

2008/09  
CO Budget Reduction Allocation &  
Revenue Projections

Administration and Finance  
February 29, 2008

# CSU BUDGET 08/09 HIGH (LOW) LIGHTS

*as of 2/29/08*

## CSU BUDGET MEMO DATED 2/13/08

- Addresses changes in the campus General Fund appropriation only and is based on the Governor's January budget to the Legislature
- Fee revenue projections have been made by campus budget staff based on enrollment figures from AA
- BOT has taken no action on a student fee increase so the budget reflects no fee increase
- The Budget Year Reductions included in the CSU Budget reflect the CSU share of the 10% across the board reduction in GF appropriations for all State spending
- New space support for Mihaylo is funded
- Undoubtedly these will NOT be the final budget figures

# CSU BUDGET 08/09 HIGH (LOW) LIGHTS

*as of 2/29/08 continued*

The campus has a significant budget shortfall in addition to the projected reductions by the State

-Why:

- Approximately \$22M was identified as a one time resource in fiscal 07/08 to fund important activities throughout the campus and recommended for funding by PRBC
- Those funds will not be available in 08/09 and that would leave an additional \$20M of items or activities without an identified resource to fund them
- At the next PRBC meeting we will discuss the expenditure items that make up the list and discuss strategies for addressing them (e.g., eliminate the expenditure, divisions absorb the expenditure within their own budgets, identify new revenues, if any, or restructure the expenditure

**CALIFORNIA STATE UNIVERSITY, FULLERTON**  
**OPERATING FUND BUDGET SUMMARY**  
**FY 2008-09**

	<b>FY 07/08</b>	<b>FY 08/09 Changes</b>	<b>FY 08/09</b>
<b>STATE ALLOCATION</b> <sup>1</sup>	<u>\$ 179,133,570</u>	<u>\$ (5,324,500)</u>	<u>\$ 173,809,070</u>
<b>REVENUES</b>			
State University Fee <sup>2</sup>	\$ 96,872,700	\$ 587,790	\$ 97,460,490
Non-Resident Fee	8,360,757	0	8,360,757
Application Fee	1,943,065	0	1,943,065
Transcripts, Late Reg, Bad Debt	330,000	0	330,000
Federal Perkins	157,328	0	157,328
Health Fee	2,200,000	0	2,200,000
Other Receipts <sup>3</sup>	5,064,420	0	5,064,420
Trust Fund Interest Earnings	1,800,000	0	1,800,000
<b>Total Revenue</b>	<u>\$ 116,728,270</u>	<u>\$ 587,790</u>	<u>\$ 117,316,060</u>
<b>Total State Allocation and Revenues</b>	<u><u>\$ 295,861,840</u></u>	<u><u>\$ (4,736,710)</u></u>	<u><u>\$ 291,125,130</u></u>
<b>EXPENDITURES</b>			
Baseline	\$ 301,804,924	\$ 7,860,042	\$ 309,664,966
<b>Baseline Surplus /(Deficit)</b>	<u>\$ (5,943,084)</u>	<u>\$ (12,596,752)</u>	<u>\$ (18,539,836)</u>
Non-Baseline and One-Time <sup>4</sup>	15,475,608	4,828,191	20,303,799
<b>Total Surplus /(Deficit)</b>	<u><u>\$ (21,418,692)</u></u>	<u><u>\$ (17,424,943)</u></u>	<u><u>\$ (38,843,635)</u></u>

<sup>1</sup> Please see page 5 for State Allocation Detail

<sup>2</sup> Please see page 6 & 7 for the preliminary State University Fee revenue projection based on enrollment projection models provided by Academic Affairs.

<sup>3</sup> Other receipts include consolidated course fees, diploma fees, installment fees, other mandatory fees, optional user fees, concurrent enrollment fees, workstudy revenues, etc.

<sup>4</sup> Non-baseline and one-time budget includes all currently known non-baseline/one-time obligations. These have to be deleted / absorbed by divisions or require one-time funding solutions. Please see page 6 for the detail.

**GENERAL FUND STATE ALLOCATION SUMMARY  
FY 2008-09**

	FY 07-08		FY 08-09		
			Budget Adjustments	Budget Reduction	FY 08-09 Budget
<b>ALLOCATION BASE</b>		\$ 160,100,530			\$ 179,133,570
<b>BASE ADJUSTMENTS</b>					
Retirement	\$	1,506,000	\$ (588,000)		
Auxiliary Audit		(9,900)			
HR Charge Back		(7,500)			
Budget Year Adjustment		25,000			
Outreach Programs Reduction					
H.E. Fee Rev. Int. Earnings Chargeback Adjustment		410,040			
Enrollment Base Adjustment (660 FTES * FY07 Marginal Cost)		4,808,000			
<b>Base Adjustment Total</b>		6,731,640	(588,000)		(588,000)
<b>REVISED GENERAL FUND BASE</b>		<b>166,832,170</b>			<b>178,545,570</b>
<b>REDUCTION TO FY 07/08 GF BASE</b>				(6,143,900)	<b>(6,143,900)</b>
<b>FY08/09 PRO-RATA SPACE FUNDING REDUCTION</b>			(378,300)		<b>(378,300)</b>
<b>FY08/09 NEW SPACE FUNDING</b>			1,785,700		<b>1,785,700</b>
<b>EXPENDITURE ALLOCATIONS</b>					
Health Benefits	\$	1,894,000	\$ 1,509,000	(1,509,000)	
SSI Costs		259,000	293,000	(293,000)	
Energy Costs		259,000	268,000	(268,000)	
New Space Funding			1,785,700	(1,785,700)	
Marginal Costs: General Fund (FY 08-09:\$7,731 for 666 FTES, FY07-08:\$7,285 for 1303 FTES)		9,492,000	5,149,000	(5,149,000)	
Marginal Costs: Fee Rev (FY 08-09:\$1,599 for 666 FTES, FY07-08:\$1,512 for 1303 FTES)		1,970,000	1,065,000	(1,065,000)	
BSN FTES Growth		551,000		-	
3.00% Salary Base Increase		5,578,000	6,242,000	(6,242,000)	
Salary Lag Supplement		3,076,000	4,452,000	(4,452,000)	
Deferred Maintenance		147,000	435,000	(435,000)	
SUG Need		3,551,400			
SUG Set Aside from Marginal Cost & Fee Increase		(3,586,000)	(3,116,000)	3,116,000	
GF Augmentation that would have replaced 10% SUF rate Increase			(6,098,000)	6,098,000	
<b>Expenditure Allocation Total</b>		23,191,400	11,984,700	(11,984,700)	-
<b>SUB-TOTAL</b>		<b>190,023,570</b>	<b>12,804,100</b>	<b>(18,128,600)</b>	<b>173,809,070</b>
<b>BUDGET PLAN REVENUE INCREASES</b>					
Projected Fee Revenue Increase	\$	10,762,000			
Incremental BSN Growth Revenue		128,000			
Budget Plan Fee Revenue Increase		10,890,000	-		-
<b>BASE STATE ALLOCATION</b>		<b>179,133,570</b>			<b>173,809,070</b>

California State University, Fullerton  
State University Fee Projection  
FY 2008-2009

		FY 2007-08 Projection based on 1/29/08 Census					
		Enrollments		Fee Waived		Fee Paying Headcounts	
Fee Rates		Enrollment	Amount	Enrollment	Amount	Enrollment	Amount
Summer							
UG Ltd	732	7,347	5,378,004	57	41,724	7,290	5,336,280
UG Reg	1,260	1,504	1,895,040	6	7,560	1,498	1,887,480
GR Ltd	900	1,187	1,068,300	22	19,800	1,165	1,048,500
GR Reg	1,551	220	341,220	3	4,653	217	336,567
GR Ltd-Cred	849	95	80,655	-	-	95	80,655
GR Reg-Cred	1,461	13	18,993	-	-	13	18,993
Doctoral Ltd		-	-	-	-	-	-
Doctoral Reg	3,447	-	-	-	-	-	-
<b>Total</b>		<b>10,366</b>	<b>8,782,212</b>	<b>88</b>	<b>73,737</b>	<b>10,278</b>	<b>8,708,475</b>
Fall							
UG Ltd	804	5,572	4,479,888	1,933	1,554,132	3,639	2,925,756
UG Reg	1,386	26,101	36,175,986	108	149,688	25,993	36,026,298
GR Ltd	990	2,864	2,835,360	101	99,990	2,763	2,735,370
GR Reg	1,707	1,885	3,217,695	13	22,191	1,872	3,195,504
GR Ltd-Cred	933	51	47,583	1	933	50	46,650
GR Reg-Cred	1,608	639	1,027,512	1	1,608	638	1,025,904
Doctoral Ltd	3,690	1	3,690	-	-	1	3,690
Doctoral Reg	3,690	17	62,730	-	-	17	62,730
<b>Total</b>		<b>37,130</b>	<b>47,850,444</b>	<b>2,157</b>	<b>1,828,542</b>	<b>34,973</b>	<b>46,021,902</b>
Spring							
UG Ltd	804	5,849	4,702,596	1,869	1,502,676	3,980	3,199,920
UG Reg	1,386	24,833	34,418,538	109	151,074	24,724	34,267,464
GR Ltd	990	2,857	2,828,430	99	98,010	2,758	2,730,420
GR Reg	1,707	1,714	2,925,798	15	25,605	1,699	2,900,193
GR Ltd-Cred	933	109	101,697	2	1,866	107	99,831
GR Reg-Cred	1,608	681	1,095,048	6	9,648	675	1,085,400
Doctoral Ltd	3,690	-	-	-	-	-	-
Doctoral Reg	3,690	18	66,420	-	-	18	66,420
<b>Total</b>		<b>36,061</b>	<b>46,138,527</b>	<b>2,100</b>	<b>1,788,879</b>	<b>33,961</b>	<b>44,349,648</b>
<b>AY</b>		<b>73,191</b>	<b>93,988,971</b>	<b>4,257</b>	<b>3,617,421</b>	<b>68,934</b>	<b>90,371,550</b>
<b>Summer</b>		<b>10,366</b>	<b>8,782,212</b>	<b>88</b>	<b>73,737</b>	<b>10,278</b>	<b>8,708,475</b>
<b>SUF Total</b>		<b>83,557</b>	<b>102,771,183</b>	<b>4,345</b>	<b>3,691,158</b>	<b>79,212</b>	<b>99,080,025</b>

FY 2007-08 Estimated FTES based on 1/29/08 Census 29,549  
FY 2008-09 FTES Projection Model 2 Provided by Academic Affairs 29,066  
Percentage Decrease -1.63%

**FY 2008-09 Projected Fee Revenue 97,460,490**  
(FY07-08 Estimated Fee Revenue \* (100%-1.63%))

*Models of 2008-09 Enrollment in Relation to New Reduced Target, January 28, 2008*

	<b>Actual</b>	<b>Actual / Est.</b>	<b>Model 1</b>	<b>Model 2</b>	<b>Model 3</b>
	Fall 2006	Fall 2007	Fall 2008	Fall 2008	Fall 2008
First-time freshmen	3,851	4,154	4,000	4,100	4,100
New undergraduate transfers	3,895	4,010	3,900	3,087	3,087
New Master's/doctoral	1,225	1,465	1,433	1,433	1,433
New postbac teachers	480	302	289	289	289
New postbac-other	50	262	251	251	251
Transitory (mostly high school)	1,744	1,980	1,735	1,735	0
<b>Subtotal - new students</b>	<b>9,501</b>	<b>10,193</b>	<b>9,873</b>	<b>9,160</b>	<b>9,160</b>
<b>Total FTES (rebenched)</b>	<b>27,025</b>	<b>28,133</b>	<b>28,265</b>	<b>27,751</b>	<b>27,342</b>
	Spring 2007	Spring 2008	Spring 2009	Spring 2009	Spring 2009
First-time freshmen	18	0	0	0	0
New undergraduate transfers	1,998	1,900	1,900	1,900	1,900
New Master's/doctoral	548	555	555	555	555
New postbac teachers	146	87	87	87	87
New postbac-other	183	109	109	109	109
Transitory (mostly high school)	1,894	1,735	1,735	1,735	0
<b>Total FTES (rebenched)</b>	<b>26,149</b>	<b>26,655</b>	<b>26,893</b>	<b>26,381</b>	<b>25,961</b>
<b>Total AY FTES (rebenched)</b>	<b>26,587</b>	<b>27,394</b>	<b>27,579</b>	<b>27,066</b>	<b>26,652</b>
Assume YRO = 2,000 ann. FTES					
<b>Total CY FTES (rebenched)</b>	<b>28,587</b>	<b>29,394</b>	<b>29,579</b>	<b>29,066</b>	<b>28,652</b>
<b>Amount over Target=28,161</b>			<b>1,418</b>	<b>905</b>	<b>491</b>

Returning and continuing students are included in the FTES totals (they are calculated estimates of flow-through in the model)

Model 1 = standard operating model since May 2007 (Fall 2007 census figures the only change/update)

Model 2 = expected numbers of FTF and new undergrad transfers given the new enrollment plan, all else the same

Model 3 = same as Model 2, but transitory students reduced to zero (moved to UEE) - not accepted by President

Spring 2008 is the IR&AS model from 9/26/07 (Fall census known)

It could turn out to be larger by about 350 FTES if spring 2007 now-to-census rate applies

**CSUF**  
**IR & AS**

**California State University, Fullerton  
New Expenditure Budget Detail  
FY 2008-2009**

	New Baseline	Non-Baseline and One-Time	Total
<b><u>All University</u></b>			
Retirement (FY07-08 Base Adj)	(588,000)		(588,000)
Health Benefits	1,509,000		1,509,000
SSI Costs	293,000		293,000
Energy Costs	268,000		268,000
New Space Expenditures	1,785,700		1,785,700
CFA 2% GSI Increase	2,348,000		2,348,000
CFA PPI	537,000		537,000
Equipment Loan Payment		3,128,204	3,128,204
CMS Loan Payment		3,344,311	3,344,311
CMS Budget deferred from FY 07-08		1,800,000	1,800,000
CBE Contribution		4,065,000	4,065,000
Unfunded Salary Costs - TBD			-
Old Energy Bond	(1,016,474)		(1,016,474)
Utility Savings From KOCH Energy Projects	(1,000,000)		(1,000,000)
KOCH Energy Projects Loan Payment		1,273,250	1,273,250
CSUPERB	31,000		31,000
Emergency Reserve		1,000,000	1,000,000
All University Total	<u>4,167,226</u>	<u>14,610,765</u>	<u>18,777,991</u>
<b><u>Academic Affairs</u></b>			
SFR Salaries	521,001		521,001
SFR Benefits	140,149		140,149
Less two months New Faculty FTEF		(86,833)	(86,833)
Benefits related to two months New Faculty FTEF		(23,358)	(23,358)
YRO Salaries		1,651,837	1,651,837
YRO Benefits		444,344	444,344
New Faculty Hires (Diff)	624,000		624,000
New Faculty Hires (Diff) Benefit	48,048		48,048
Kaiser and FNP	800,000	200,000	1,000,000
Cal State Teach	700,000	100,000	800,000
New 12 month Chairs	22,000		22,000
Benefit related to 12 mo chairs	3,300		3,300
Faculty Promotion	300,000		300,000
Benefit related to Fac Promo	45,000		45,000
Faculty Equity Cost	25,000		25,000
Benefit related to Fac Equity	3,750		3,750
Recruitments - Faculty		500,000	500,000
Moving Costs - Faculty		280,000	280,000
Untenured Faculty Development		160,000	160,000
Release time		750,000	750,000
Benefits related to Release time		112,500	112,500
Faculty Start up		550,000	550,000
Summer and intersession Research		520,000	520,000
Benefits related to Summer Research		7,540	7,540
New Faculty office furniture		90,000	90,000
Classroom furniture	150,000		150,000
WASC Re-Accreditation	120,568		120,568
Library Inflation	150,000		150,000
Untenured Faculty Development Grants	40,000		40,000
Academic Affairs Total	<u>3,692,816</u>	<u>5,256,029</u>	<u>8,948,845</u>
<b><u>Student Affairs</u></b>			
Concession Revenue		76,000	76,000
McCarthy Union Leave		62,460	62,460
Tap Program		63,545	63,545
Student Affairs Total	<u>-</u>	<u>202,005</u>	<u>202,005</u>
<b><u>Other Divisions</u></b>			
Irvine		235,000	235,000
Other Divisions Total	<u>-</u>	<u>235,000</u>	<u>235,000</u>
<b>Total New Budget</b>	<b><u>7,860,042</u></b>	<b><u>20,303,799</u></b>	<b><u>28,163,841</u></b>