



San Francisco State University

We Make Great Things Happen



FISCAL YEAR 2016/2017

Summary of the Governor's 2016/17 Budget



Summary of the Governor's 2016/17 State Budget

Budget Highlights

- \$122.5 billion spending plan
- Increases Proposition 2 Rainy Day Fund to a total of \$6.7 Billion (54% of goal)
- Budget focuses new spending on one-time activities such as deferred maintenance
- Continue its reinvestment in education
 - ✓ Increase in Prop 98 Funding, \$7.6 billion, total budget \$68.4 billion
 - ✓ Funding increase for CSU and UC
- Pay-down wall of debt and liabilities by \$1.3B

Summary of the Governor's 2016/17 State Budget

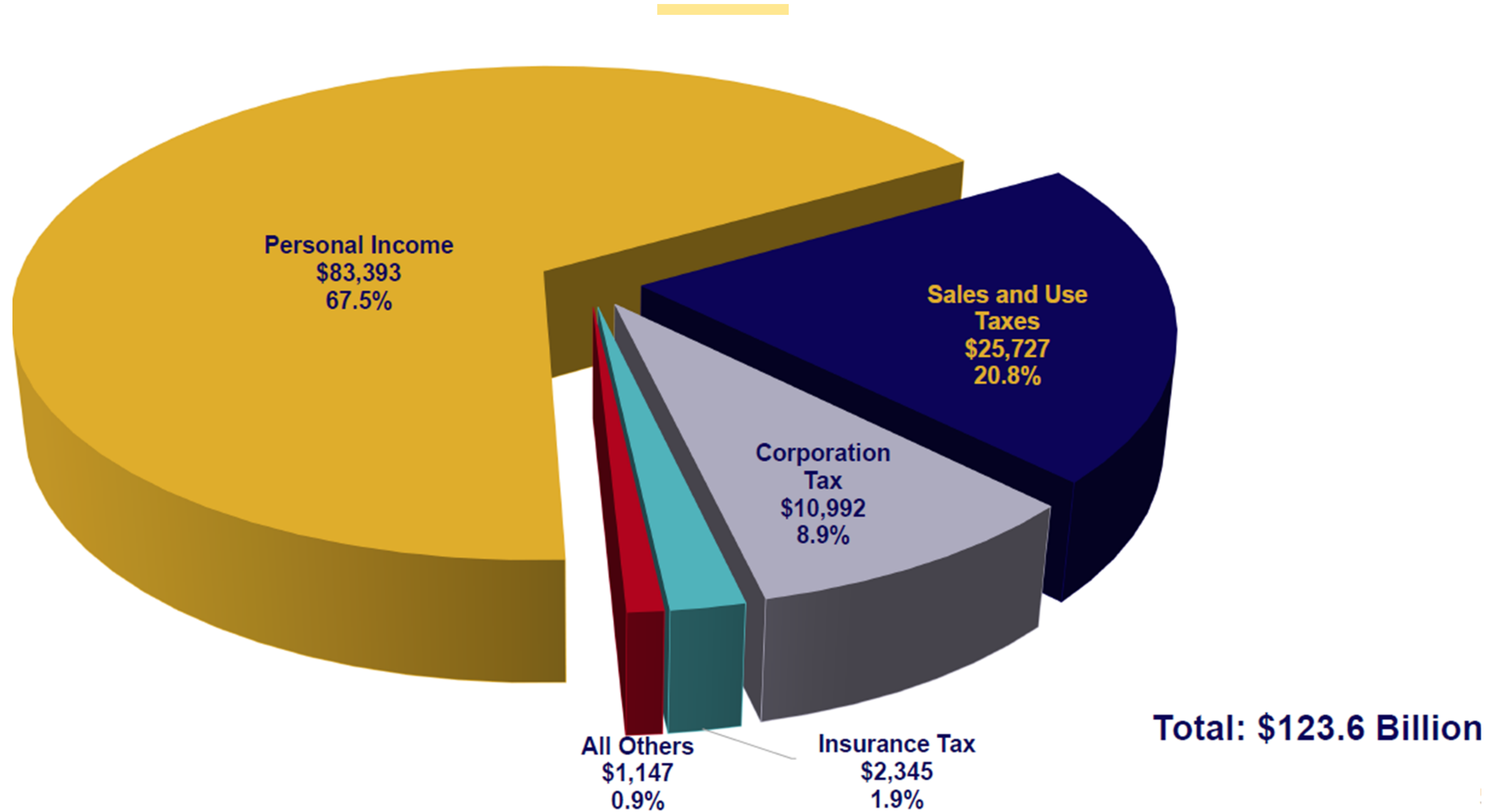


Risks Remain

- The Budget assumes the continued expansion of economy, another recession should be planned for.
- Long-Term Liabilities: State continues to address other long-term costs pressures, debts, and liabilities
- Last year with the full revenue of Proposition 30 (Governor's tax initiative)
- World events will affect the fiscal outlook of California – Brexit etc.

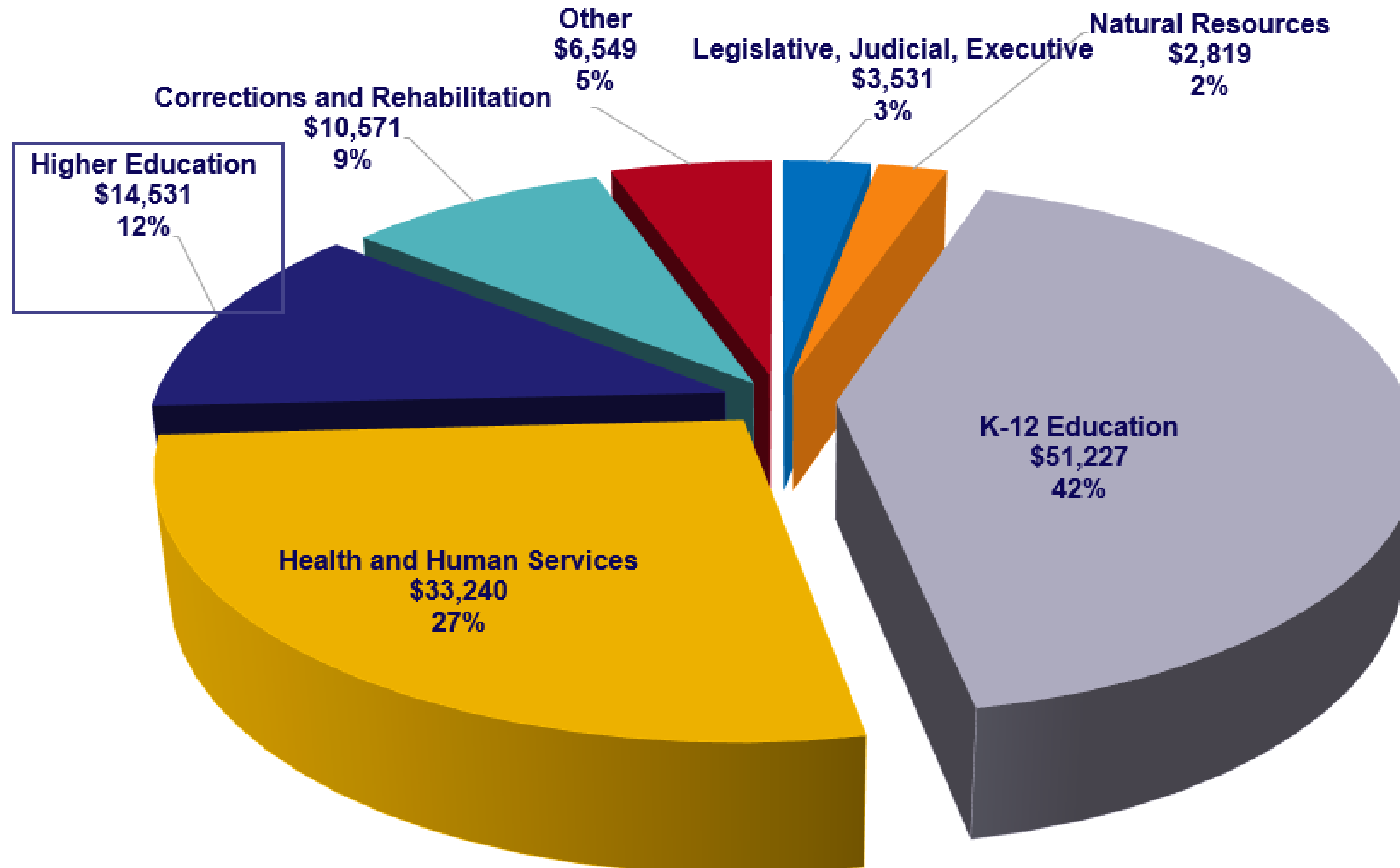
Governor's Budget Act 2016/17 General Fund Revenue Sources

(Dollars in Millions)



Governor's Budget Act 2016/17 General Fund Expenditures by Agency

(Dollars in Millions)



Total: \$122.5 Billion

Fiscal Year 2016/17 California State University Budget Summary

Enacted Budget 2016
University Budget Committee

Governor's Enacted Budget 2016/17 California State University Budget



Budget Highlights

- \$153.6 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

- \$35M Deferred Maintenance (one-time)
- Report on Graduation Factors
- Academic Sustainability Plan

2016/17 Support Budget Incremental

(Dollars in Millions)

	CSU Support Budget	Governor's January Budget	Governor's Enacted Budget
Enrollment Growth FTE	10,700	3,560	5,194
Enrollment Growth (\$)	\$ 50.9	\$ 20.7	\$ 33.2
Student Success and Completion	50.0	0.0	0.0
Mandatory Costs Increase (health benefits, space)	43.0	42.9	42.9
2% Compensation Increase	69.6	69.6	69.6
Academic Facilities & Infrastructure Needs	25.0	0.0	0.0
System Wide Initiatives	0.0	7.2	7.9
Total Budget Increase in State Support	\$ 241.5	\$ 140.4	\$153.6
Deferred Maintenance (one-time)		35.0	35.0
Energy Projects (one-time, pending legislation)		35.0	0.0
Renewed Expectations in Student Success (one-time)		25.0	35.0
Discretionary use by Board of Trustees (one-time)			15.0
Student Success Network ,EEOC Requirements & Middle Class scholarships (one-time)			18.1
Total 16/17	\$ 241.5	\$ 235.4	\$ 256.7

2016/17 Support Budget Incremental

CFA Agreement and Fairness Provisions – 485 Operating Fund

FY	Campus Impact	Campus Share
16-17	\$11.7mil	\$2.3mil
17-18	\$7.6mil	\$2.1mil
Total	\$19.3mil	\$4.4mil

Governor's Budget Act

2016/17 California State University Budget

Budget Highlights

One Time Funding	
Deferred Maintenance	35.0 mil
New 2 to 3 Yr. Graduation Goals Under representative Minority students First Generation College Students Low-Income Students All Students	35.0 mil
Unrestricted- use determined by the Trustees	15.0 mil
Student Success Network and EEOC	3.1 mil
Middle class scholarship	15.0 mil
Total	\$103.1 mil

CSU Base Budget: \$9.3billion (3.2 state allocation & 7.1 other sources)

Fiscal Year 2016/17

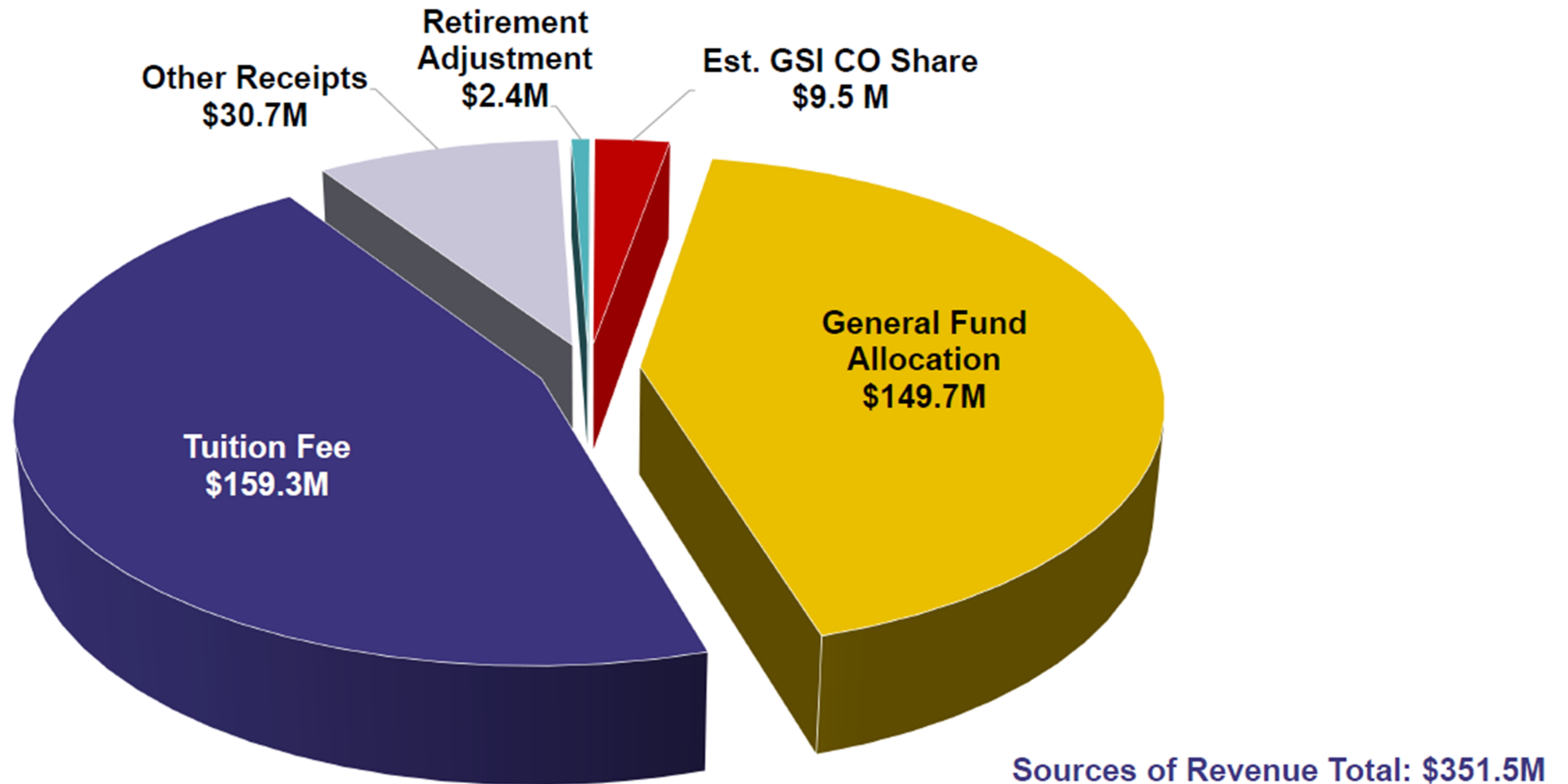
San Francisco State University

Budget Summary

July 2016 UBC

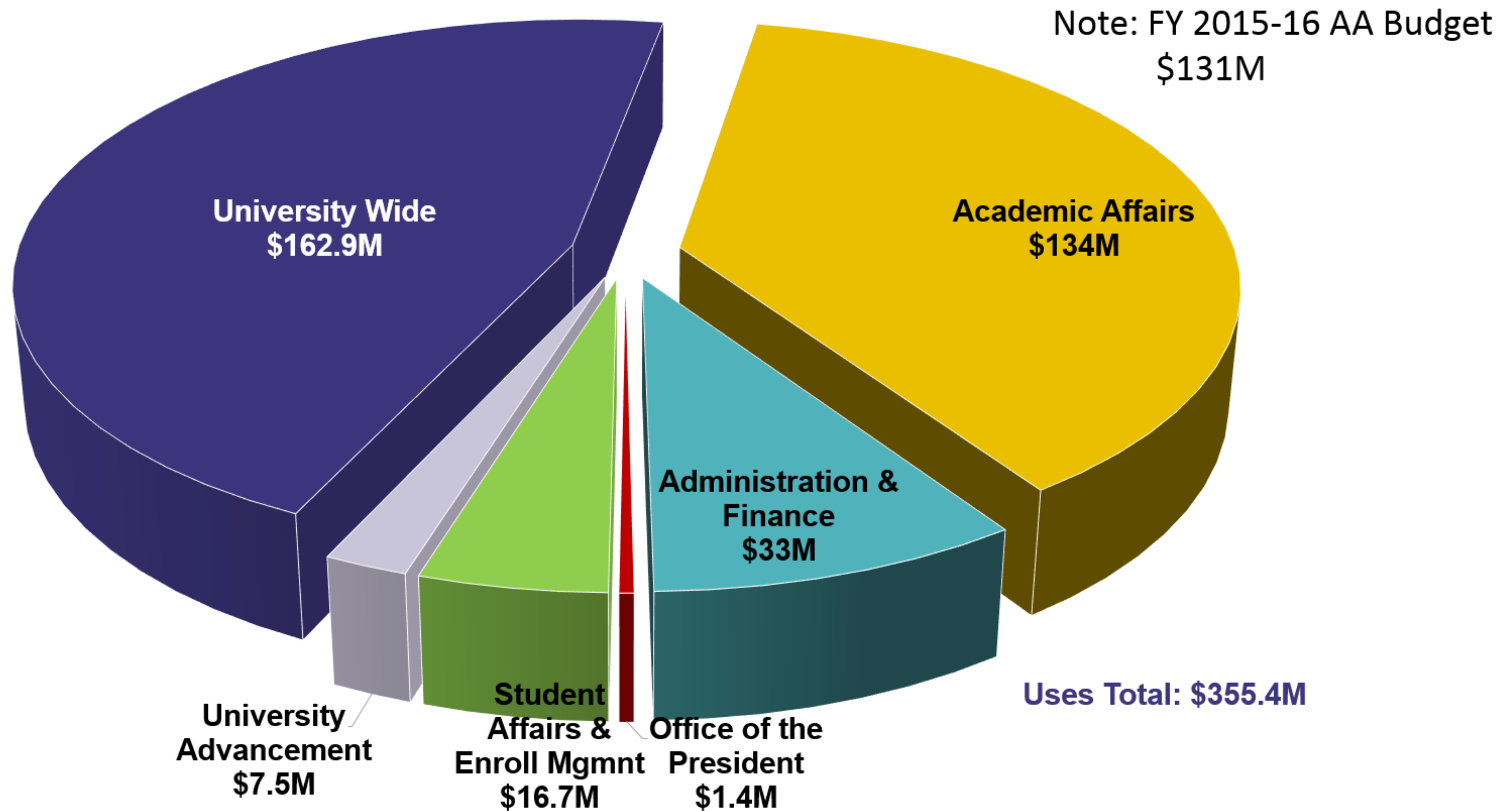
San Francisco State University

Preliminary Planning Budget-Sources of Revenue



San Francisco State University

Preliminary Planning Budget-Uses



Draft B-Memo State Appropriation Funding

Fiscal Year 2016/17 – March 23,2016

2015-16 General Fund Base	FTES 23,836	\$	142,709,859
<i>2016-17 Funding</i>			
Retirement Rate Increase Adjustment			1,448,000
Health Benefit Rates Adjustment			2,268,000
2016-17 GSI 2% Compensation Increase/Cost			2,195,000
Enrollment Growth net of Financial Aid	FTES 180		<u>1,040,000</u>
Total 2016-17 Funding		\$	6,951,000
2016-17 General Fund Base Allocation	FTES 24,016	\$	149,660,859

Note: Tenured Track increases \$500K annual campus funded

Campus Considerations

- Incremental Budgeting
- Funding the GSI Increase
- IRA and Lottery Swaps
- Structural Deficit Elimination
- FLSA Overtime Law & Minimum Wage for Student Assistants
- Funding One-Time Initiatives
- CHRS Project, International Recruiting
- International Recruiting

Incremental Budgeting

- The allocation of resources is based upon allocations from the previous period.
- Moreover it encourages “spending up to the budget” to ensure a reasonable allocation in the next period. It leads to a “spend it or lose” mentality.

Disadvantages of Incremental Budgeting

- The budget may become out of date and no longer relate to the level of activity or type of work being carried out.
- The priority for resources may have changed since the budgets were set originally

GENERAL FUND

Cabinet	Division	2014/15 Actuals	2015/16 Budget	2015/16 Actuals	2016/17 Budget
Academic Affairs	College of Business				
	Graduate College of Education				
	College of Ethnic Studies				
	College of Liberal & Creative Arts				
	College of Science & Engineering				
	College of Health & Social Science				
	Library				

OTHER TRUST FUNDS

Division	CEL CSU Fund 441	IRA CSU Fund 463	Lottery CSU Fund 481	IDC CSU Fund 491	RRT CSU Fund 485	SP CSU FUND 491	MISC. CSU FUND 496	UCORP CSU FUND 900	FOUNDATION CSU FUND 900	TOTAL
----------	------------------------	------------------------	----------------------------	------------------------	------------------------	-----------------------	--------------------------	-----------------------------	-------------------------------	-------

College of Business

Graduate College of
Education

College of Ethnic
Studies

College of Liberal &
Creative Arts

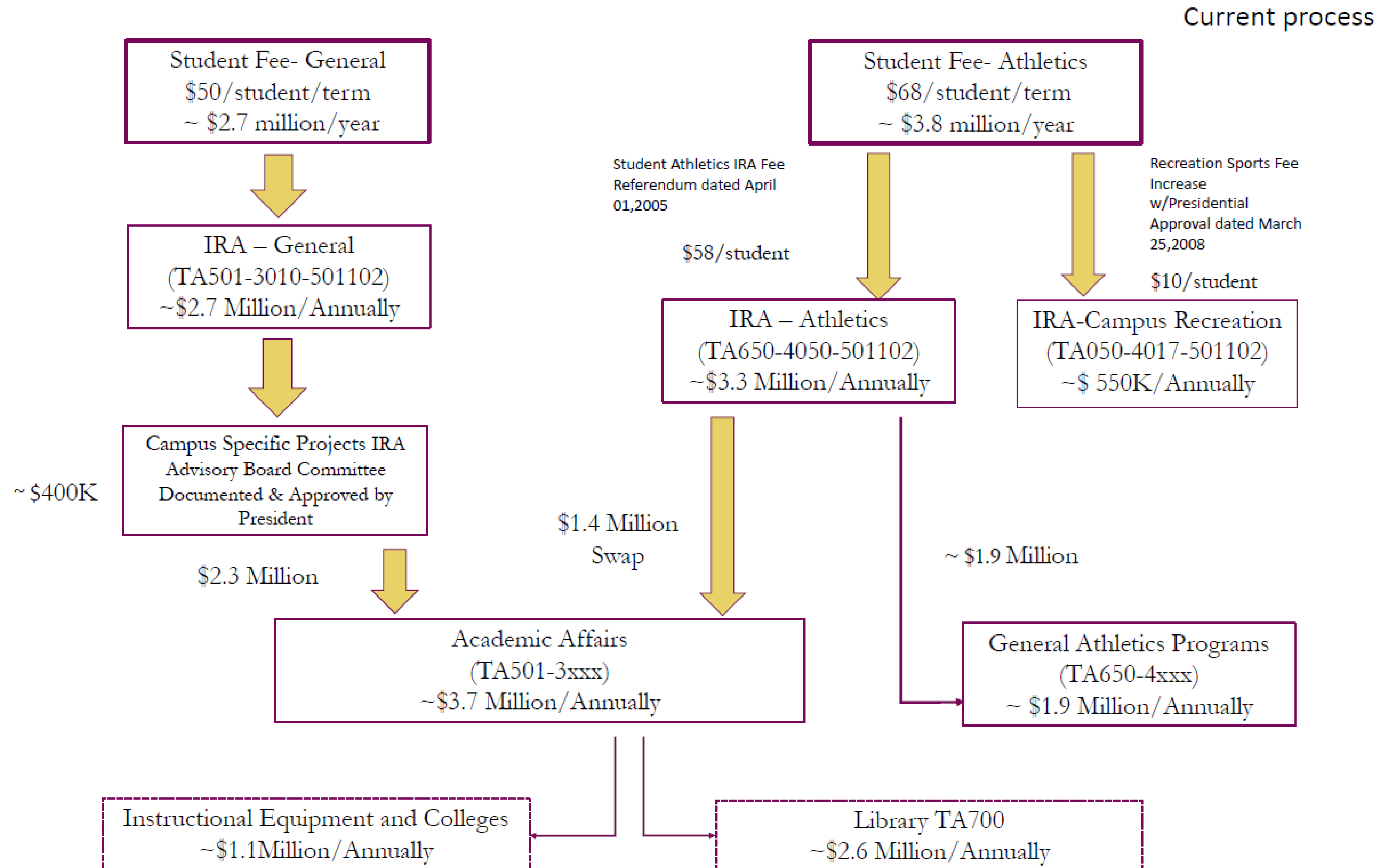
College of Science &
Engineering

College of Health &
Social Science

Library

San Francisco State University

Instructionally Related Funds (IRA) - Flows



Mashouf Wellness Center



Background and Status

- The Mashouf Wellness Center is a significant addition to the SF State campus, providing a major new student activity center close to the academic core and student housing. Located at the corner of Font and Lake Merced Boulevards, the new 118,700-gross-square-foot facility and a new recreation field are organized around the existing softball field.
- The campus has received an SRB funding allocation of \$57 million for construction and awarded a \$68,993,198 construction contract in July 2015. A ground breaking ceremony was held on June 25, 2015. Construction started in July 2015 and is expected to be approximately 50% complete by June 30, 2016.

Project Funding and Schedule

(In Thousands)

Project Funds	Amount (\$)
System Wide Revenue Bond Serial 1A	\$56,742
Student Union Program Reserve	29,745
Total	\$86,487

