### 08/09 Campus Budget (Operating Fund) - Sources and Uses of Funds

#### Sources
- GF Appropriation: $165.6 M
- Revenues (campus calculation): 84.1 M
  
  **Subtotal:** $249.7 M

#### Uses (includes Mandatory Costs)
- **Structural Deficit:** - $7.1 M
- Division Baseline Reductions: $4.9 M
- AUE Baseline Reductions (Net): $2.2 M

**Surplus/(Deficit) after Reductions:** $0.0 M

*Balanced Budget!*
## Baseline Reductions - Divisions

**Baseline Reductions to Divisions - $4.9 Million**

- Academic Affairs: -3.5%  - $3.566 M
- Admin and Business Affairs: -3.5%  - $0.561 M
- Athletics: -1.0%  - $0.032 M
- Govt & Civic Affairs: -0.0%  - $0.000 M
- Info Resources & Tech: -5.0%  - $0.287 M
- Student Affairs: -2.0%  - $0.182 M
- Human Resources: -3.0%  - $0.055 M
- Office of the President: -3.5%  - $0.035 M
- University Advancement: -3.5%  - $0.144 M
Reserves and Cushions

- **Reserves**
  - $3.75M - Emergency/Disaster Reserve
    - This is NOT an operating reserve!
  - $0.25M - Liability Claim Reserve (1 claim)
    - Should be at least $.5M (2 claims)
  - $1.80M - *Operating* Reserve (< 1%)

- **Cushions**
  - $0.75M – Revenue offset (enrollment)
  - $0.46M – Held for Final Budget Adjustments
Not Addressed….

- **Future** State or CSU Cuts
  - State Structural Gap – expect multi-year
  - Unfunded Mandates

- **Divisions’** Structural gap

- **Ongoing renewal costs**
  - Equipment, computing, telecom, voice mail, vehicles, furniture, etc.
  - 60 year old campus – Deferred Maintenance
    - mechanical/electrical
    - heating/cooling,
    - water/sewer,
    - painting, carpet, flooring, etc.
Carry Forward and One-Time Funds
07/08 Carry Forward Funds

Carry Forward*

- Divisions $16.8 M
- Restricted 1.0 M
- AUE/Benefits $9.8 M**
- Emergency Reserve $4.0 M
- Cumulative Earnings $4.0 M**
- Misc. Fees (new!) $3.8 M

Over Max Target by

$39.4 M* ($7.8M)

*Includes $5M encumbrances

**Includes $5.2M recommended by UBAC for remaining loan pay-offs and one-time allocations.

Leadership begins here.
**Loan Payoff**

- Benicia Hall, Energy Bond, and Electric Sub Station: $1,200,000
  - Paid off CMS Loans in 07/8 ($3.3M)

**One Time Allocations**

- Reserve – Liability claim deductible: $250,000
- Divisional Allocations: $250,000
- Del Norte Hall renovation: $3,500,000
  - $4,000,000

**Total One-time Allocations:** $5,200,000
Additional State Budget Reductions?
Use of Carry Forward (One Time $’s)

Resources
- AUE/Benefits Carry Forward $9.8 M
- Interest Earnings Carry Forward $4.0 M
- Interest Earnings – 2008/09 $1.0 M
- Less One Time Allocations - $5.2 M
  $9.6 M

Un-Budgeted
- Del Norte Hall – equipment and rent TBD
- Infrastructure (technology, building systems) TBD
- Possible budget reductions due to State’s fiscal problems
Putting It All Together

• Final Budget (May Revise) = Sac State Budget Plan
• 08/09 Baseline Changes Made to Align Budget
  – All University Expense Reductions and Reallocations
  – Baseline Reductions to Divisions
• Use of Carry-Forward Funds (one-time)
  - Divisions allocated carry forward
  - Selected one-time costs (loan payoff, remodel, etc.)
  - Offset further budget reductions and Del Norte Hall costs
Questions?

Thank You!