



BUDGET ADMINISTRATION & OPERATIONS

1600 Holloway Avenue
San Francisco, CA 94132

Main (415) 338-1463
Fax (415) 338-7186
Website budget.sfsu.edu
Email budget@sfsu.edu

DATE: MARCH 3, 2020
TO: JEFF WILSON, INTERIM VICE PRESIDENT AND CFO
ADMINISTRATION & FINANCE
FROM: ELENA STOIAN, EXECUTIVE DIRECTOR
BUDGET ADMINISTRATION & OPERATIONS
SUBJECT: CAMPUS OPERATIONS COST ALLOCATION PLAN FISCAL YEAR 2019-20



The Office of Budget Administration and Operations has finalized the 2019-20 Cost Allocation Plan (CAP) for the Auxiliary Enterprises. Attached is the summary of the plan and its supportive documentation.

The figures have been updated based on the actual 2018-19 expenditure data including the general salary increase (GSI) for bargaining units effective 07/01/2018 plus benefits included in the business and financial service document

The 2019/20 CAP reflects several primary changes compared to last year's plan:

Table with 2 columns: Numbered list (1-4) and Description of changes to the CAP.

Please indicate your approval of the attached 2019-20 Cost Allocation Plan with your signature below.

The Campus Operations Cost Allocation Plan for FY 2019-20 is approved:

DocuSigned by: Jeff Wilson
Date 03/16/2020 | 8:48 AM PDT

Jeff Wilson
Interim Vice President & Chief Financial Officer (CFO),
Administration & Finance

Filename: CAP_FY_2019-20.Campus_Operations
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SAN FRANCISCO STATE UNIVERSITY

Cost Allocation Plan for Fiscal Year 2019-20

Purpose

This cost allocation plan was developed to conform to CSU Executive Order 1000 (EO 1000), ensuring that costs incurred by the CSU Operating Fund (General Fund) for services, products, and facilities provided to the Auxiliary Enterprises, as well as other CSU campuses, are properly and consistently recovered. EO 1000 further stipulates that:

- Allowable direct costs incurred by the General Fund shall be allocated and recovered based on actual costs incurred.
- Allowable and allocable indirect costs shall be allocated and recovered according to a cost allocation plan that utilizes a documented and consistent methodology, including identification of indirect costs and a basis for allocation.
- The campus Chief Financial Officer, or designee, shall annually approve and implement the cost allocation plan.

Cost Recovery Policy

The University's general policy on cost recovery is guided by ICSUAM Policy 3552.01, which defines how direct costs and indirect costs covered by the General Fund shall be recovered from other funds and organizations.

Overview

Reimbursements to the General Fund are completed annually by journal entry after the affected departments and units are notified:

1. Auxiliary Enterprises receiving services, products, and facilities include:
 - Athletics
 - Campus Recreation
 - Student Health Services (SHS and CP&PS)
 - College of Extended Learning (CEL)
 - Housing, Dining & Conference Services (HDCS)
 - Children's Campus
 - Parking and Transportation (P&T)
 - Associated Students, Inc. (ASI) and Student Center (CCSC)
 - Foundation
 - University Corporation (UCORP)
2. Entities in the General Fund and services/products provided include:
 - Audit & Advisory Services
 - Fraud Awareness Training
 - Advisory/Consulting Services
 - Liaison Services for the Chancellor's Office Audit Team
 - Operations Review
 - NCAA Self-Study
 - UCorp Audit Committee Board Member

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- Budget Admin & Operations
 - Budget Process and financial oversight review
 - BTR & budget upload
 - ETRAC processing
 - LCD/LCD Adjustment
 - Department ID setup
 - Setting up/inactivating combo codes
 - Position management
- Procurement
 - RFP's, Contract, Purchase Order creation & change
 - CFS Training
 - End of Year PO closing
 - Post Transaction Direct Pays
 - Physical Inventory Control, equipment tagging, and retirement of equipment
 - Public Surplus Auctions
 - Xerox program management
 - Logistic management of packages/mails (including receiving, delivering, and shipping)
- Enterprise Risk Management
 - Risk management consulting
 - Certification of insurance processing
 - Placement of stand-alone insurance coverages
 - Risk management standards/policy/guideline development
 - Administration of Time, Space, and Manner request
 - Business continuity plan development, integration, and maintenance
- Environment, Health, & Safety
 - Provide the safest and healthiest environment possible for the entire HDCS community
 - Ensure regulatory compliance with federal, state, local regulations and policy, and provide administrative support for safety related activities
 - Training program
 - Inspection Program
 - Emergency Preparedness and Response
 - Incident and Injury Reporting
 - Driver's Safety and Insurance Program
 - Respiratory Protection Program
 - Chemical Pickup and Disposal
- Accounts Payable
 - Invoices routing to departments and payments to vendors processing
 - Audit and process travel, hospitality, and business reimbursements
 - Issuance of procurement cards, travel cards and provided training
 - Audit of P-card and Travel card reports and use tax processing
 - Providing maintenance process of content management through OnBase enterprise information platform

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- Check disbursements
- Government Accounting
 - Bank reconciliation, payroll reconciliation
 - Invoicing and collections
 - CFS ARLB Module supports
 - JE adjustment
 - Petty cash & change fund audit and reconciliation
- Trust Fund Accounting
 - Billing/collection/wire transfer/Journal Entry/Trust Agreement
 - CPO initiation and recording
 - Item Code/chart-fields setup and review
 - AP payment fund certification and Petty Cash approval
 - Quarterly IRA fee allocation/Quarterly Trust Fund Report/monthly gift report
 - Third party contract invoicing/collection for CEL & Housing Student Fees
 - Account reconciliation and resolve other accounting issues
- Financial Reporting
 - Chatfield value creation and maintenance
 - Closing accounting ledger for month-end and year-end close
 - Coordination of audits (FA, G&C, and FS Audit)
 - Annual reporting to the State Controller's Office
 - Reporting Functions
 - Financial Data Warehouse training and individual support
 - Capital Asset Accounting
 - Tax
 - Ensuring compliance with federal, state, local, and international tax laws and protecting the University's tax-exempt status.
 - Conducts tax research and prepares tax communications
- Bursar of Cashiering Operations
 - eMarket
 - Departmental deposits processing (check and cash)
 - Group charge uploads into Campus Solution
 - Campus Solution support for student financial records
 - Student organization banking including: petty cash, organization deposits of fundraising, donations, etc.
- Human Resources
 - Benefits & retirement services
 - Leave programs
 - Payroll services
 - Learning and professional development
 - Labor & employee relations
 - Performance evaluation administration
 - Onboarding/Orientation
 - Compliance (HR-specific)
 - Internal promotion, In-range progression
 - HR reports / Personnel records

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- Information Technology
 - Business Services – management of cellular & other devices
 - Student Application (Campus Solutions), CFS/HRMS/E-TRAC support, and business intelligence
 - Information Security – security incidents handling, security/privacy assessments (TARS), security/privacy compliance/audit management (ICSUAM, PCI-DSS, FERPA)
 - Security design, training and awareness
 - Network & telecom – wireless access, network/phone/VoIP services
 - Project Management – project portfolio management, policy/planning
 - Service Management – printing, computer management, software distribution, cable television, digital display, campus operator, campus communication, virtual desktop, Due token distribution, help desk services, computer checkout/loaner program, and web support and training
 - Systems
 - Email /calendar
 - VPN (Virtual Private Network)
 - Data center
 - Offside Media Storage
 - Shared file storage
 - Identity management
 - Box
 - Core infrastructure (DNS etc)
 - Web and Cloud Applications
 - Web application development
 - Web page assistance
 - Portal services
 - Department webpage template – Onbase, StarRex, Pinnacle application support, Meal Plans support, CEL Shopping Cart, Web site custom enhancements

- Quality Assurance
 - DocuSign Support and Administration
 - Process Improvement and Strategic Recommendations
 - Process Mapping and Analysis
 - Establish Baseline Metrics
 - Develop and Maintain Policies, Procedures, and A&F Practice Directives
 - Respond to Inquiries Regarding Policies and Procedures
 - Manage Response to Subpoenas and Public Records Act Requests

- VP/CFO Admin & Finance
- SAEM Executive team

SAN FRANCISCO STATE UNIVERSITY Cost Allocation Plan for Fiscal Year 2019-20

Methodology

The University allocates costs based on the expenses incurred by each Auxiliary Enterprise and the level of service provided by General Fund entities (0 percent, 25 percent, 50 percent, 75 percent, or 100 percent). For example, costs associated with Accounts Payable, a subsidiary of the General Fund, are allocated based on the expenses incurred by each Auxiliary Enterprise and the percent of General Fund services allocated to the Auxiliary Enterprise for FY 2018-19, General fund services provided to the Auxiliary Enterprises were set at 100 percent.

See Appendix A for the current cost allocations distributed to Auxiliary Enterprises and Appendix B for the percentage of expenses processed for each Auxiliary Enterprise. Downtown Campus, Facilities & Services Enterprises, and Capital Planning Administration, within the Construction Division, were not included. Only payroll costs were considered for cost recovery as a part of this cost allocation model as determined by the University.

Direct Cost Recovery

Direct costs are expenditures initially charged to the General fund, for which where it can be easily determined with a high degree of accuracy and a minimal amount of accounting that the charge was for the direct benefit of one of the Auxiliary Enterprises. In Direct Cost Recovery, these charges are then transferred to another University-based self-supporting fund or Auxiliary Enterprise, based upon the actual cost of the goods or services provided. All direct costs (e.g., rent, insurance and University Police) are recovered on a regular, on-going basis through direct cost methods, including a work order, expenditure transfer, or contract.

Prepared by:

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Jennifer Khuu
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Jennifer Khuu
Budget Manager
Budget Administration & Operation

Date

Approved by:

DocuSigned by:
Jeff Wilson
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03/16/2020 | 8:48 AM PDT

Jeff Wilson
Interim Vice President (VP) & Chief Financial Officer (CFO)
Administration & Finance

Date

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APPENDIX A – COST ALLOCATION PLAN CALCULATION

The following table outlines the cost allocation recovery results for the Auxiliary Enterprises. The cost allocation recovery value is calculated based on expenditures (see Appendix B for further details) and the allocated percentage of the General Fund services provided as determined by the University or the following formula: expenditures by auxiliary enterprise /total University expenditures x General Fund total payroll cost x percentage of General Fund services provided to the Auxiliary Enterprises. Services provided by General Fund entities to the Auxiliary Enterprises were set at 100 percent for FY 2019-20, and the resulting values directly correlate to Data Warehouse GAAP Actuals for NG001 funds within Salaries & Benefits expenses (in Legal).

Auxiliary Enterprises	University General Fund Services Provided																
	FY 2018-19 Actuals	Expenditure Allocation (%)	Audit & Advisory Services	Budget Admin & Operations	Accounts Payable	Bursar of Cashiering Operations	Enterprise Risk Management	Account & Finance	Human Resources	Information Technology	Procurement	Trust Fund Accounting	Quality Assurance	VP/CFO Admin & Finance	Mail Service	SAEM Excutive Team	Total
Campus Operations	478,775,055	84.5%	343,632	678,425	1,047,255	998,495	1,779,811	1,577,368	3,451,081	11,121,236	1,038,462	347,097	332,019	999,128	335,108	1,316,943	-
Athletics	2,689,207	0.5%	-	3,811	5,882	5,608	9,997	8,860	19,384	62,466	5,833	1,950	1,865	5,612	1,882	-	133,150
Campus Recreation	3,772,585	0.7%	2,708	5,346	8,252	7,868	14,024	12,429	27,193	87,632	8,183	2,735	2,616	7,873	2,641	10,377	199,876
Student Health Services (SHS and C&PS)	11,481,105	2.0%	8,240	16,269	25,113	23,944	42,680	37,826	82,757	266,689	24,903	8,323	7,962	23,959	8,036	31,581	608,282
College of Extended Learning (CEL)	16,610,738	2.9%	-	7,061	36,334	34,642	18,525	5,473	119,733	115,753	36,029	12,042	-	1,733	11,626	-	398,950
Housing, Dining & Conference Services (HDCS)	22,229,938	3.9%	15,955	31,500	48,625	46,361	34,708	73,239	160,237	-	48,217	16,116	15,416	46,390	15,559	-	552,323
Children's Campus	1,419,061	0.3%	1,019	2,011	3,104	2,959	5,275	4,675	10,229	32,963	3,078	1,029	984	2,961	993	3,903	75,184
Parking and Transportation (P&T)	2,321,174	0.4%	1,666	3,289	5,077	4,841	8,629	7,647	16,731	53,917	5,035	1,683	1,610	4,844	1,625	6,385	122,979
Associated Students, Inc. (ASI) and Student Center (CCSC)	8,394,426	1.5%	1,205	5,947	1,836	-	15,603	13,828	-	29,249	910	-	-	-	1,175	-	69,754
Foundation	1,158,863	0.2%	166	821	-	-	4,308	1,909	8,353	26,919	-	-	80	-	162	-	42,719
University Corporation (UCORP)	17,673,069	3.1%	2,537	12,521	3,866	-	3,285	29,113	12,739	61,578	1,917	-	1,226	-	4,948	-	133,729
Grand Total	\$ 566,525,221	100%	\$ 377,128	\$ 767,001	\$ 1,185,345	\$ 1,124,718	\$ 1,936,845	\$ 1,772,366	\$ 3,908,438	\$ 11,858,401	\$ 1,172,566	\$ 390,975	\$ 363,777	\$ 1,092,500	\$ 383,756	\$ 1,369,189	\$ 2,336,944

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APPENDIX B – BASIS OF EXPENSE BY EACH AUXILIARY ENTERPRISE

The following table illustrates the breakdown by percentage of expenditures of each Auxiliary Enterprise for FY 2018-19 compared to overall total expenditure. These percentages were used to determine the rates for FY 2019-20.

Auxiliary Enterprises	FY 2018-19 Actuals	Expenditure Allocation (%)	Notes
Campus Operations	478,775,055	84.5%	Total operating expenses of the University less financial aid, scholarship, transfer out, depreciation and the plus of the University Auxiliary Enterprises (in GAAP)
Athletics	2,689,207	0.5%	All Salaries, Benefits and Supplies & Services expenses in TA650 less Accounting fee and transfer out
Campus Recreation	3,772,585	0.7%	All Salaries, Benefits and Supplies & Services expenses in Funds: TA050, TT784 & TU004 for Mashouf Wellness Center less Accounting fee and transfer out
Student Health Services (SHS and C&PS)	11,481,105	2.0%	All Salaries, Benefits and Supplies & Services expenses in Funds: TH202-TH305, TR640 and TR641 less Accounting fee and transfer out
College of Extended Learning (CEL)	16,610,738	2.9%	All Salaries, Benefits and Supplies & Services expenses in Funds: TC001-TC005 and transfer out
Housing, Dining & Conference Services (HDSC)	22,229,938	3.9%	All Salaries, Benefits and Supplies & Services expenses in Funds: TD001, TD004, TD005 and TR560 less Accounting fee, transfer out and bond payment transfer out
Children's Campus	1,419,061	0.3%	All Salaries, Benefits and Supplies & Services expenses in Funds: TR153 and TR154 less transfer out
Parking and Transportation (P&T)	2,321,174	0.4%	All Salaries, Benefits and Supplies & Services expenses in Funds: TP003-TP025 less transfer out
Associated Students, Inc. (ASI) and Student Center (CCSC)	8,394,426	1.5%	Operating Expenses in Associated Student of SFSU audited financial statement, net of depreciation (updated with FY18/19)
Foundation	1,158,863	0.2%	Operating Expenses in SFSU Foundation audited financial statement
University Corporation (UCORP)	17,673,069	3.1%	Operating Expenses in SFSU Ucorp audited financial statement, net of depreciation
Grand Total	\$ 566,525,221	100%	

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Auxiliary Enterprises	FY2018-19	FY2019-20	Variance	Note
Athletics	121,553	133,150	11,597	Increased in travel expenses where all 13 sports goes to post season.
Campus Recreation	164,772	199,876	35,104	Sal+Ben, Travel, and Ser frm Other 617XXX group increased
Student Health Services (SHS and C&PS)	460,426	608,282	147,856	Increased in the expenses belong to fund TR640 and TR641
College of Extended Learning (CEL)	538,288	398,950	(139,338)	
Housing, Dining & Conference Services (HDCS)	574,574	552,323	(22,252)	
Children's Campus	75,234	75,184	(51)	
Parking and Transportation (P&T)	114,267	122,979	8,711	
Associated Students, Inc. (ASI) and Student Center (CCSC)	75,543	69,754	(5,790)	
Foundation	10,946	42,719	31,773	expenses increased in various program codes from financial
University Corporation (UCORP)	171,369	133,729	(37,640)	
Grand Total	2,306,974	2,336,944	29,971	