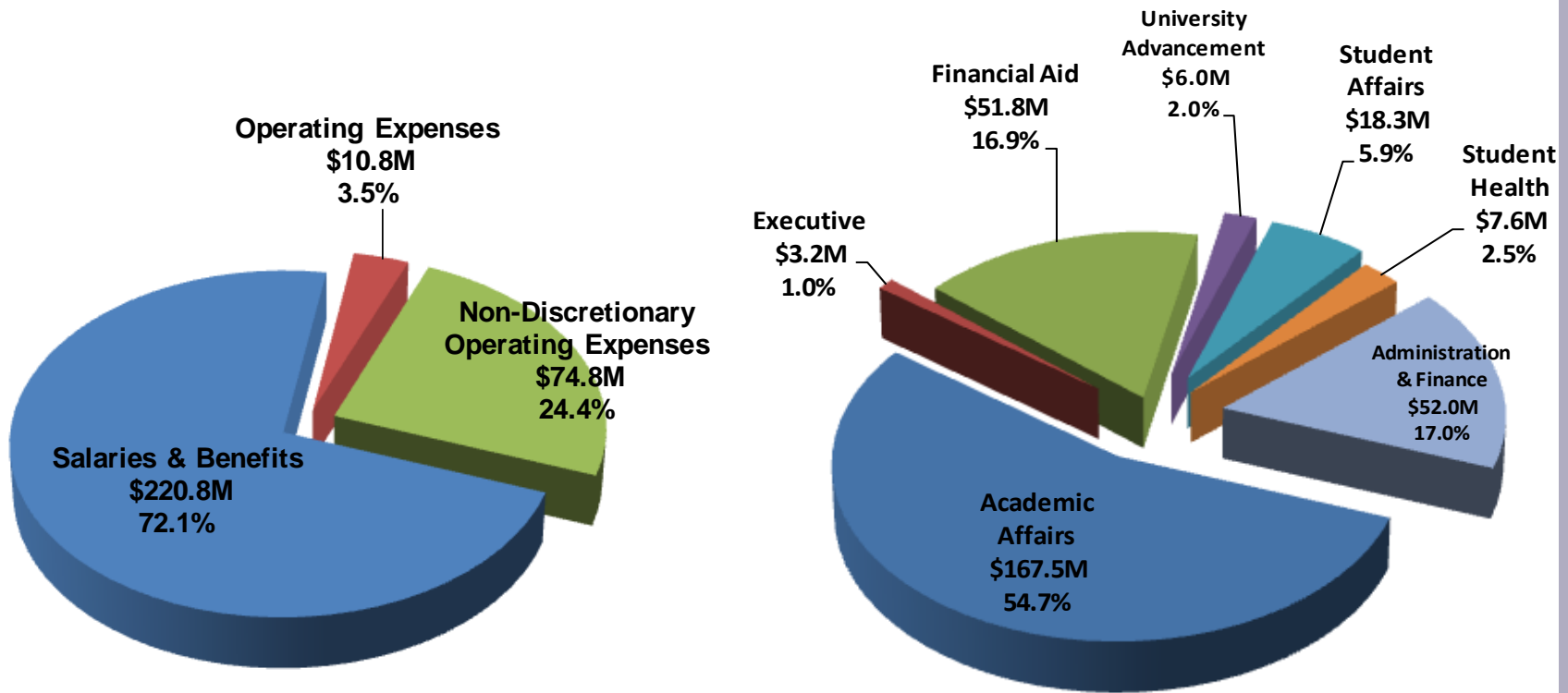


Total Fees and other Revenue: \$203.9M



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2012-13 Operating Budget Expenditures



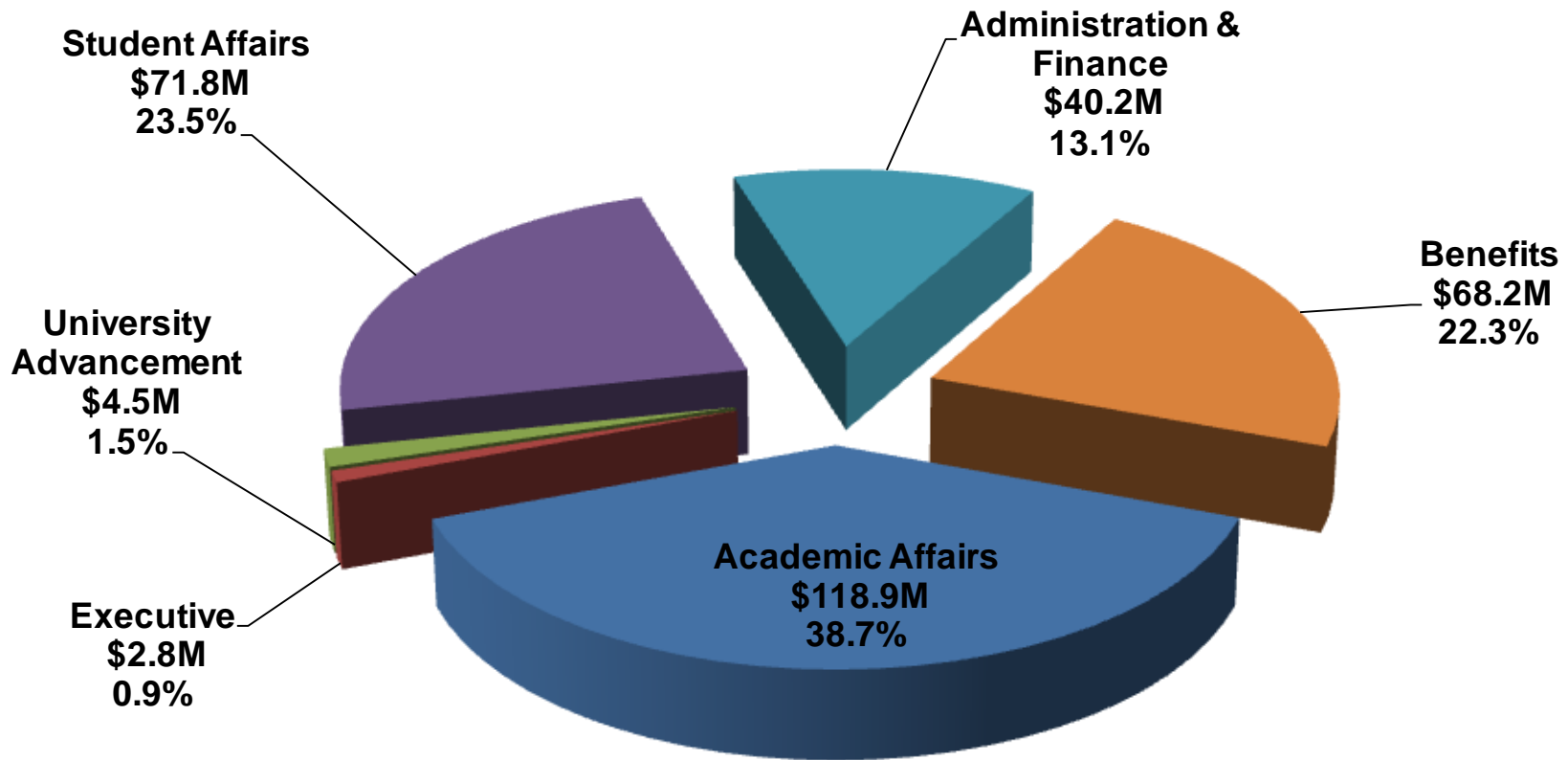
Total University Budget: \$306.4M



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2012-13 Operating Budget

Benefits & Cabinet Area



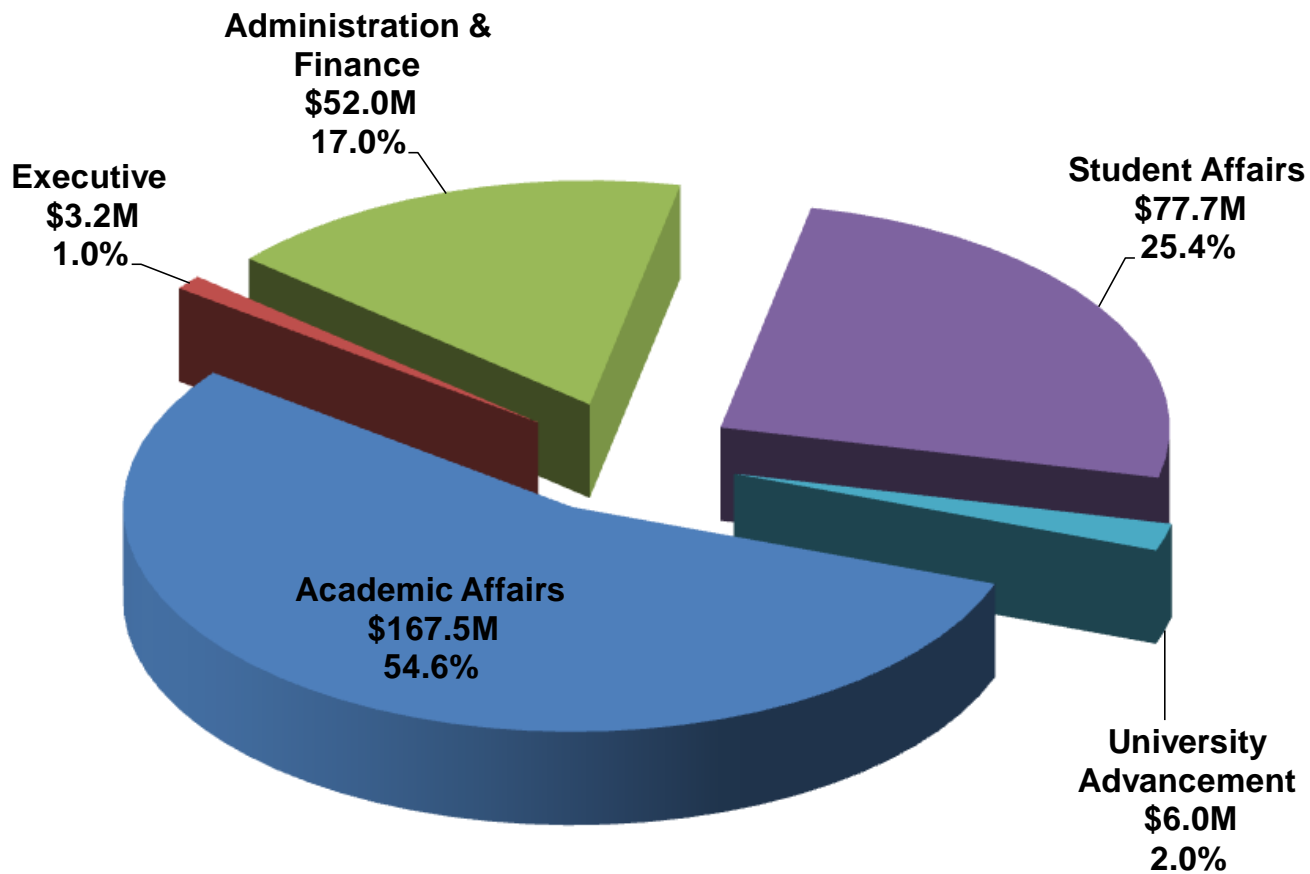
Total Operating Budget: \$306.4M



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2012-13 Operating Budget

Cabinet Area



Total Operating Budget: \$306.4M



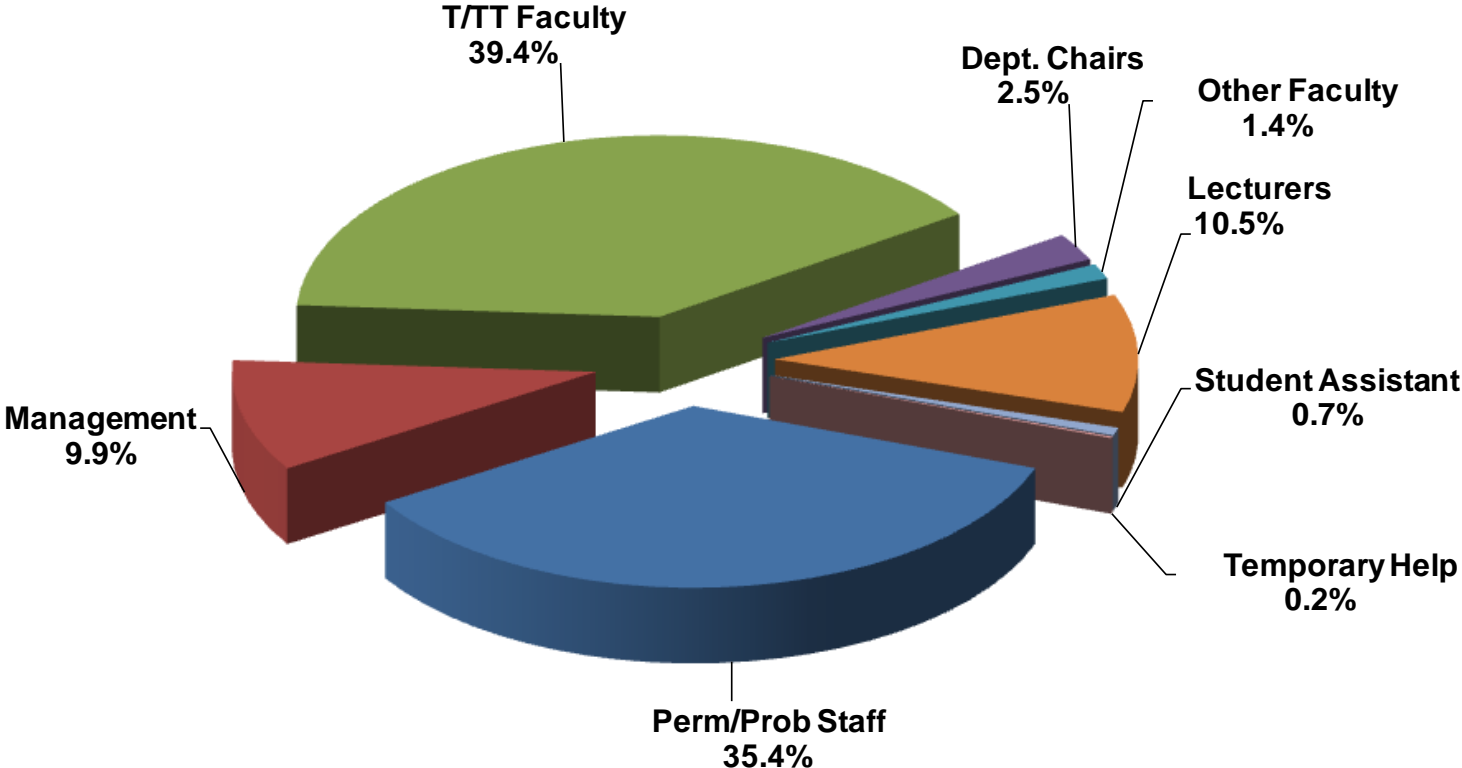
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2012-13 Operating Budget
Salaries



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2012-13 Operating Budget

Budgeted Salaries



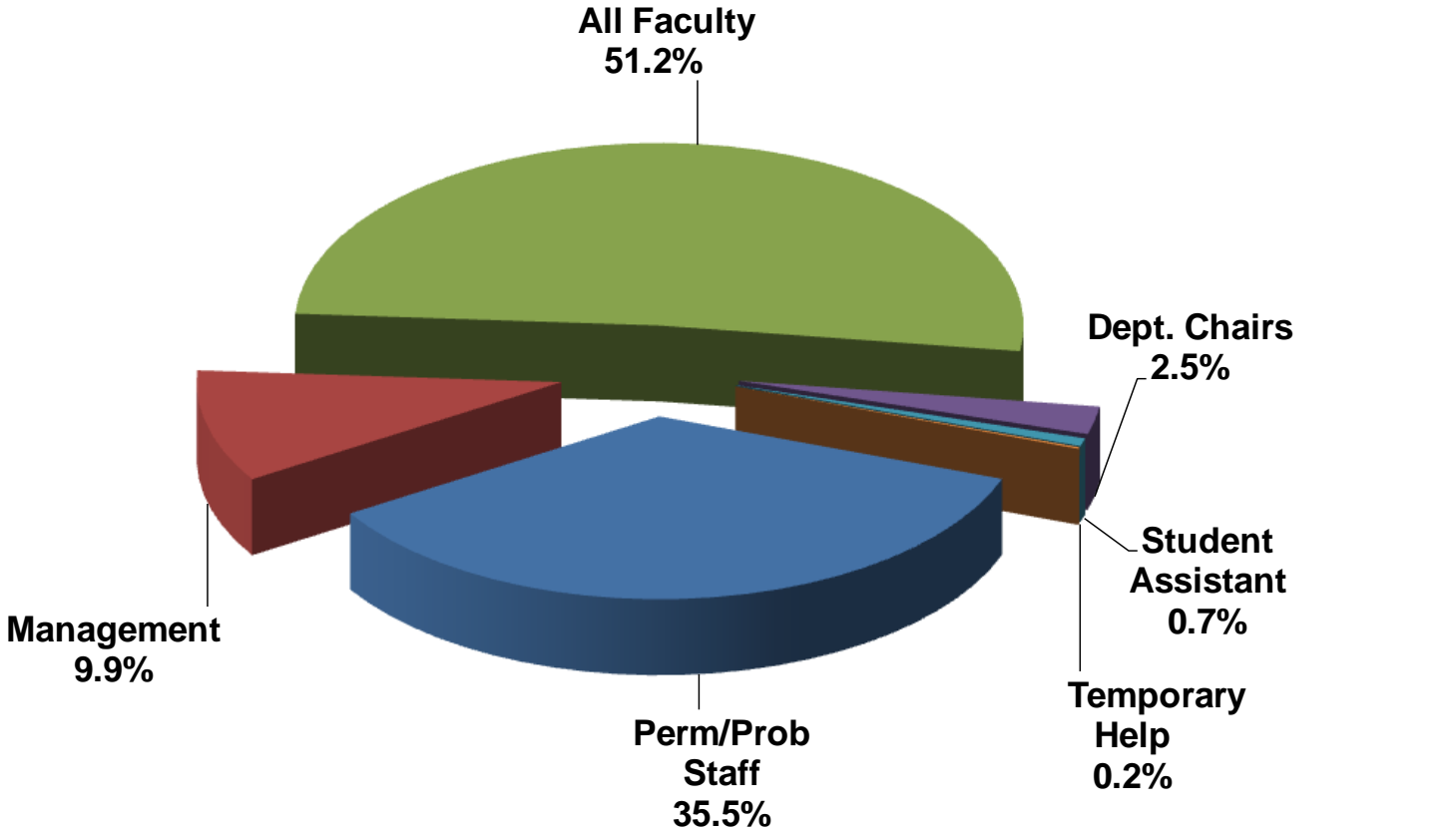
Total Salaries: \$152.6M



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2012-13 Operating Budget

Budgeted Salaries



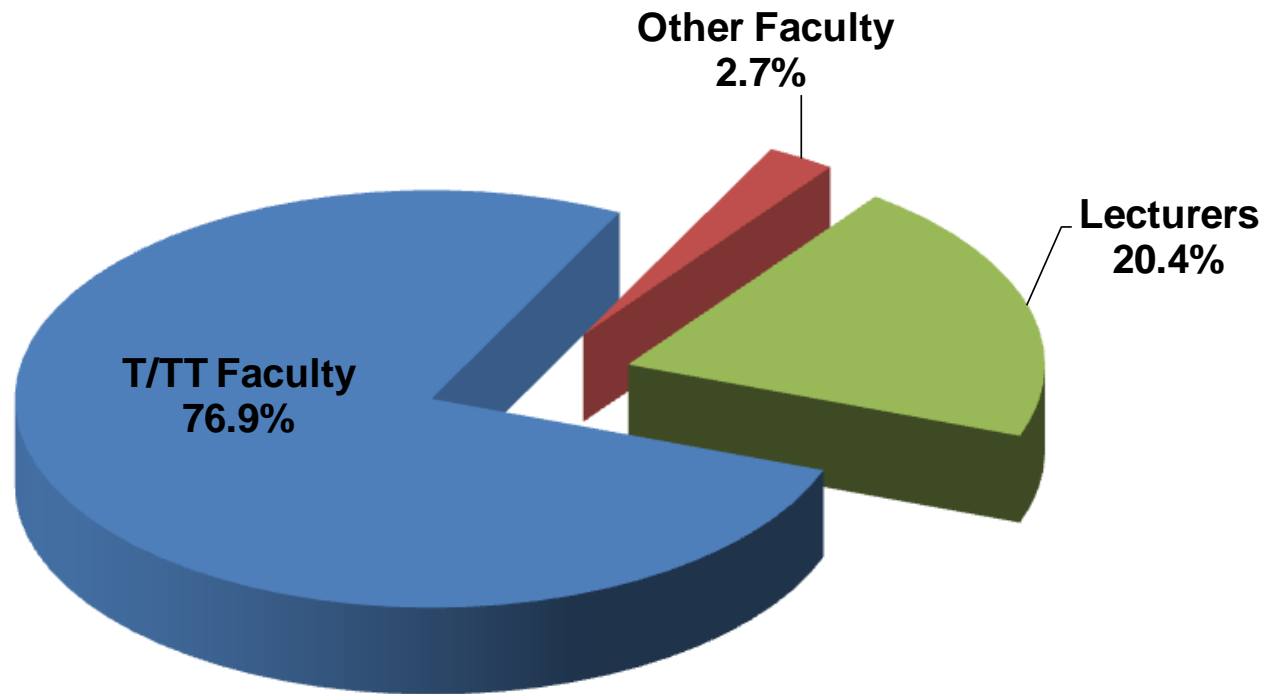
Total Salaries: \$152.6M



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2012-13 Operating Budget

Budgeted Faculty Positions



Total Faculty Salaries: \$78.1M



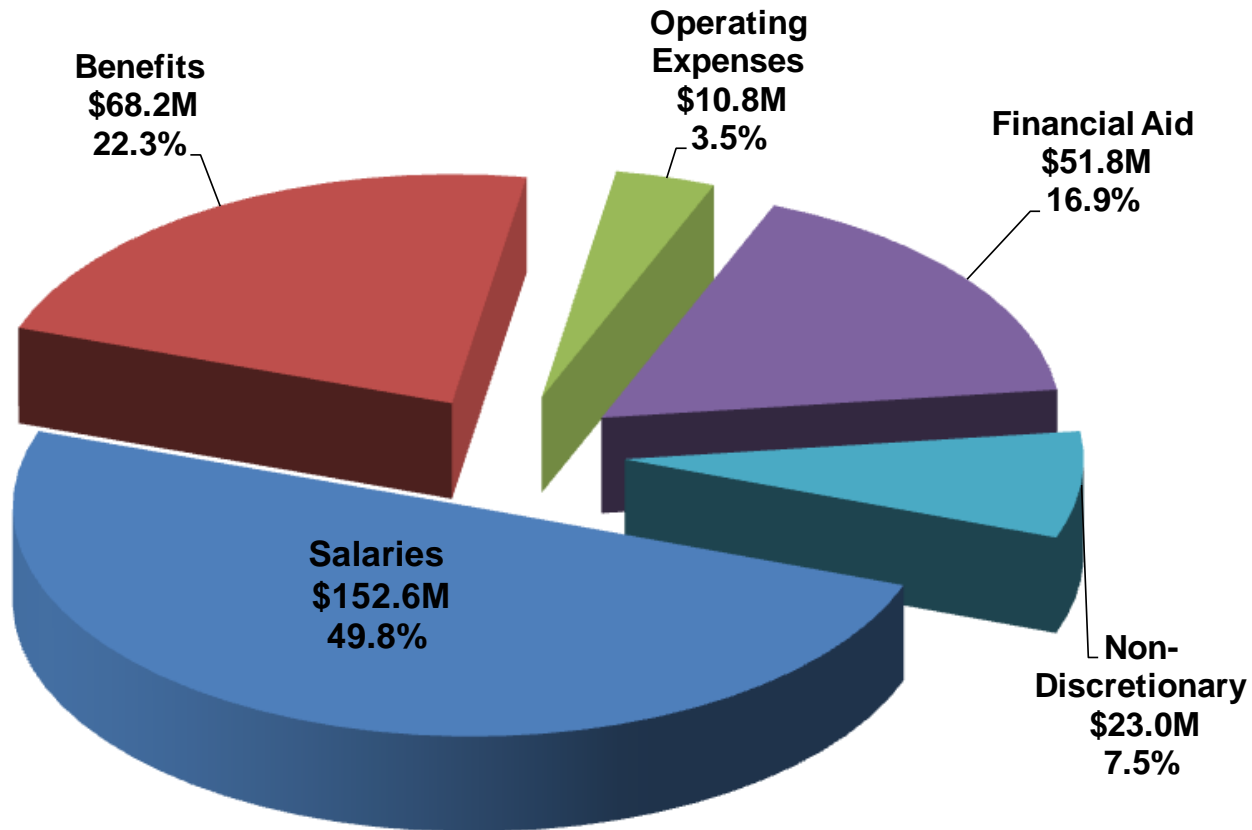
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2012-13 Operating Budget
Expenditure Categories



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2012-13 Operating Budget

Major Expenditure Categories



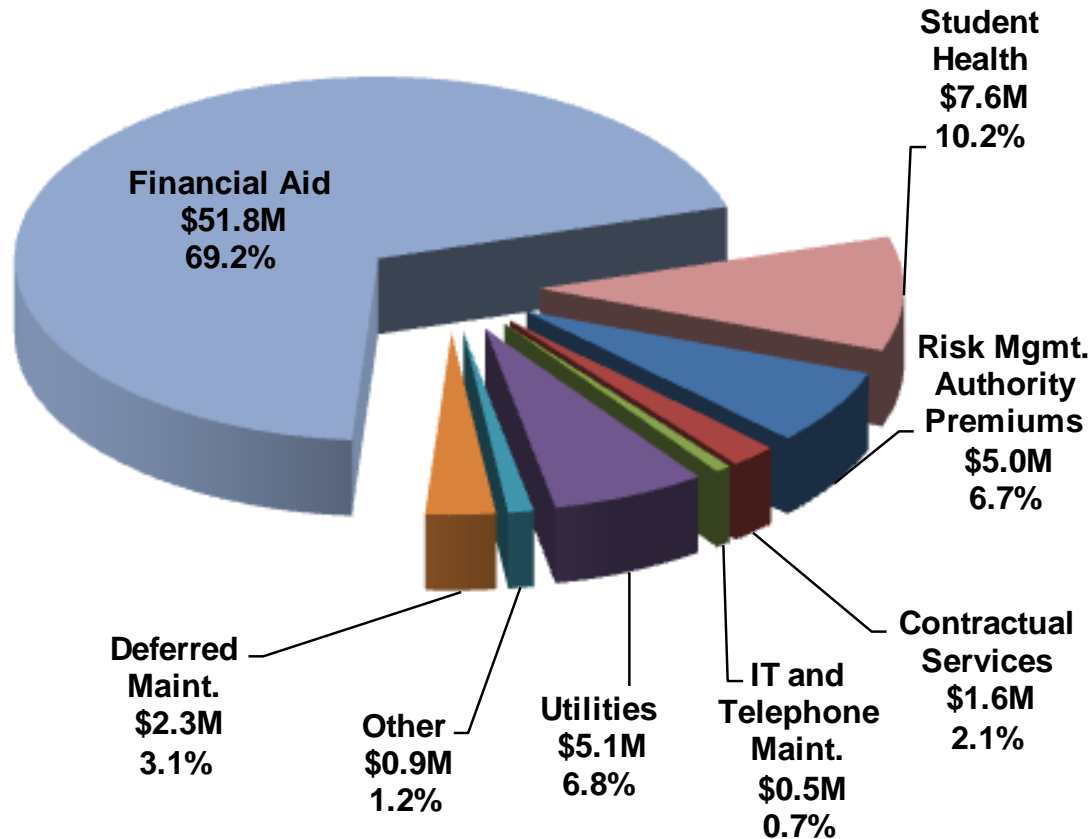
Total Operating Budget: \$306.4M



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2012-13 Operating Budget

Financial Aid and Non-Discretionary Expenditures



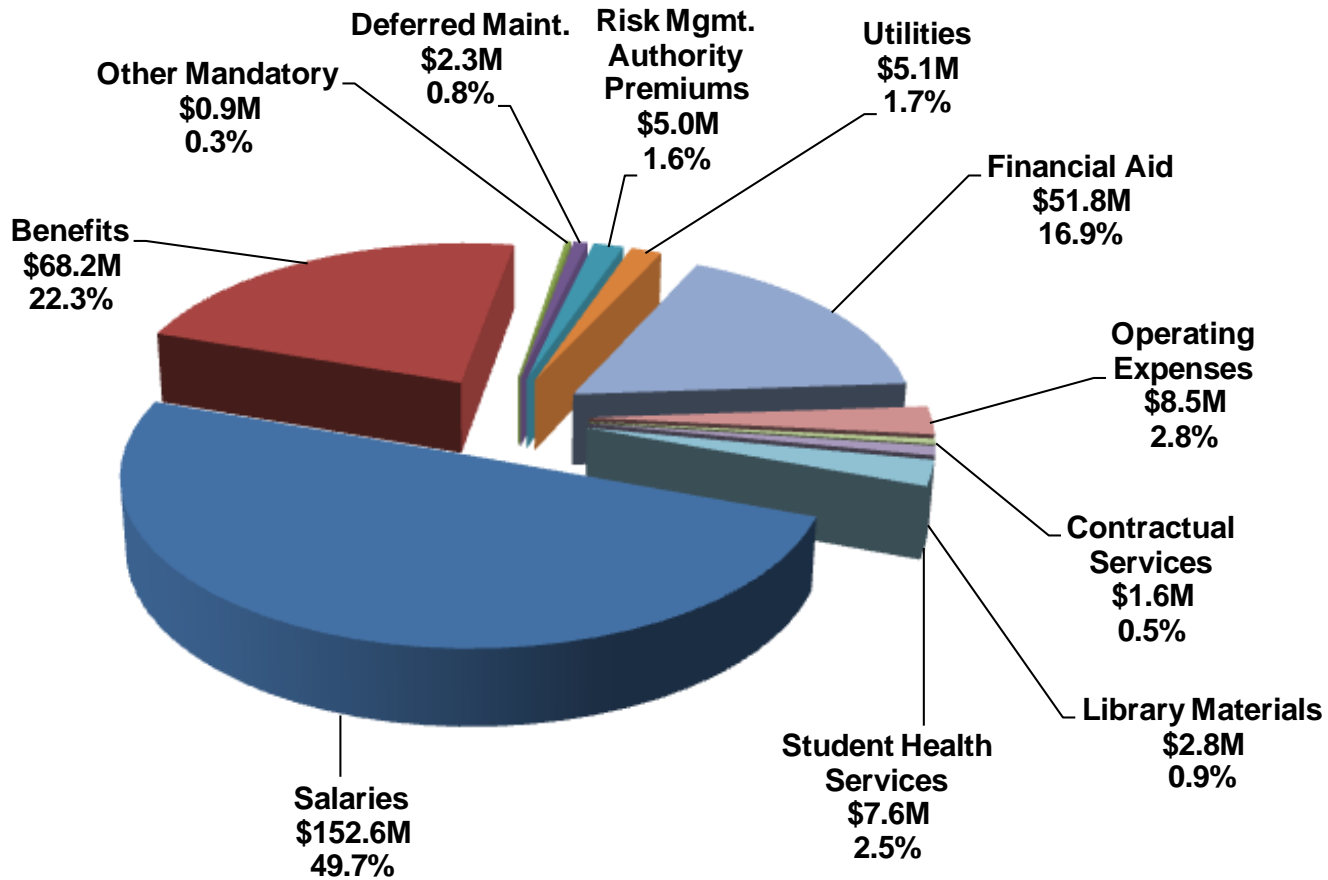
Total Financial Aid and Non-Discretionary Expenditures: \$74.8M



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2012-13 Operating Budget

Expenditure Categories



Total Operating Budget: \$306.4M



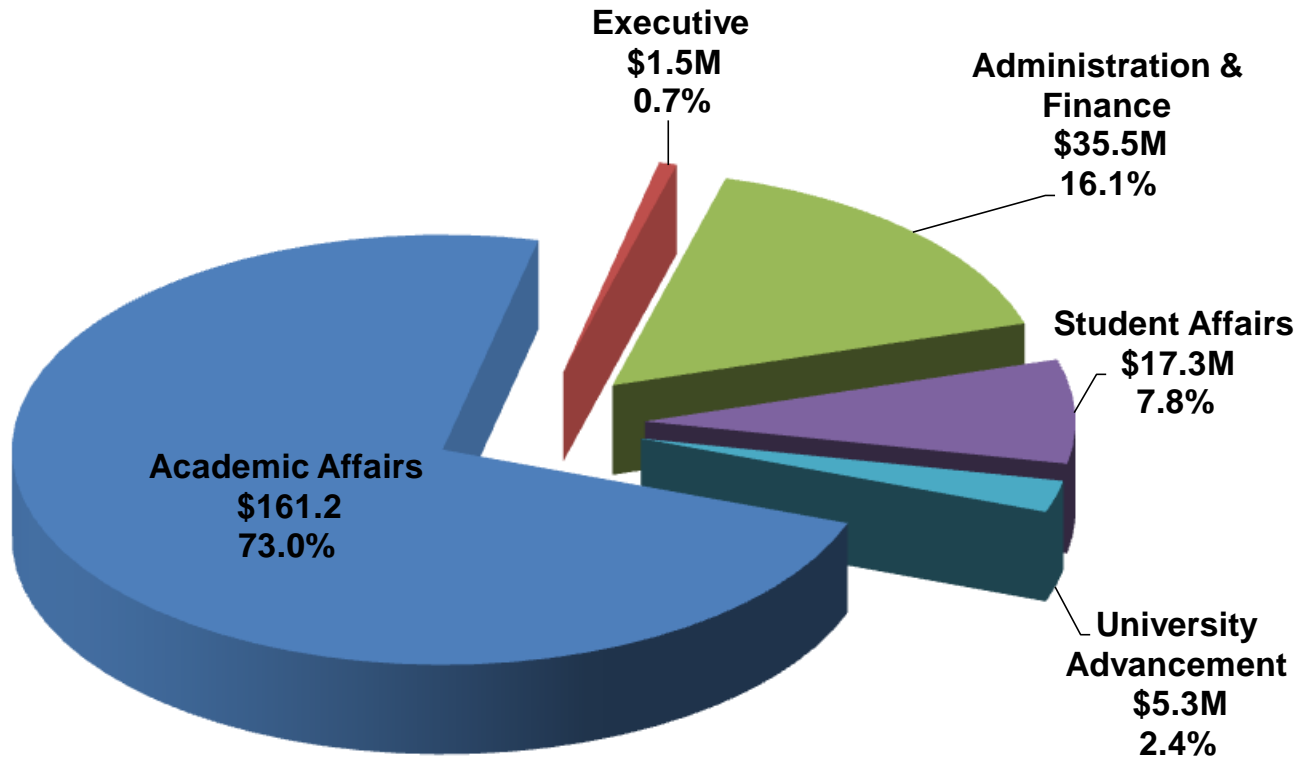
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2012-13 Operating Budget
Salaries & Benefits



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2012-13 Operating Budget

Salaries and Benefits by Cabinet Area



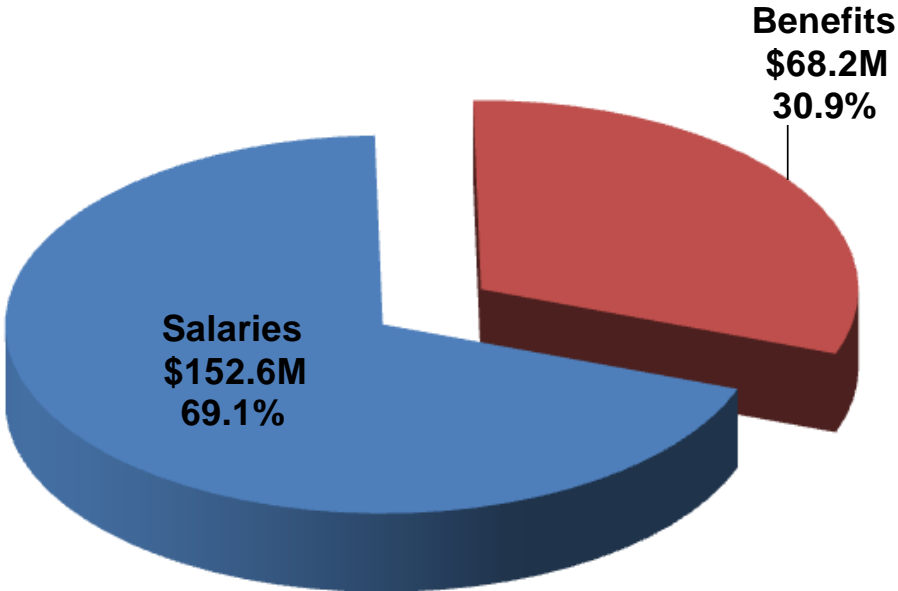
Salaries and Benefits: \$220.8M



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2012-13 Operating Budget

Salaries and Benefits



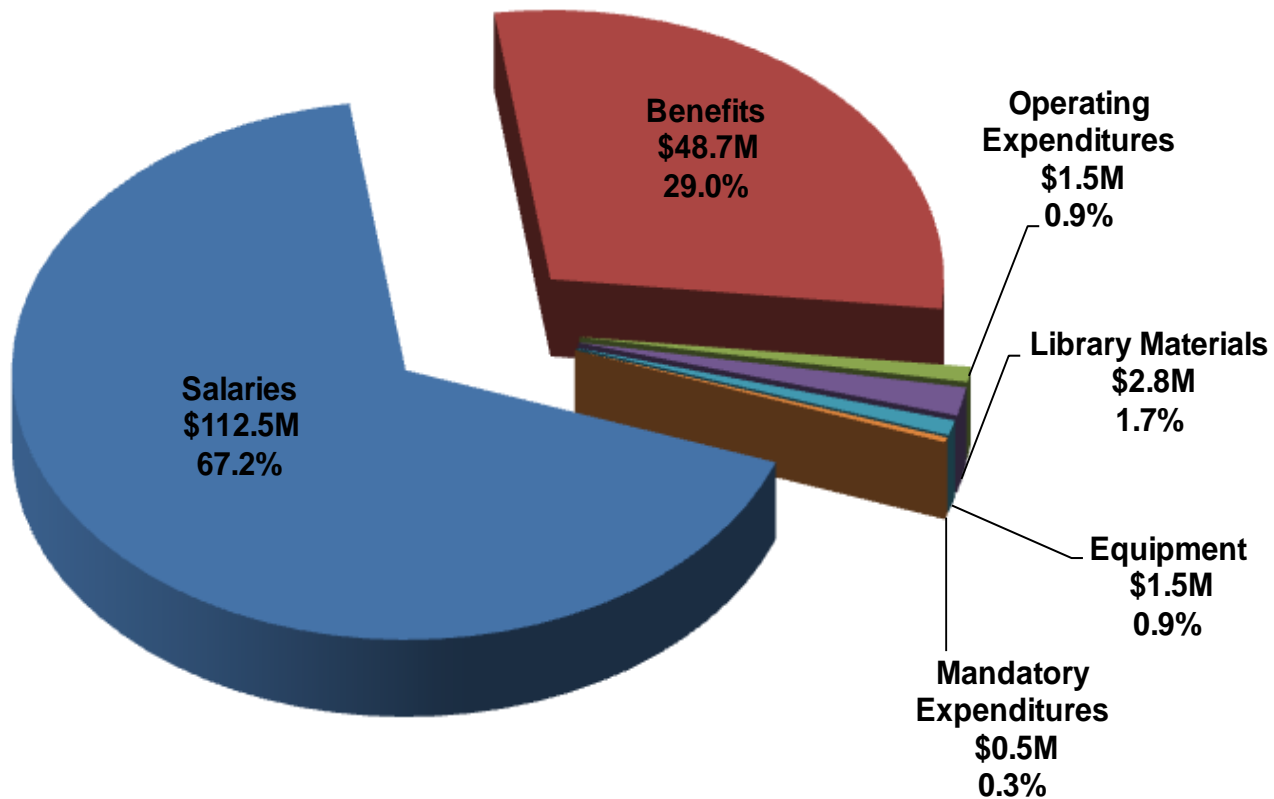
Salaries and Benefits: \$220.8M



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2012-13 Operating Budget
Cabinet Budgets



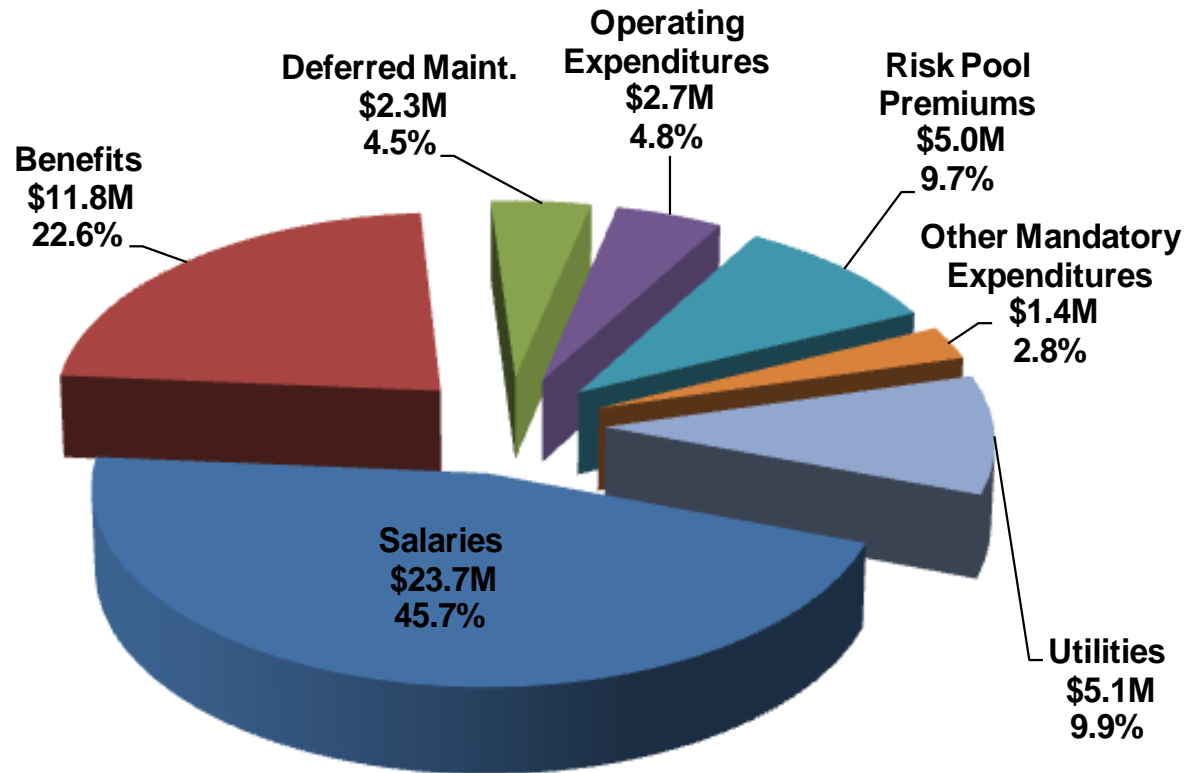
Academic Affairs 2012-13 Operating Budget



Allocation: \$167.5M



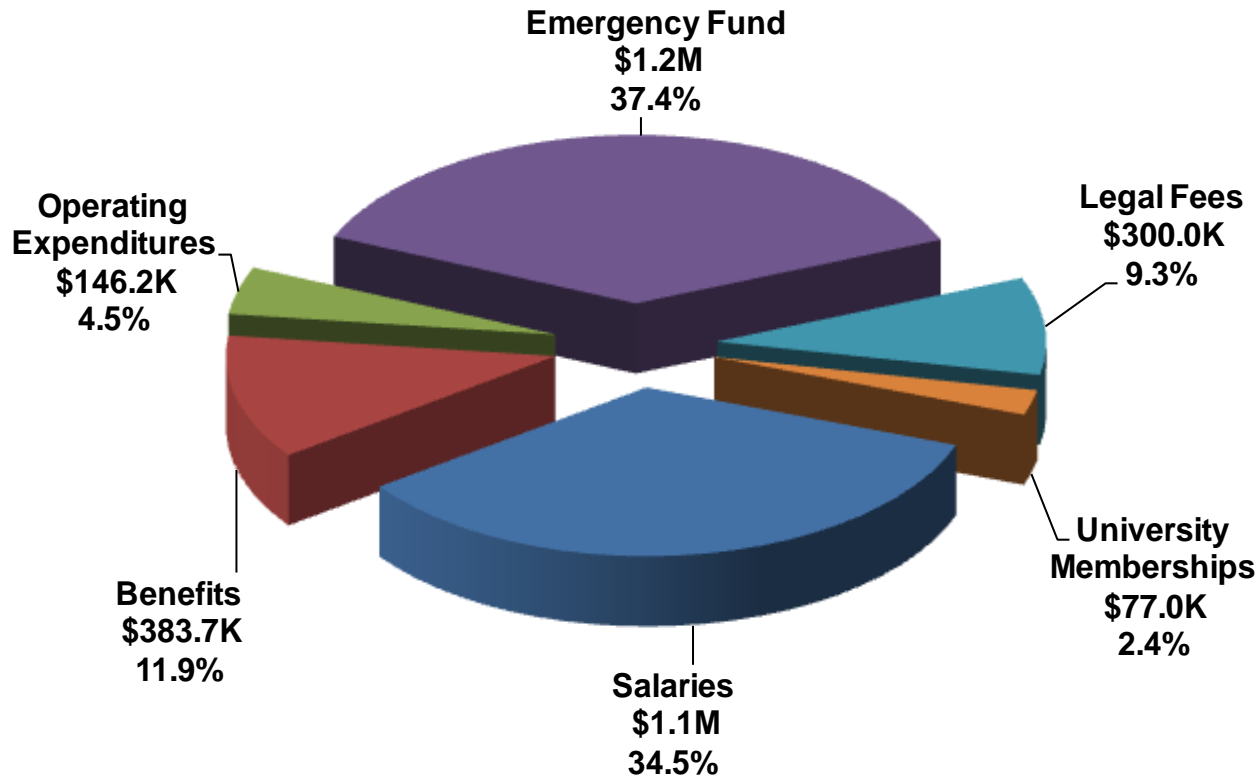
Administration & Finance 2012-13 Operating Budget



Allocation: \$52.0M



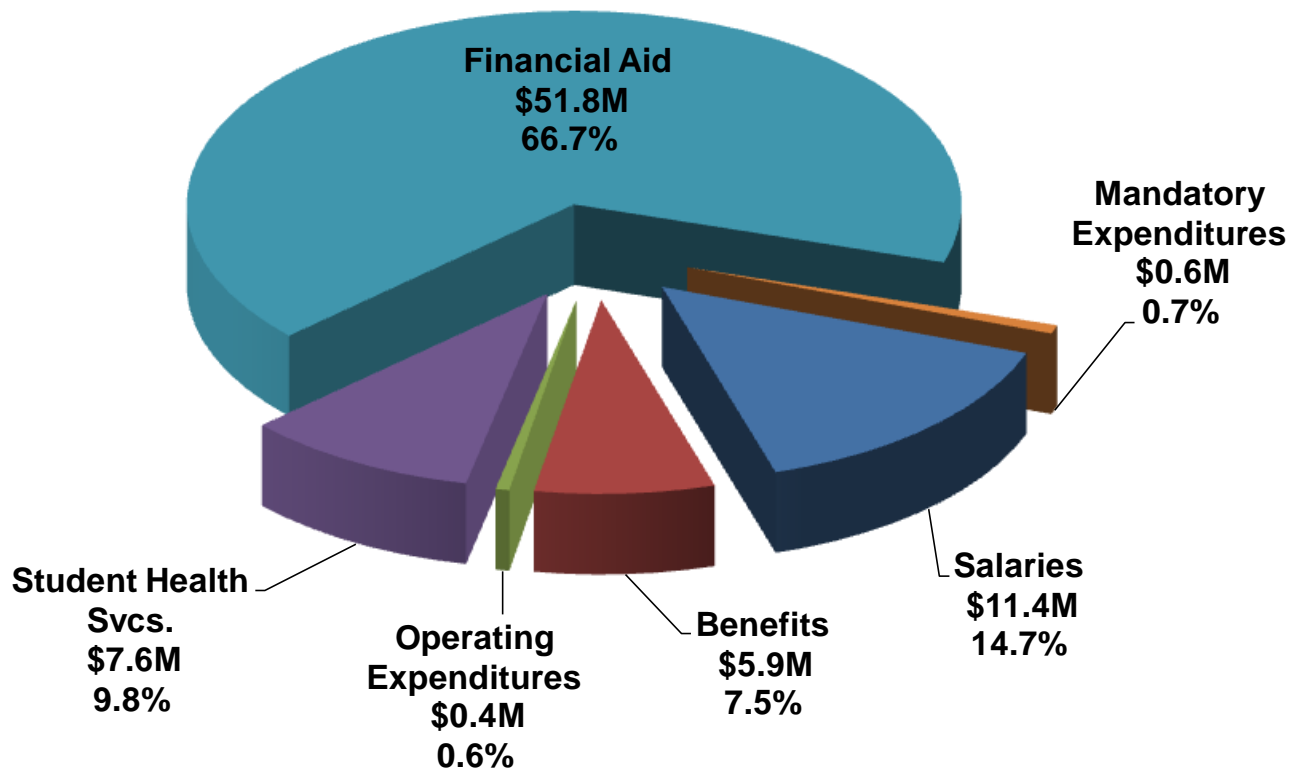
Executive 2012-13 Operating Budget



Allocation: \$3.2M



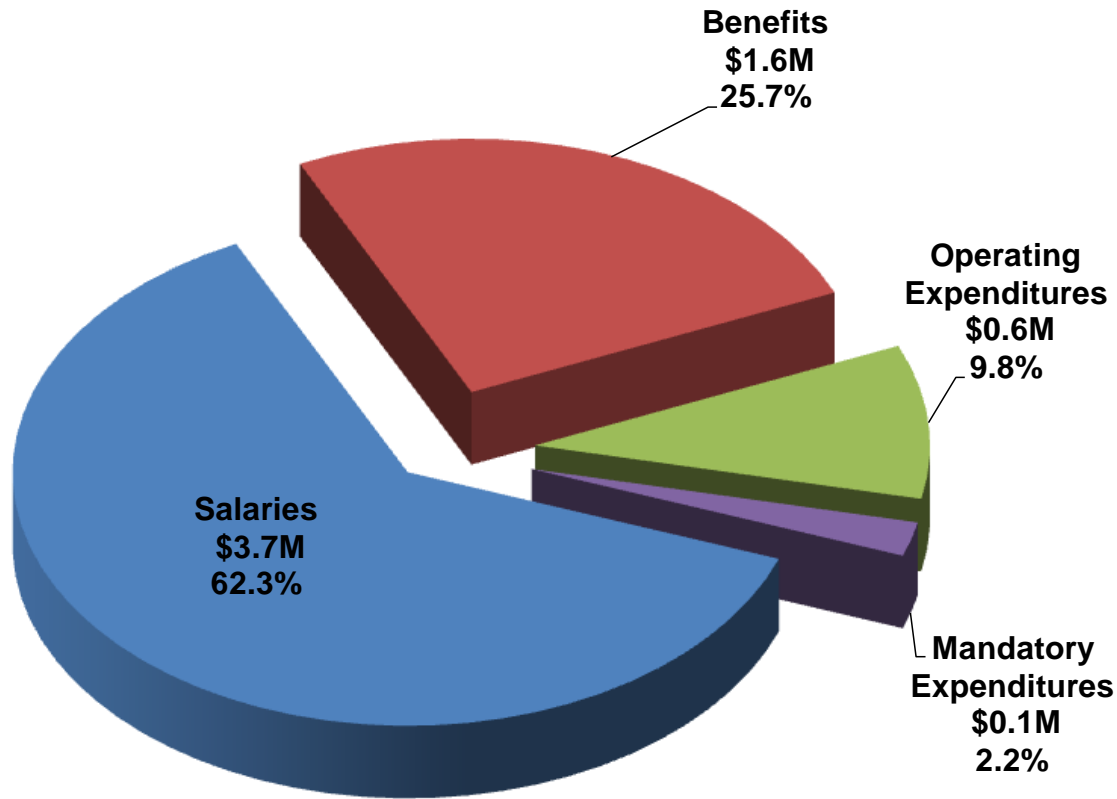
Student Affairs 2012-13 Operating Budget



Allocation: \$77.7M



University Advancement 2012-13 Operating Budget



Allocation: \$6.0M



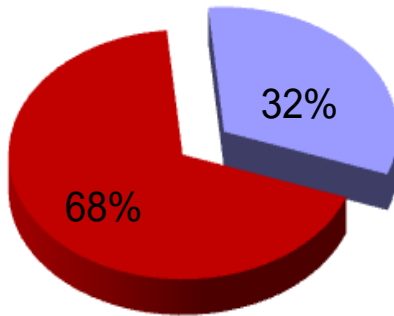
San Francisco State University Other Charts



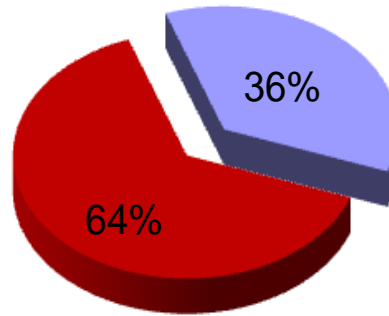
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State Shifts Burden to Students

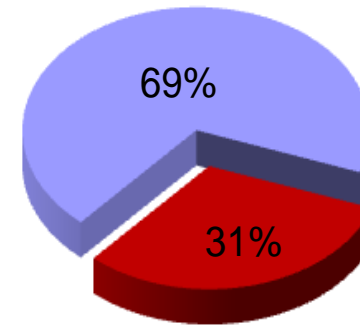
1996-97





2007-08



2012-13

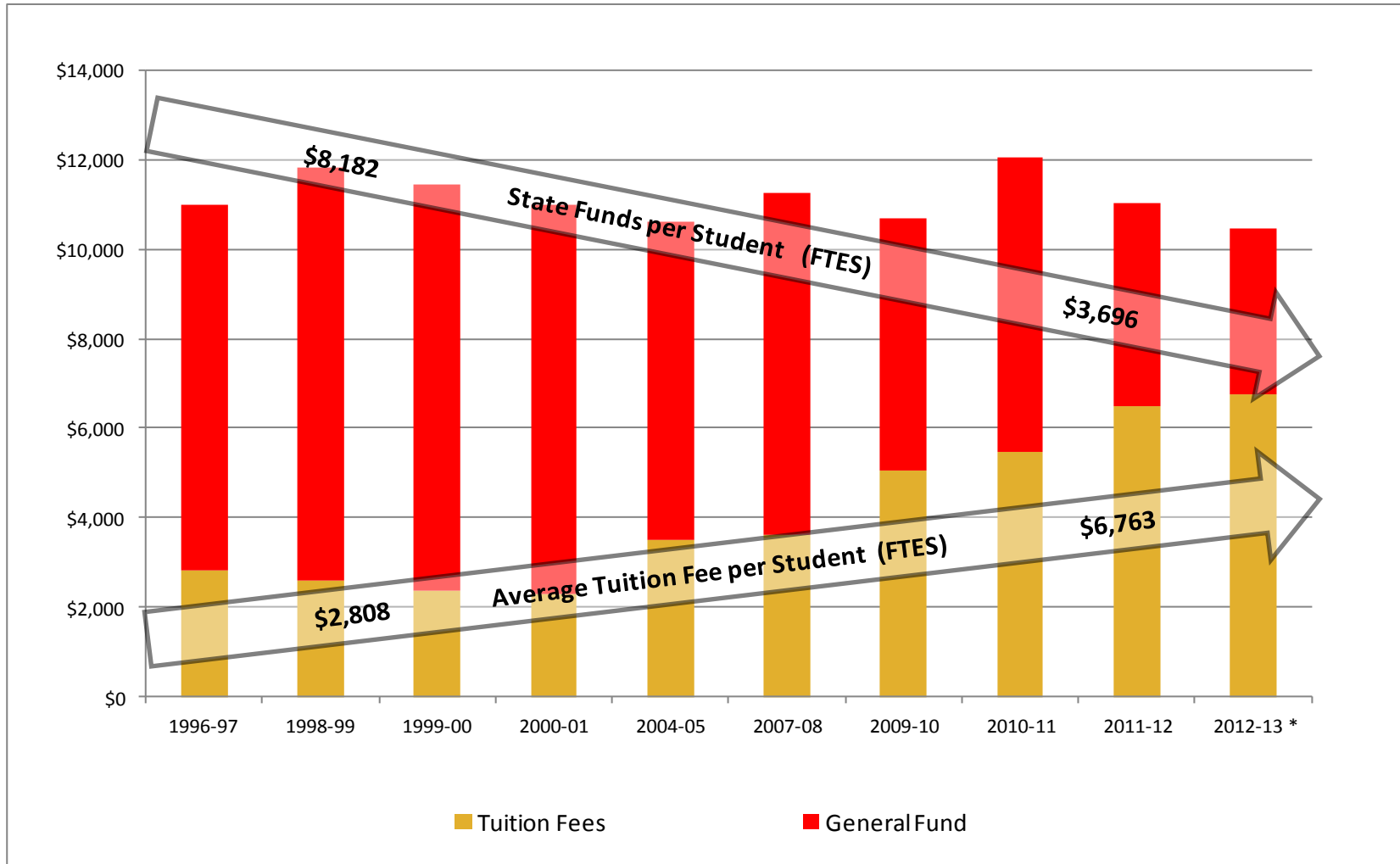


-  State Support (General Fund)
-  Tuition Fees and Other Support

* Assumes \$250M Trigger Cut in 2012-13

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Declining State Support Forces More Reliance on Student Fees



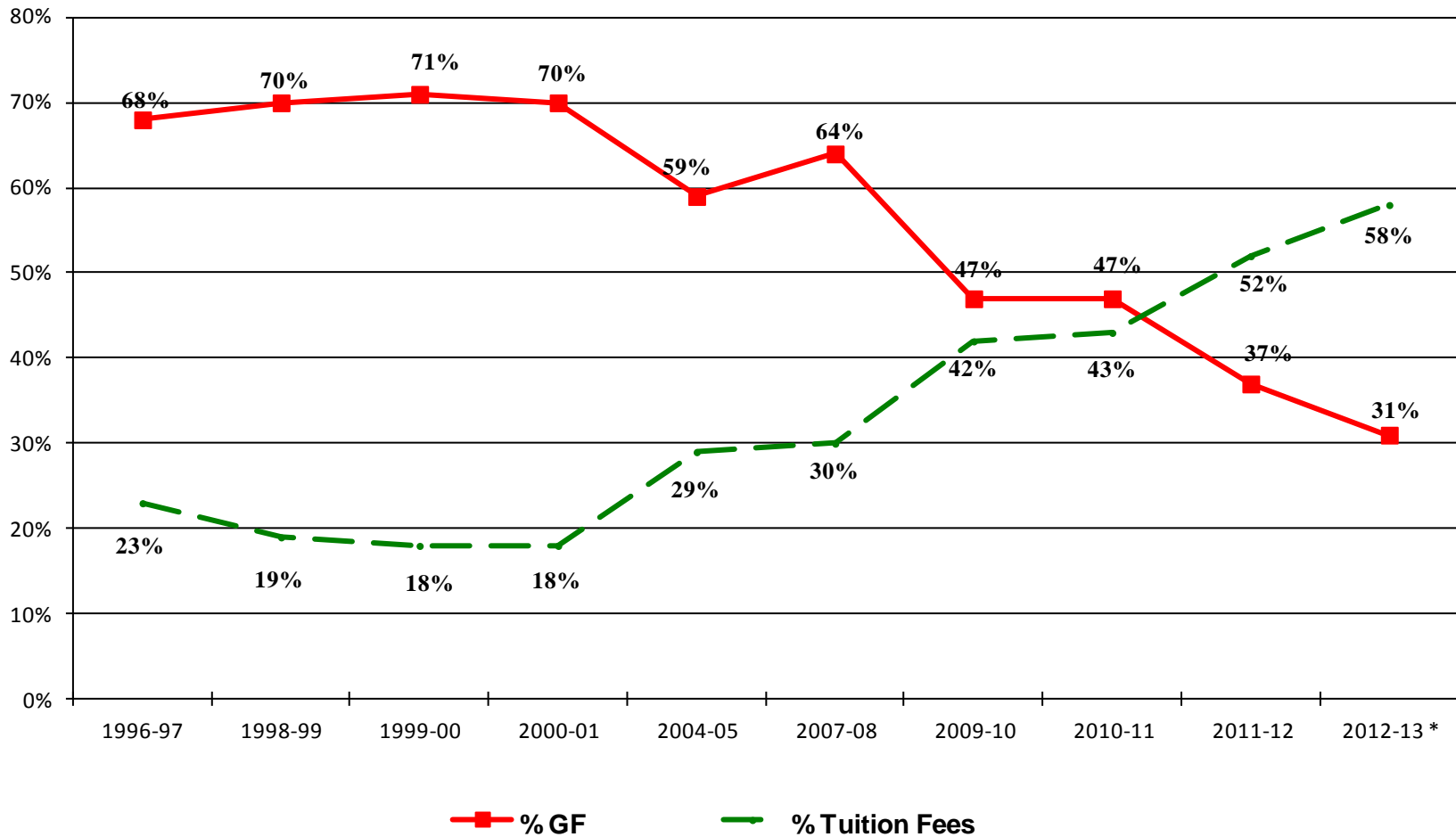
(in 2012 Constant Dollars)

* Assumes \$250M Trigger Cut in 2012-13



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Tuition Fees Surpass State Appropriation



* Assumes \$250M Trigger Cut in 2012-13



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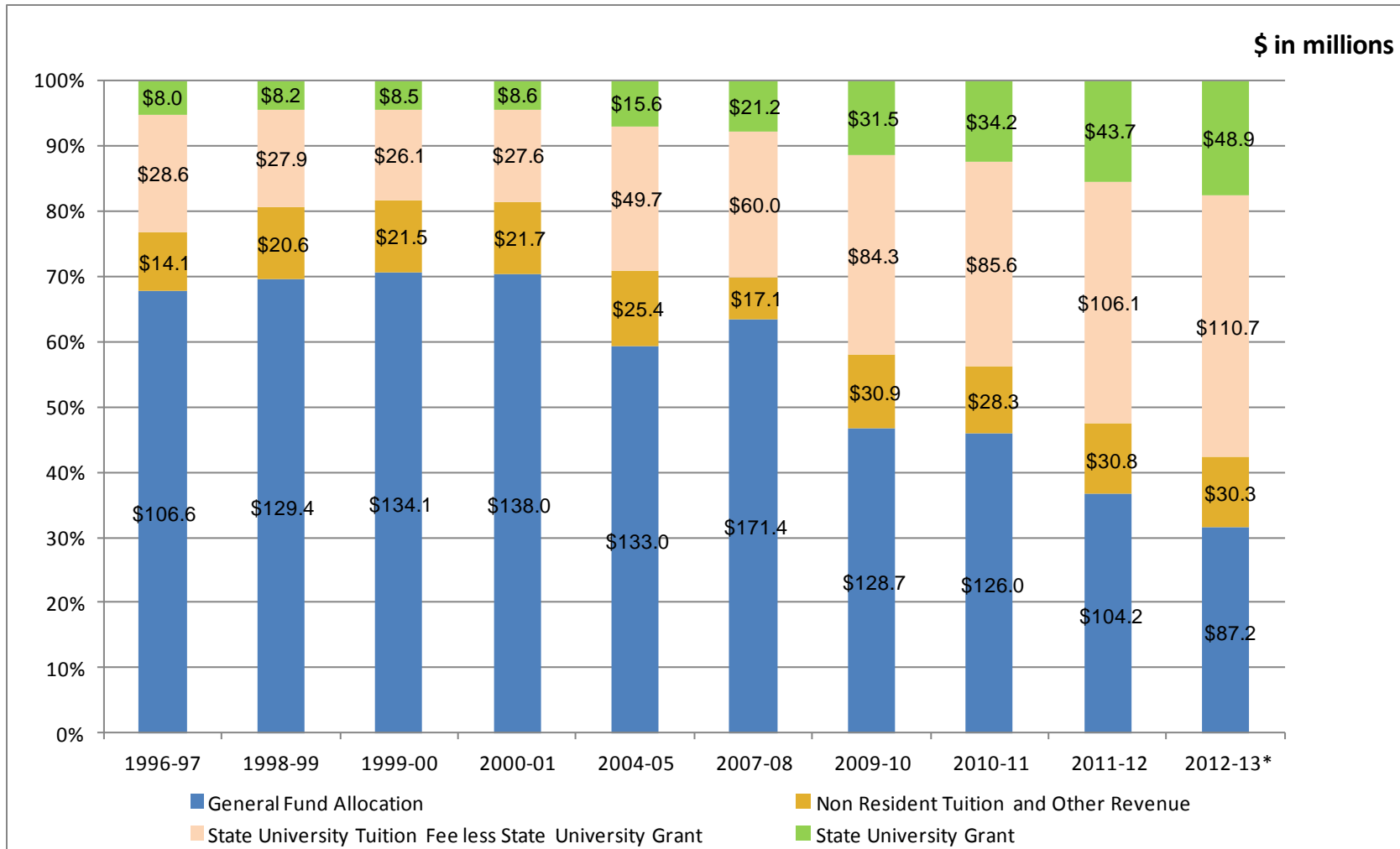
Student FTE and Funding Since 2007-08

	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13 Gov. Budget Including \$250M Trigger
Resident Student FTE	23,416	23,416	23,416	22,044	22,800	22,800
State General Fund	\$171,416,331	\$170,761,449	\$128,676,149	\$125,952,139	\$104,193,559	\$87,210,109
Tuition Fee Revenue (net of financial aid)	\$59,991,500	\$65,659,500	\$84,253,400	\$85,648,600	\$106,129,700	\$110,727,300



SF State

TUITION FEE DISCOUNT (STATE UNIVERSITY GRANT)



* Assumes \$250M Trigger Cut in 2012-13



Impact of Governor's Budget

GOVERNOR'S CUT TO CSU	IMPACT TO SF STATE
PROPOSED \$250 MILLION TRIGGER REDUCTION IN 2012-13	\$17.4 MILLION PROJECTED REDUCTION
\$750 MILLION REDUCTION IN 2011-12	\$47.4 MILLION PERMANENT REDUCTION



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