



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

Summary of the Governor's 2015/16 State Budget



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

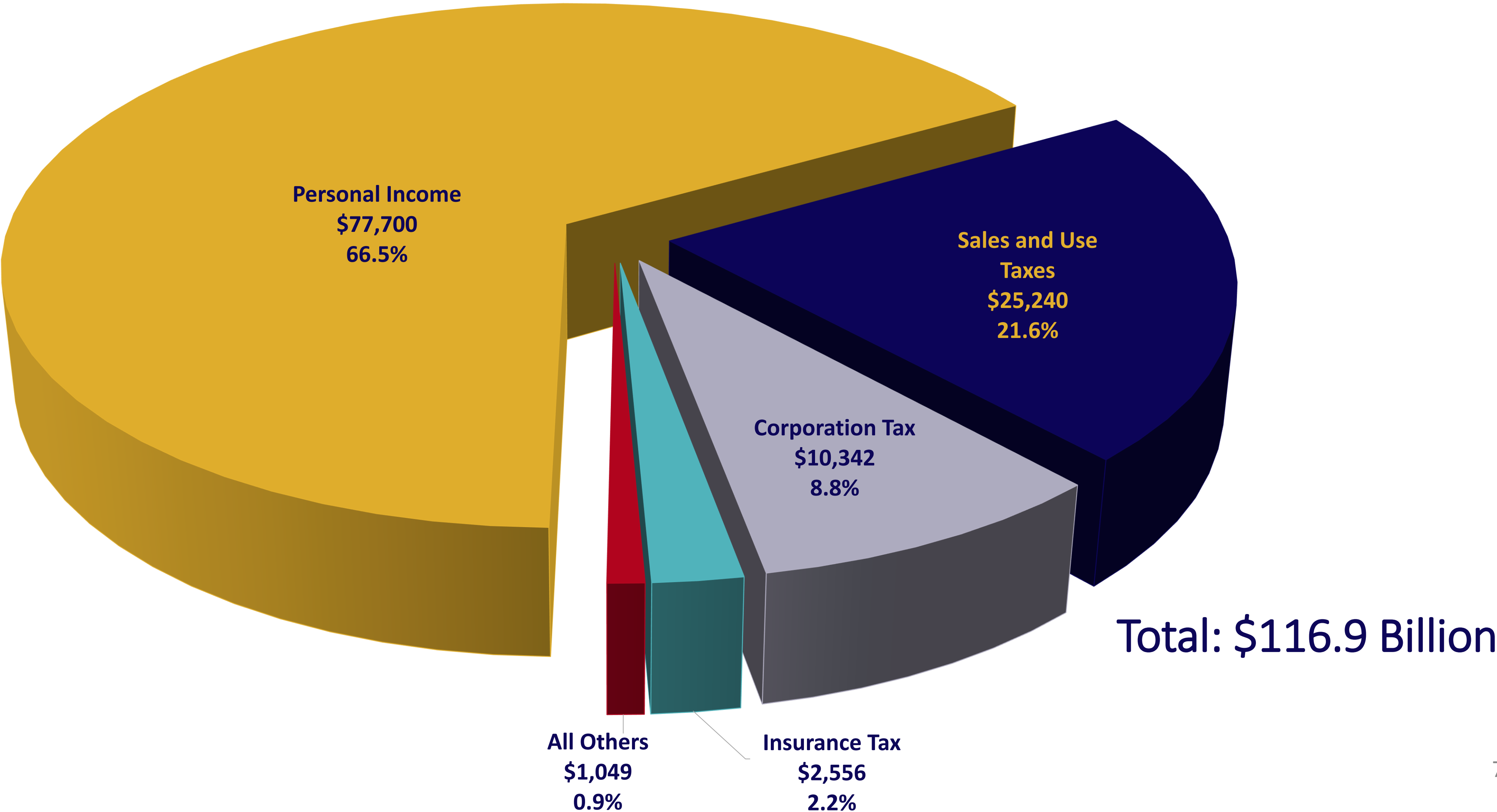


Risks Remain

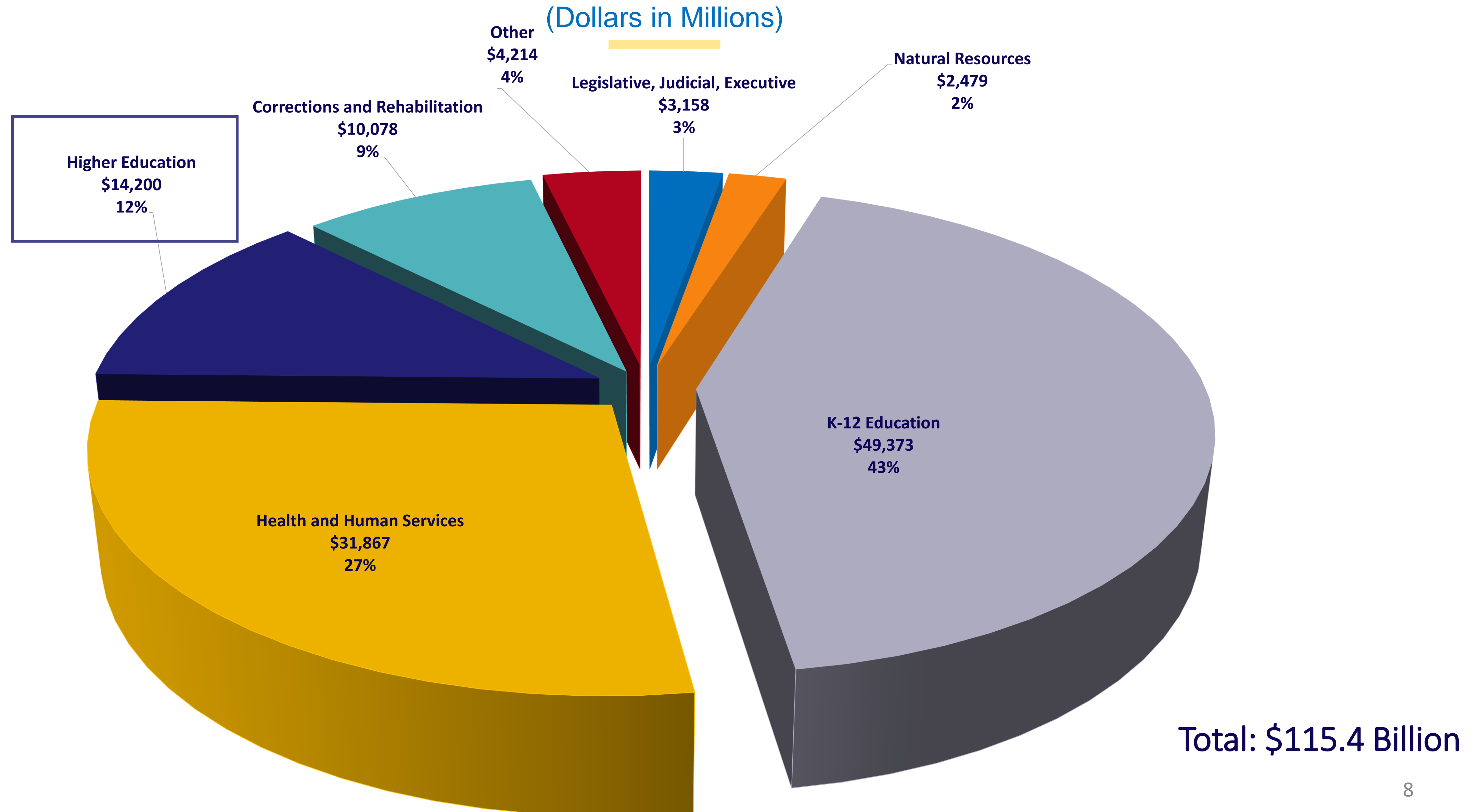
- Budget assumes continuing modest economic expansion, however, all economic expansion don't last forever
- Long-Term Liabilities: State continues to address other long-term costs pressures, debts, and liabilities
- Capital Gains: State has benefited from a modestly improved economy over the last few 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)



Governor's Budget Act 2015/16 General Fund Expenditures by Agency



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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)

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

- 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



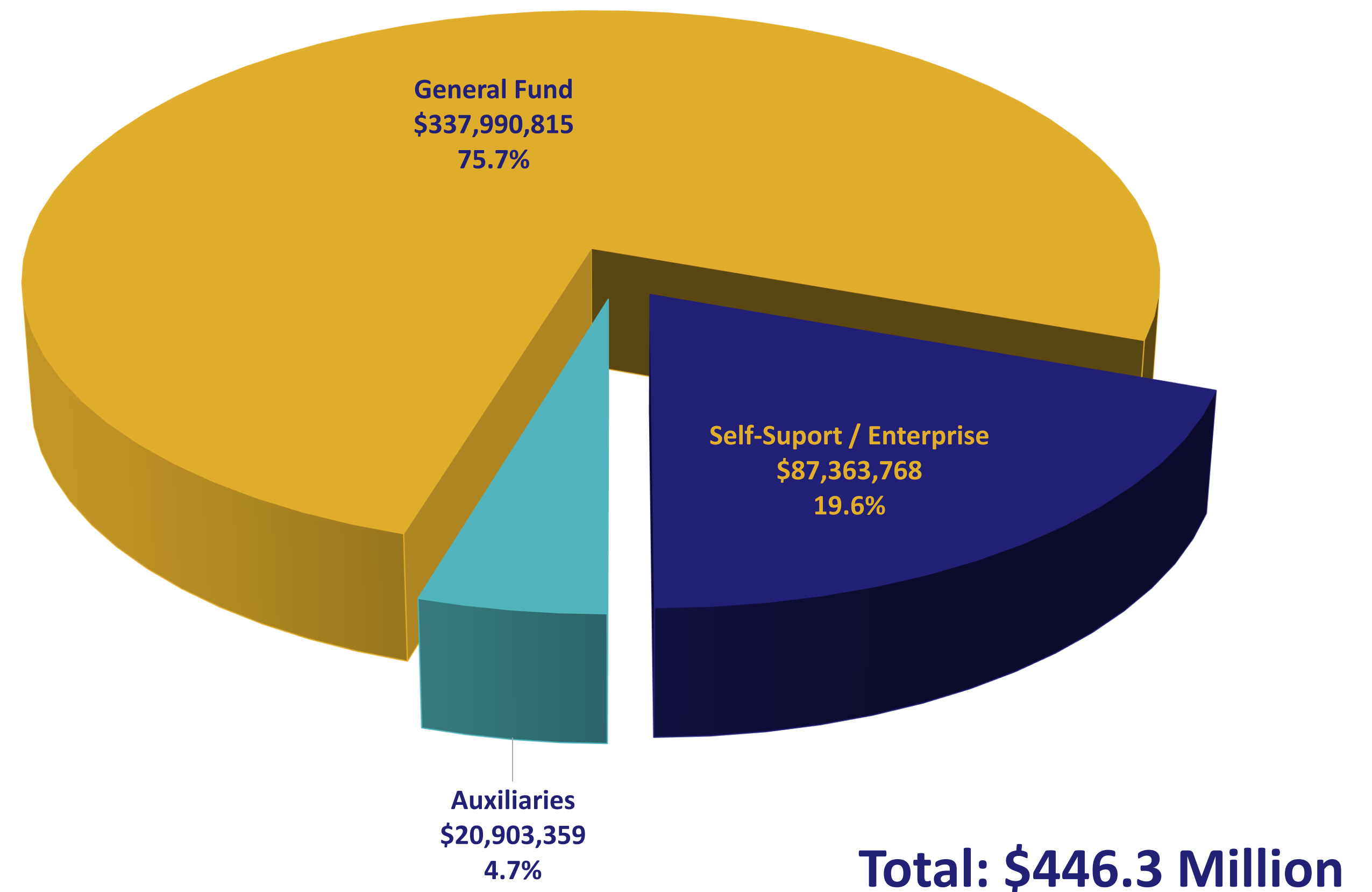
*In 2014-2015 bond debt service included in General Fund appropriation

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SF State General, Self-Support, and Auxiliaries Fund Budgets Fiscal Year 2015/16

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

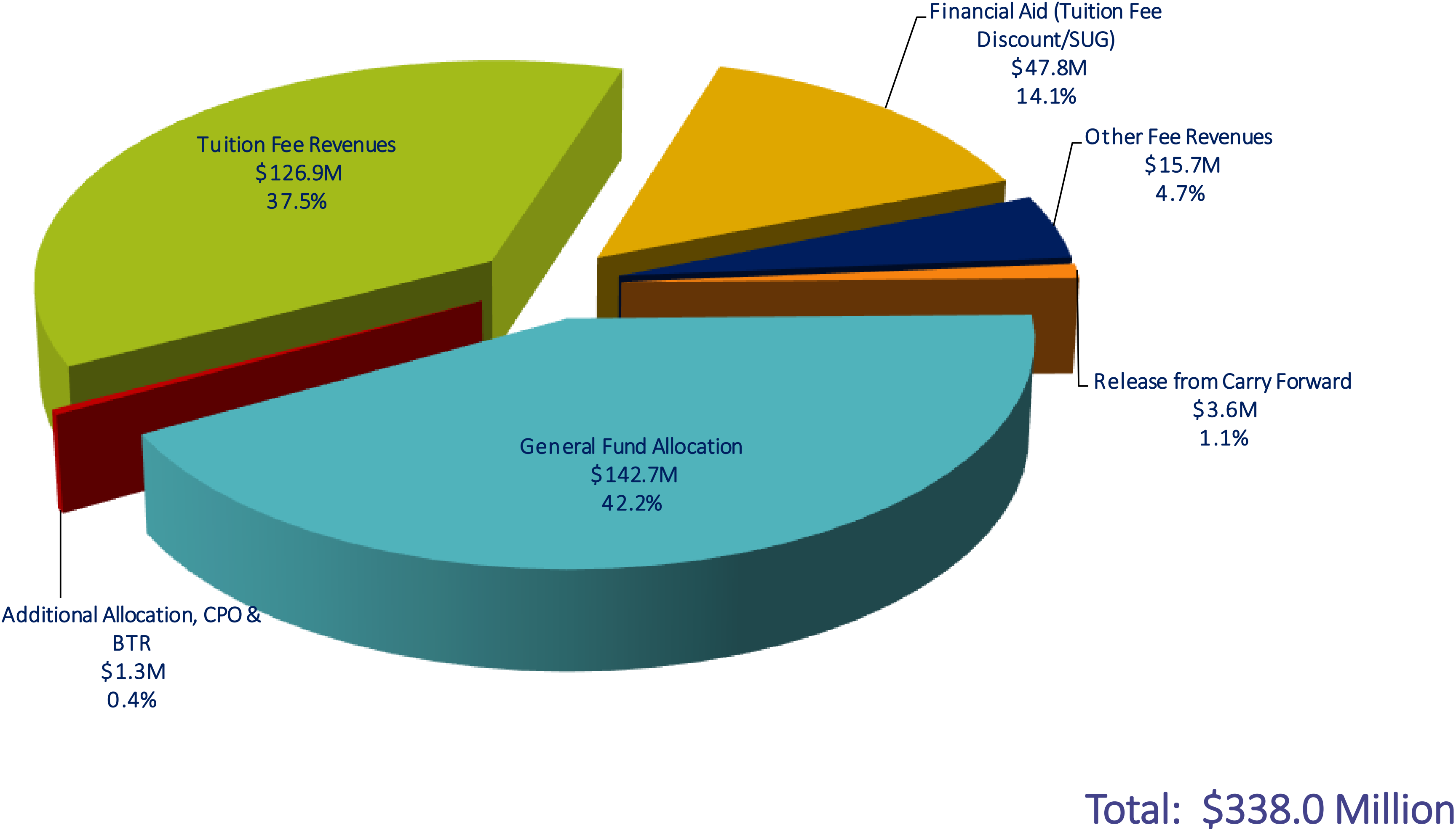


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Other Notable Budget Changes Affecting SFSU

- \$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



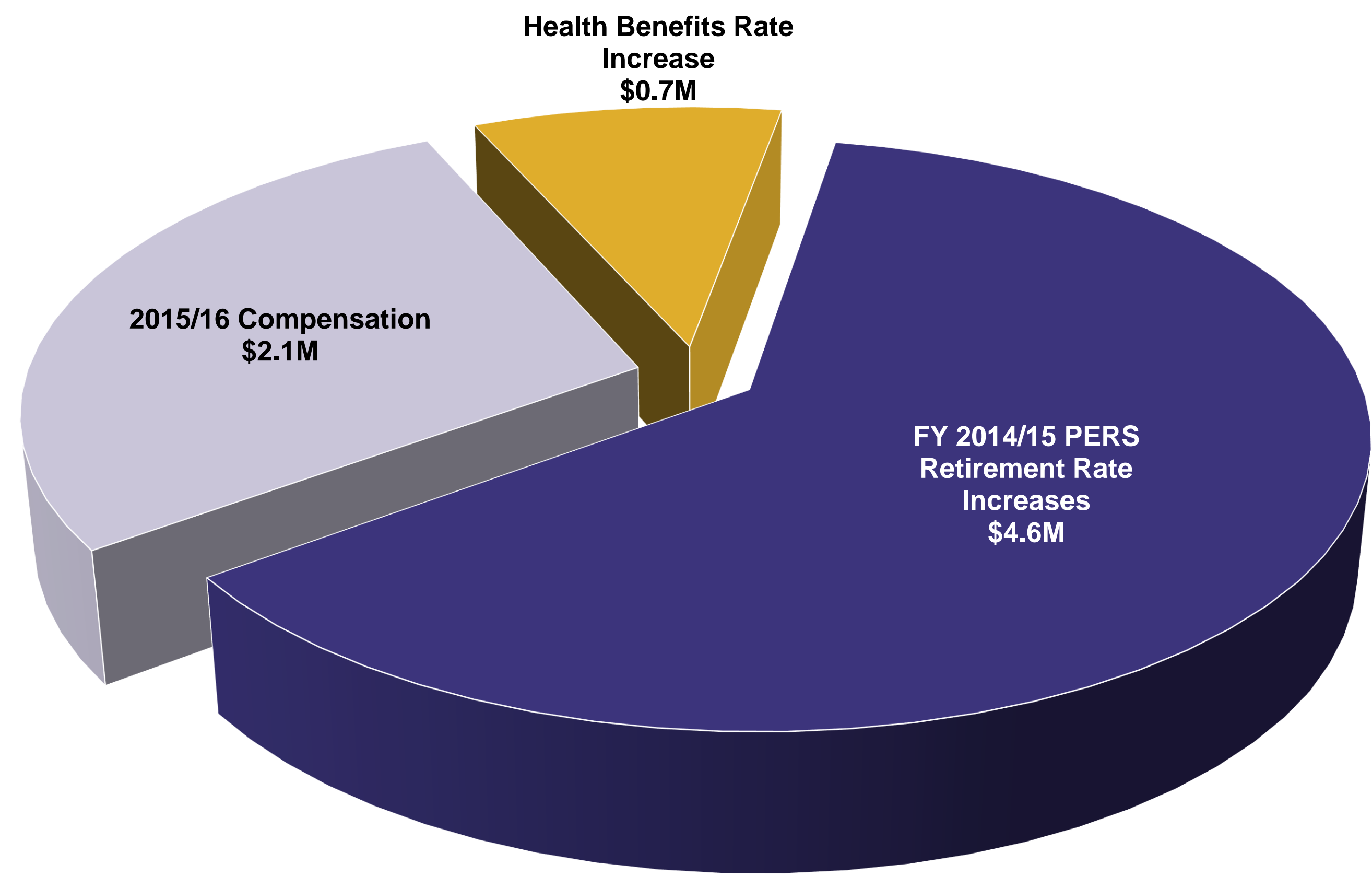
State Appropriation Funding

Fiscal Year 2015/16

2014-15 General Fund Base	FTES 23,351	\$	131,532,859
<i>2015-16 Funding</i>			
Retirement Rate Increase Adjustment			4,555,000
Health Benefit Rates Adjustment			732,000
Student Access and Success Funding			1,002,000
2014-15 GSI 3% Compensation Increase/Cost			81,000
2015-16 GSI 2% Compensation Increase/Cost			2,085,000
Enrollment Growth net of Financial Aid (+485 FTES/2%)			<u>2,722,000</u>
Total 2015-16 Funding		\$	11,177,000
2015-16 General Fund Base Allocation	FTES 23,836	\$	142,709,859

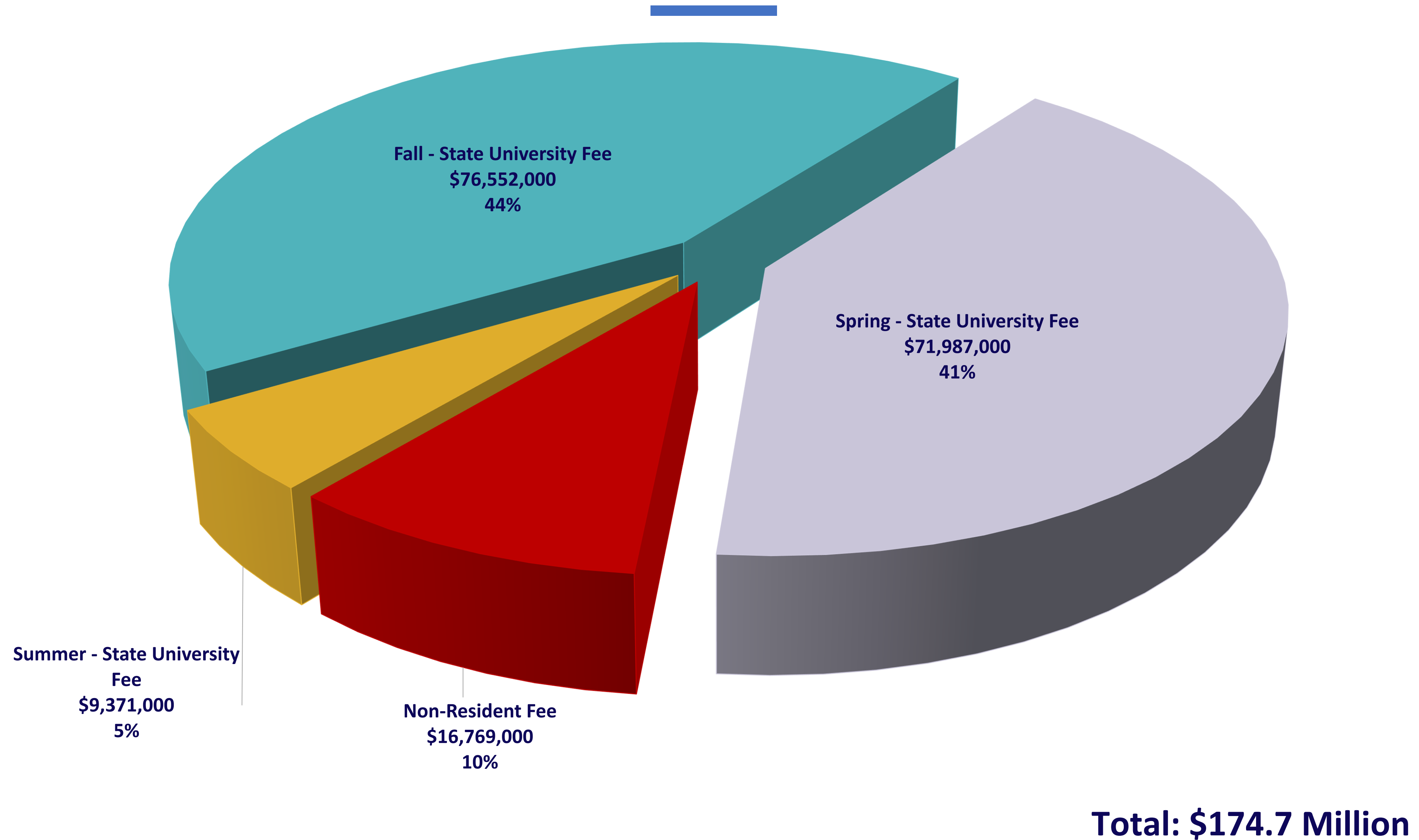
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Expenditure Requirement Changes (Pass Through)

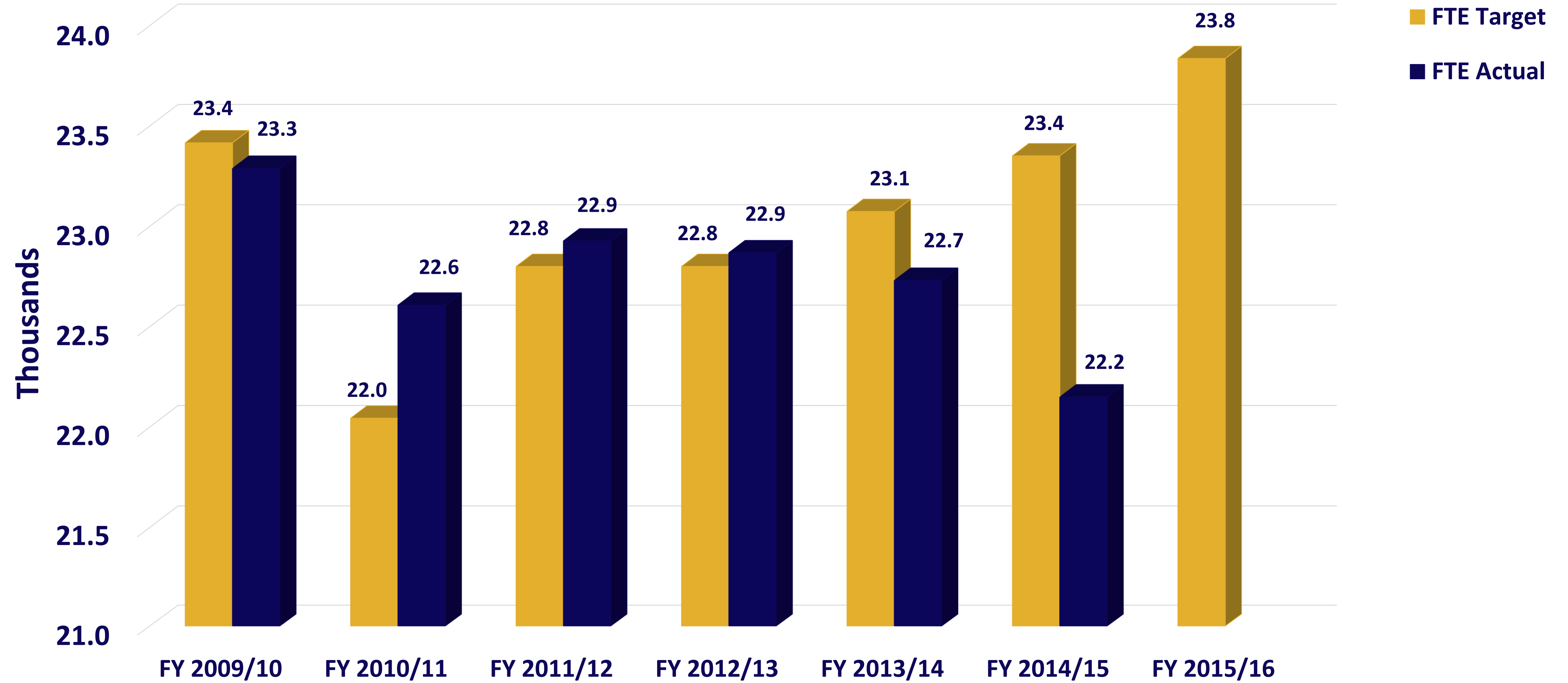


Expenditure Requirement Changes Total: \$7.4M

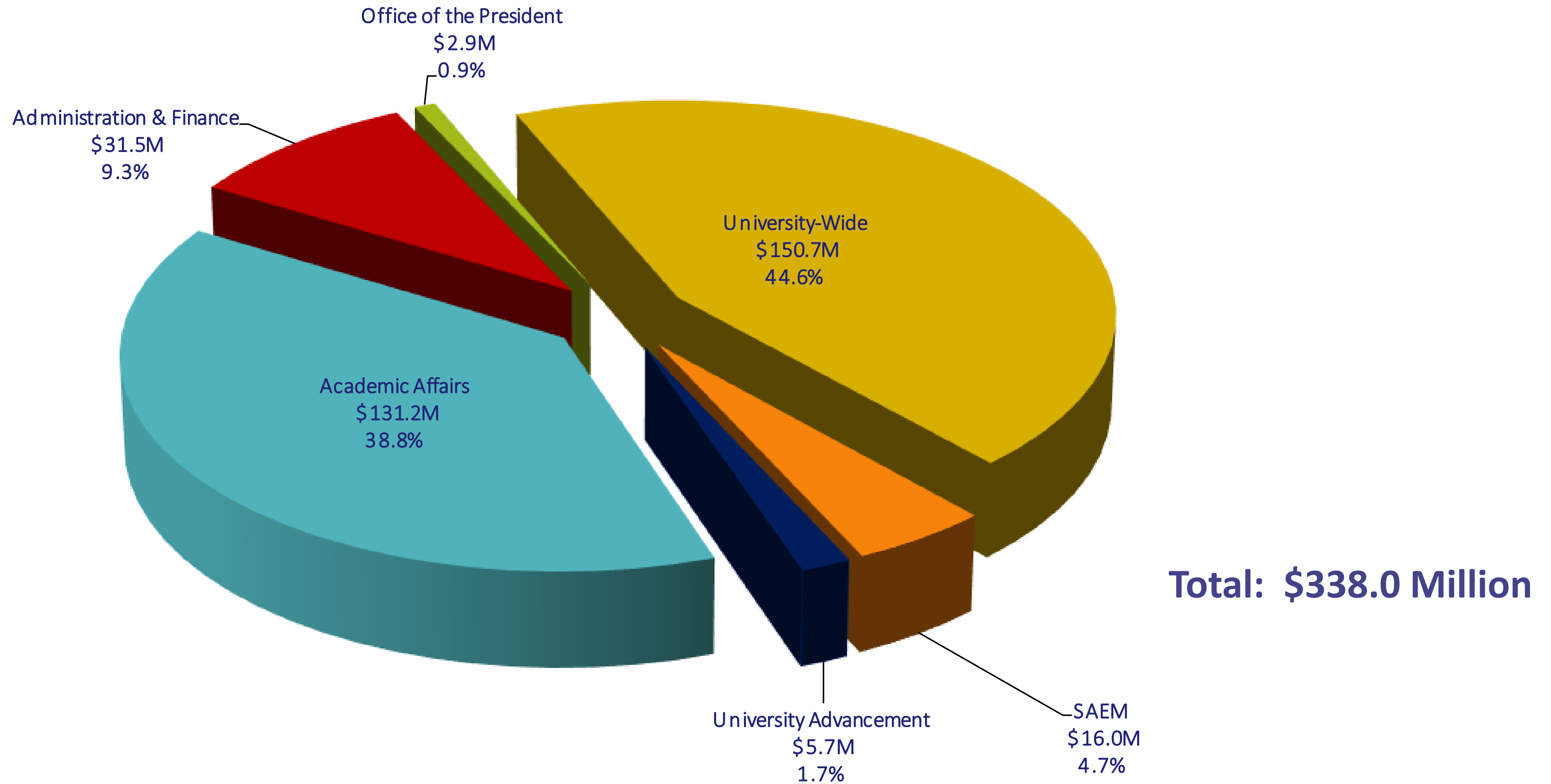
Budgeted Tuition Fee Revenue



FTE/ Actual Comparison

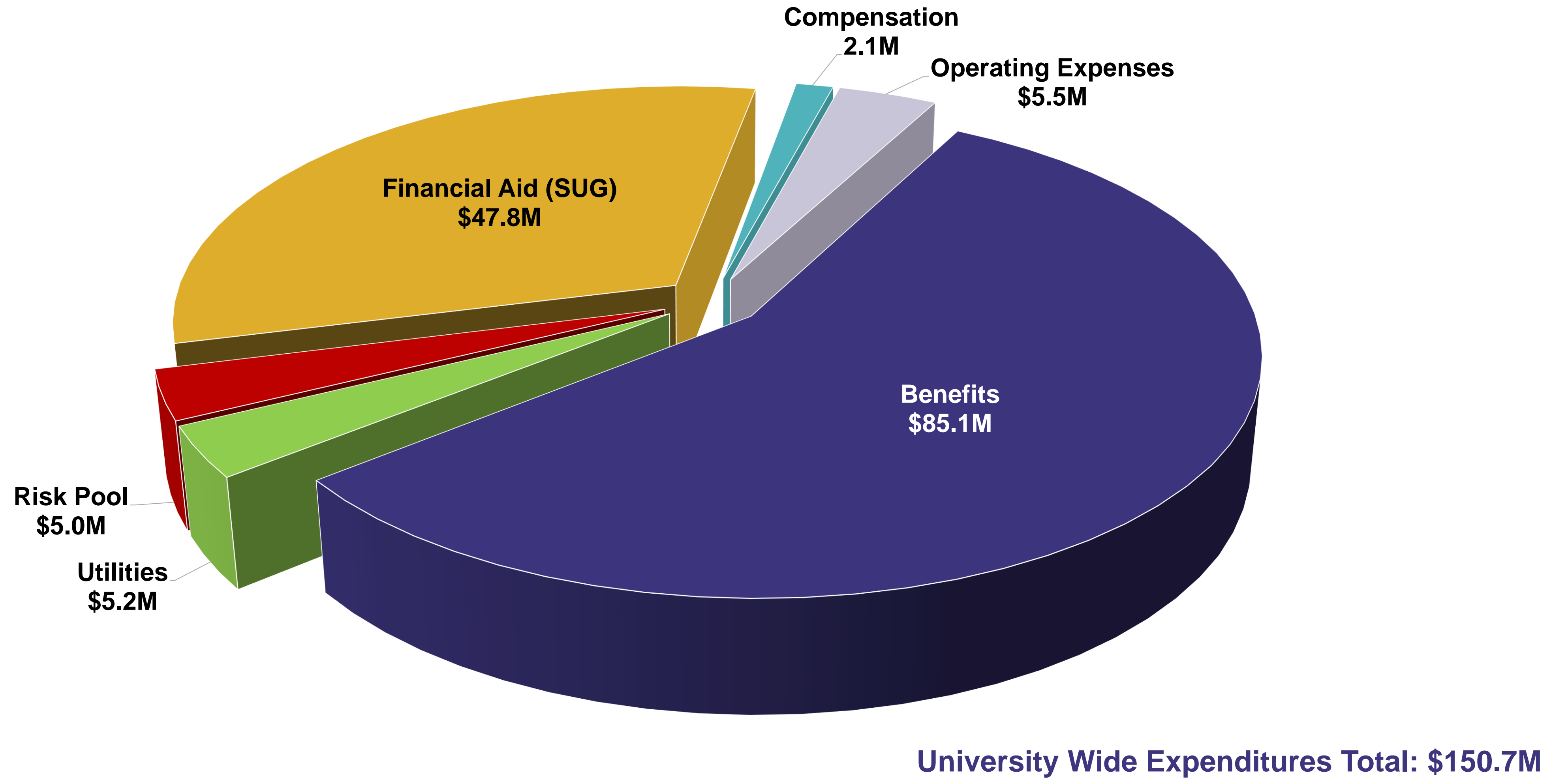


Fiscal Year 2015/16 General Fund Budget by Cabinet



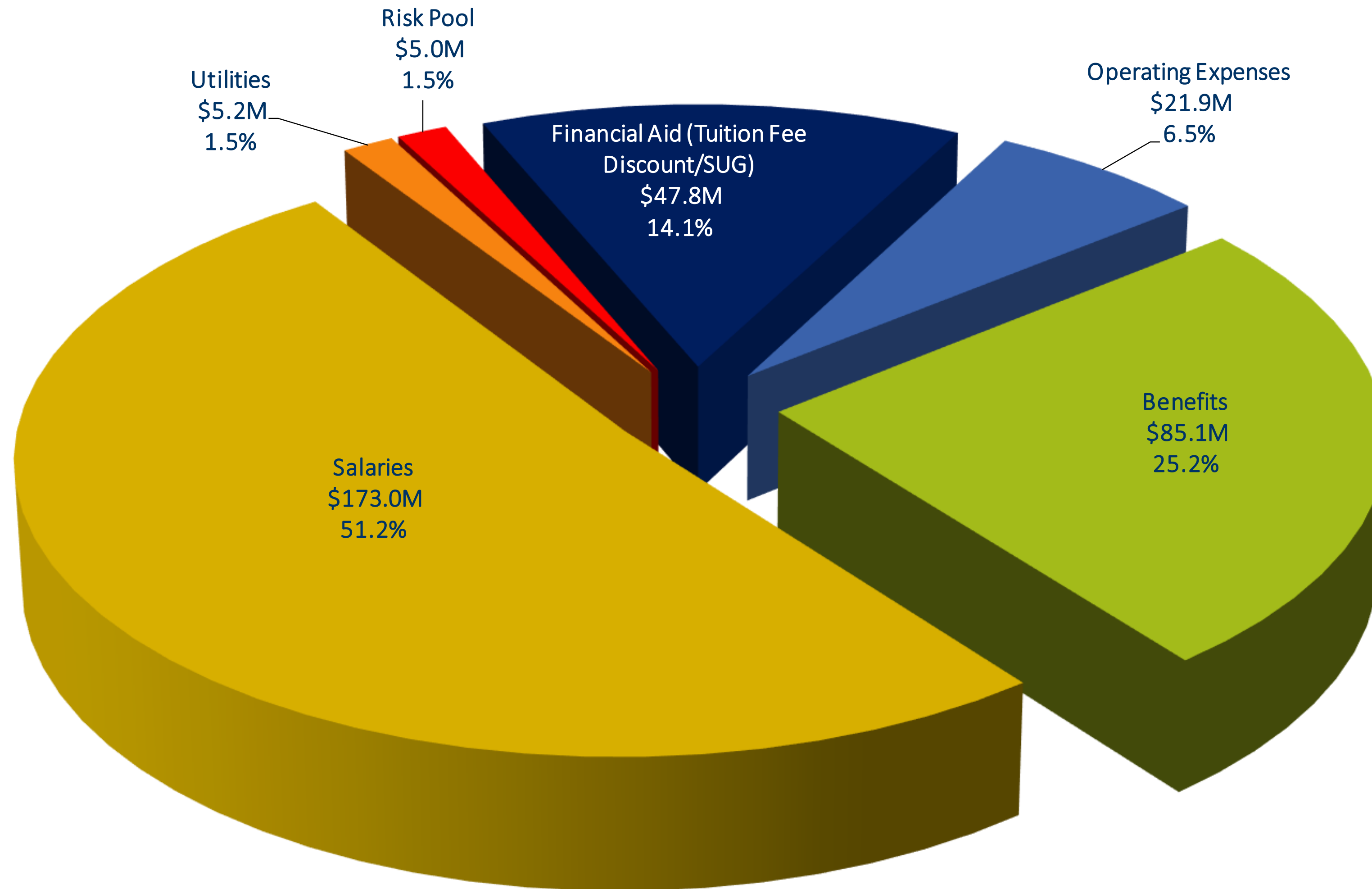
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University Wide Expenditures



Operating Budget by Expenditure Categories

Fiscal Year 2015/16



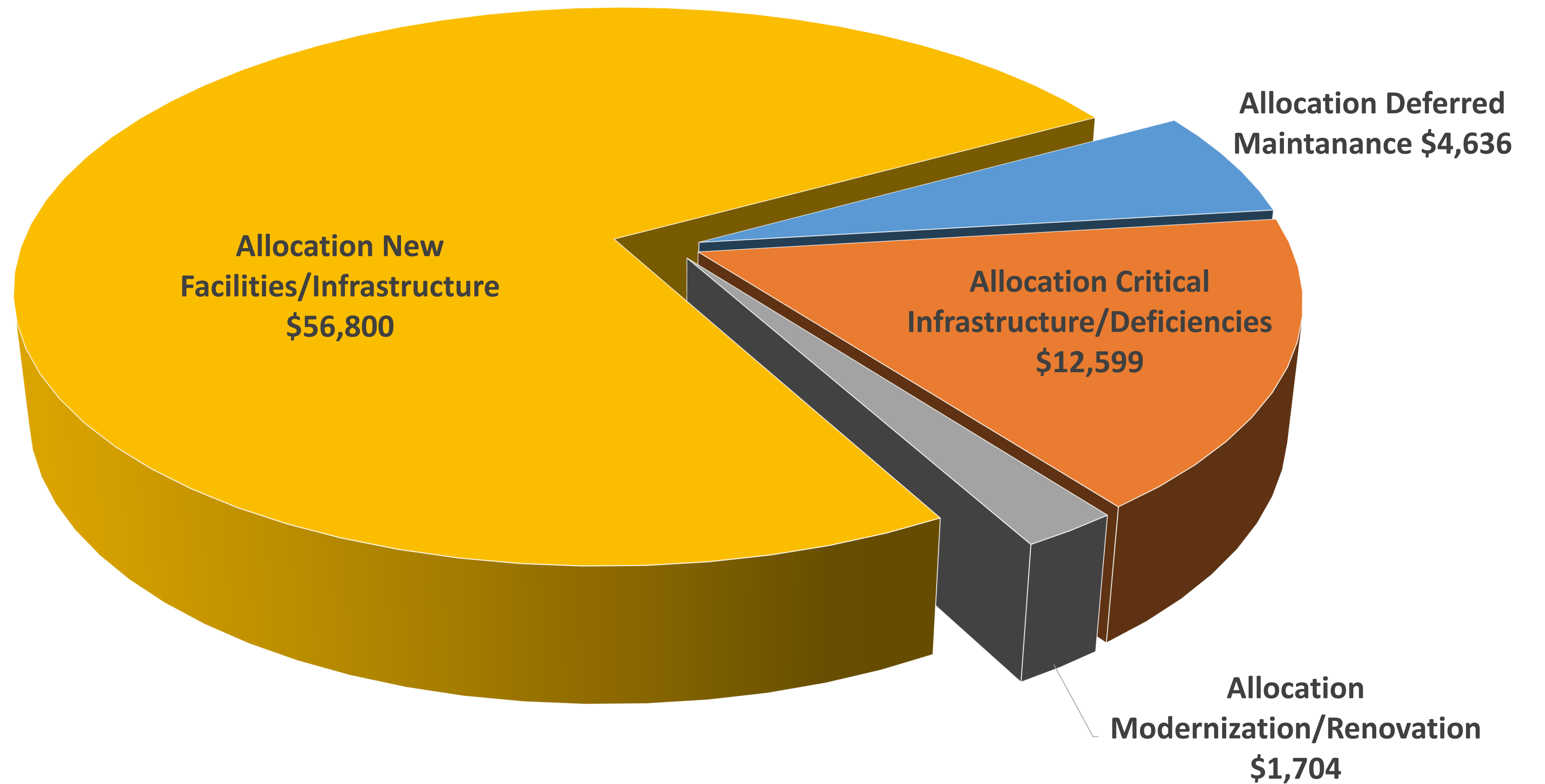
Total: \$338.0 Million

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

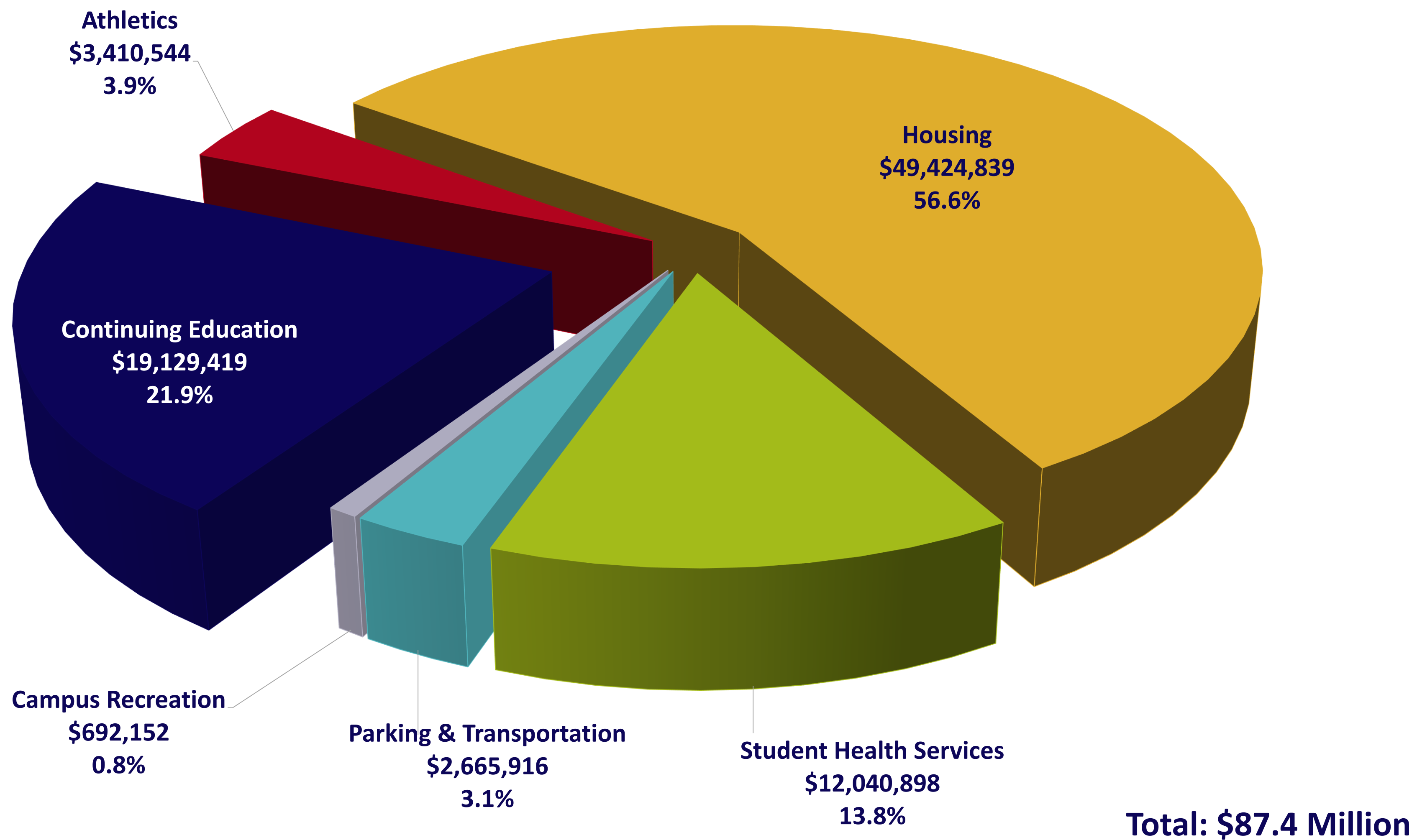


SFSU Capital Projects Funded by Chancellor's Office FY 2015-16



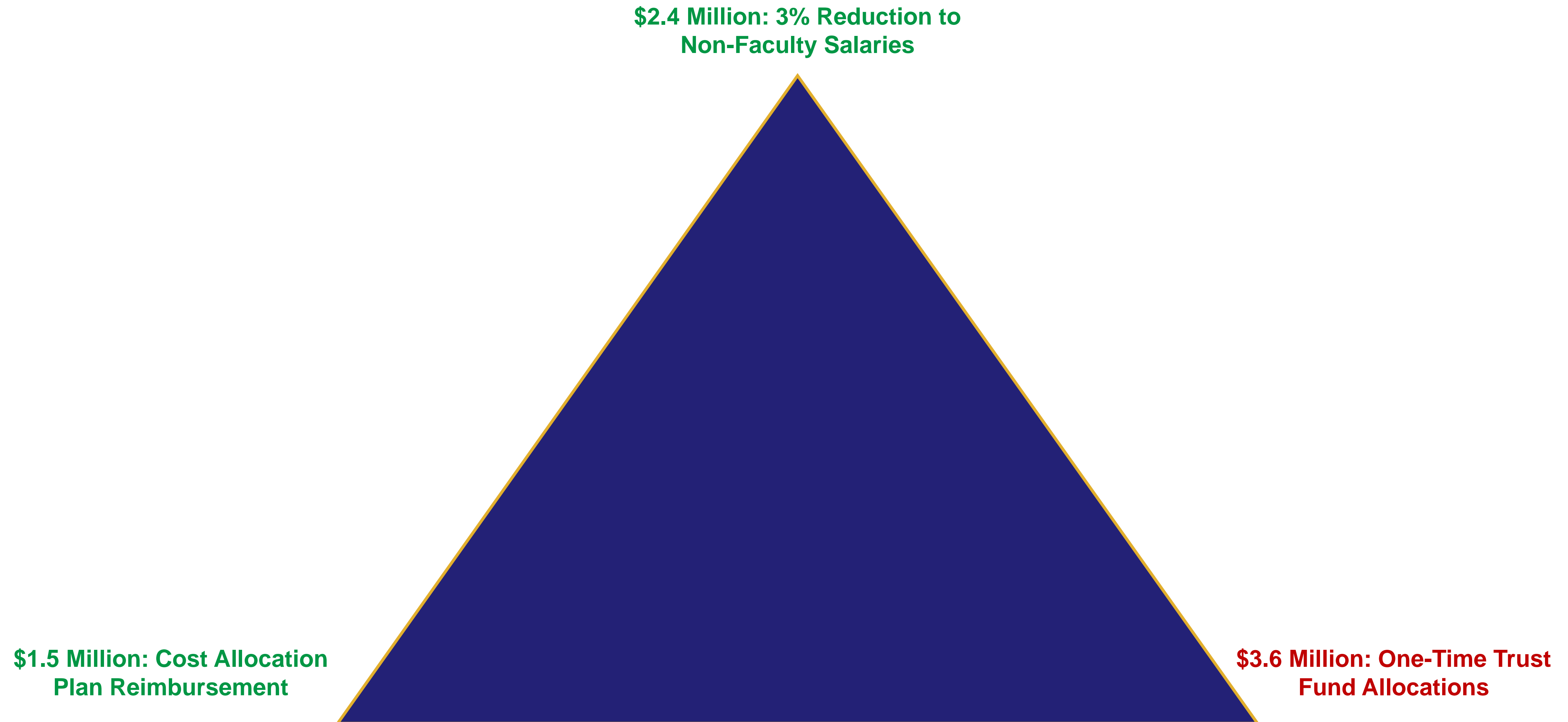
Total :\$76.0 million

Self Support Budgets Fiscal Year 2015/16



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- Three Pronged Approach



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