



Financial Briefing

Presented by

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Composition of the SSU Budget 2006-2007

Operating Fund	\$ 82,730,130	43.7%
Capital Budget	\$ 39,993,449	21.1%
Grants and Contracts	\$ 29,000,000	15.3%
Housing	\$ 15,686,204	8.3%
Extended Education	\$ 3,882,537	2.1%
Parking	\$ 2,061,000	1.1%
Instructionally Related Activities	\$ 2,870,626	1.5%
<u><i>Auxiliary Corporations</i></u>		
Associated Students	\$ 1,638,364	0.9%
Student Union Corporation	\$ 2,204,651	1.2%
Sonoma State Enterprises	\$ 9,029,000	4.8%
Foundation General Fund	\$ 189,775	0.1%
<i>Foundation Total Endowment: \$37.4M</i>		
TOTAL	\$189,285,736	100%

Long Term Debt Obligations

Debt Service Coverage Ratios (DSCR)

- $DSCR = \text{Total Net Income} / \text{Total Annual Debt Service Payments}$
- CSU Executive Order 994
 - Minimum campus DSCR 1.35
 - SSU DSCR for 06/07 1.86

Breakdown of SSU Unrestricted Net Assets

• Housing	\$ 15,435,253
• Trust Accounts	\$ 5,687,329
• Student Union	\$ 4,094,801
• Parking	\$ 3,831,391
• Sponsored Programs	\$ 1,512,283
• Lottery Education Fund	\$ 1,365,932
• CERF - Extended Education	\$ 874,035
• Other	\$ 86,669
• Operating Fund	<u>\$ (4,174,435)</u>
TOTAL	\$ 28,713,258

Capital Projects

2002/03 – 2007/08

TOTAL = \$218.1 Million

- **Instructional and Academic Support Projects:** **\$144.5 M**
 - Remodel of Salazar Hall
 - Telecomm Infrastructure
 - Darwin Hall Renovation
 - Green Music Center
 - Classroom Renovations
- **Student Centered Projects:** **\$ 50.7 M**
 - Beaujolais Village
 - Student Recreation Center
- **Ancillary Support Projects:** **\$ 22.9 M**
 - Parking Lots L, M, N and O
 - Faculty/Staff Housing Land
 - Sustainability Projects
 - Deferred Maintenance & Capital Renewal
 - Safety & ADA Projects

Capital Projects

2008/09 – 2012/13

- Tuscany Village
- University Center
- Professional Schools Building
- Stevenson Hall Renovation
- Faculty/Staff Housing
- North Campus Quadrangle
- Wastewater Holding Tank
- Sustainability Projects
- Classroom Renovations
- Deferred Maintenance
- ADA Projects
- Capital Renewal Projects

Student Funded Programs

Budgeted Revenue of combined programs:
(ASI, IRA, SSE, Student Union, Housing, Parking)

2002/03
\$28.0 M

2007/08
\$37.2 M

Growth
\$9.2 M

- Primary use of funds:
 - Student recreation activities
 - Student government initiatives
 - Student programs and services
 - Student campus life programs
 - Student housing

Student Funded Programs 2008/09 – 2012/13

- Future includes growth in four primary areas:
 - University Center collaboration
 - Enrichment of co-curricular life through growth of ASI, IRA, and Student Union
 - Unique partnership of *On Campus Presents* to fully utilize the GMC
 - Tuscany Village

Academic Foundation (SSUAF)

Total Endowment at Market Value:

<u>6/30/03</u>	<u>6/30/07</u>	<u>6/30/12</u>
\$18.0 M	\$37.4 M	\$??

- Increase due to new contributions and investment performance
- SSU ranks 7th among all 23 CSU campuses in endowment size and 3rd in endowment dollars per FTES
- SSUAF pooled endowment investment return of 18.5% outperformed all CSU campuses for 2006/07

Grants and Contracts

Budgeted Revenue:

<u>2002/03</u>	<u>2007/08</u>	<u>2012/13</u>
\$25.5 M	\$14.6 M	\$??

- Grant and Contract activity was reduced in 2006/07 and 2007/08 as a result of a restructuring of the California Institute on Human Services (CIHS)

Extended Education

Budgeted Revenue:

<u>2002/03</u>	<u>2007/08</u>	<u>2012/13</u>
\$3.7 M	\$3.5 M	\$??

- Decrease due to a reduction in Summer School offerings

Operating Fund

SSU 2007/2008 Operating Fund Appropriation Vs. Similar Sized Campus Composite

Campus	FTES Target	General Fund Appropriation	Total Funding per FTES
Humboldt	7,264	96,185,027	\$13,241
San Marcos	7,394	90,207,080	\$12,200
Stanislaus	7,173	85,823,030	\$11,965
Bakersfield	6,982	\$82,151,721	\$11,766
Sonoma	7,609	86,357,344	*\$11,349

***Funding Gap:**
\$12,293 - \$11,349 = \$944 per FTES

Average(4): **\$12,293**

Additional \$ to SSU if funded at four campus composite average:
 7,609 (07/08 SSU target FTES) x \$944 (Funding Gap per FTES)

= \$7,182,896

Operating Fund Budget

Operating Fund Base Budget 2002-2003	\$ 70,380,291
Operating Fund Base Budget 2007-2008	\$ 91,143,620
New Funds to Sonoma State University	<hr/> \$ 20,763,329

Allocation of New Operating Fund Revenue 2002-2003 through 2007-2008

New Permanent Funds to SSU	\$ 20,763,329
CSU Mandated and Restricted Items	\$ (24,067,040)
Compensation	
Health Center	
Financial Aid	
Maintenance	
Technology	
Utilities	
External Audits	
Deferred Maintenance	
Nursing Program	
Revenue Management Program	
PBAC Allocation Discussions	\$ (1,453,604)
Institutional Memberships	
Campus Reserve	
Development Office Support	
Information Security Officer	
Intercollegiate Athletics Support	
Faculty Development	
Net Available (Campus Budget Gap)	\$ (4,757,315)

Allocation of Campus Budget Gap

	Amount	% of Gap	% of Exp Plan
Executive Office	\$ (4,799)	<1%	3.5%
Academic Affairs	\$ (2,414,219)	50.8%	57.5%
Student Affairs	\$ (86,073)	1.8%	11.8%
Administration and Finance	\$ (2,252,224)	47.3%	27.3%
Total	\$ (4,757,315)	100.0%	100.0%

Repairing the Base

<i>Structural Deficit vs. CSU campus composite</i>	(\$7,182,896)
<i>General Fund Budget Gap (2003/04 – 2007/08)</i>	<u>(\$4,757,315)</u>
TOTAL IMPACT TO SSU =	(\$11,940,211)

	SSU	CSU
Student Services Expenditures per Headcount	\$1,921	\$1,382
Academic Support Expenditures per Headcount	\$1,288	\$1,386
– \$1,386 - \$1,288 = \$98 \$98 X 8,148 = \$798,504		
Instructional Expenditures per actual FTES	\$5,706	\$5,839
– \$5,839 - \$5,706 = \$133 \$133 X 7,312 = \$972,496		
– Fall 2007 SFR: SSU = 22.6 CSU = 21.5		
– Fall 2006 ACR 73: SSU = 69% CSU = 62%		
Institutional Support Expenditures as % of total campus expenditures	9.8%	10.4%
Plant Operations Expenses per square foot	\$6.60	\$6.19

BREAK

Impact of Governor's Proposed Budget

	CSU (January)	CSU (May)	SSU (May)
Net Change in State Support from Prior Year	(\$ 99,324,000)	(\$ 1,724,000)	(\$ 42,830)
Trustee Student Fee increase	<u>+ \$73,200,000</u>	<u>+ \$73,200,000</u>	<u>\$ 1,818,508</u>
Net Augmentation	(\$ 26,124,000)	\$ 71,476,000	\$ 1,775,678
<i>BUT NO FUNDING FOR:</i>			
Negotiated Faculty/Staff/Admin Compensation	(\$ 62,613,000)	(\$ 62,613,000)	(\$ 1,551,000)
Negotiated Additional Faculty Compensation	(\$ 41,887,000)	(\$ 41,887,000)	(\$ 810,000)
Unfunded Utilities and New Space	(\$ 10,000,000)	(\$ 10,000,000)	(\$ 392,800)
TOTAL Projected Impact	(\$140,624,000)	(\$ 43,024,000)	(\$ 978,122)

Figures provided are estimated values

On-Going Advocacy For Compact Budget

Impact of Governor's Proposed Budget - May

\$212 M for CSU

	<u>SSU</u>		<u>SSU</u>
Eliminates Net Reduction	+ \$978,122	Governor's Net Augmentation	+ \$1,775,678
Funds 08/09 Compensation Plan to close salary gap	+ \$3,800,000	Negotiated Employee Compensation	(\$1,551,000)
Funds for Academic and Student Support	+ \$1,075,000	Negotiated Additional Faculty Compensation	(\$ 810,000)
Allows SSU to grow by 200 FTES (@ \$9,330)	<u>+ \$1,866,000</u>	Unfunded Utilities and New Space	<u>(\$392,800)</u>
TOTAL	+ \$7,719,122		(\$ 978,122)

Repairing the Base

	<i>SSU</i>	<i>CSU</i>
Academic Support Expenditures per Headcount	\$1,288	\$1,386
– $\$1,386 - \$1,288 = \$98$		
		$\$98 \times 8,148 = \$798,504$

Instructional Expenditures per actual FTES	\$5,706	\$5,839
– $\$5,839 - \$5,706 = \$133$		
		$\$133 \times 7,312 = \$972,496$
– <i>Fall 2007 SFR:</i>	<i>SSU = 22.6</i>	<i>CSU = 21.5</i>
– <i>Fall 2006 ACR 73:</i>	<i>SSU = 69%</i>	<i>CSU = 62%</i>

Other Non Discretionary Challenges

- *Extended Education*
- *Grants and Contracts*
- *Academic Foundation*
- *Green Music Center*
- *Athletics*