

HUMBOLDT STATE UNIVERSITY

University Resources & Planning Committee

Date: June 15, 2016
TO: President Rossbacher, Humboldt State University
FROM: University Resources & Planning Committee (URPC)
RE: URPC Recommendation to the President regarding the 2016-17 Budget Proposal

As the advisory body of the University Senate on budgetary issues, the URPC offers the following commentary on Cabinet's 2016-17 Budget Proposal for Humboldt State University. After reviewing and discussing the budget proposal presented by the Cabinet on April 8 (Attachment A) and revised on May 16 (Attachment B), we reached consensus to accept the revised budget as presented.

We commend the Vice Presidents for jointly developing the draft and recognize and appreciate Cabinet's diligent effort to weave strategic budgeting principles, strategic planning priorities, and the WASC steering committee's recommendations into the budget proposal. Cabinet's proposal reflects a thoughtful balance between allocating limited resources to high priority initiatives, beginning the task of making hard decisions involving internal reallocations or eliminations, and carving out one-time resources to begin building reserves for the future. These initial steps set the new strategic resource allocation model in motion and start the momentum toward long-term financial sustainability; however, the URPC also acknowledges that difficult decisions will need to be made to achieve this. Academic Affairs commitment to strategic budgeting is evident in initial steps taken to internally reallocate resources to high priority initiatives, such as RISS, in lieu of requesting additional financial commitments from the University. This practice will need to become commonplace as the University works to achieve important Strategic Plan goals with increasingly limited resources.

We support continuing the annual \$500,000 investment in tenure track faculty for 2016-17 and 2017-18 and commend Academic Affairs for adjusting their approach to have a greater impact on tenure track density in 2017-18. In addition, the two \$50,000 augments to support Institutional Research and Planning and to fully fund our existing commitment to the University's community liaison are clearly aligned with Strategic Plan goals.

HSU faces many challenges in the coming years, including state performance indicators, the CSU graduation initiative, student enrollment and retention, unfunded mandates, and salary commitments. The base budget deficit, which is almost \$500,000 in 2016-17 and will be covered in the coming year with one-time resources, increases to over \$1.7 million in 2017-18 if additional resources are not provided from the state or via a tuition increase. While there are still

many unknowns, the constricted financial picture will require us to work together to find creative solutions to ensure the strategic plan goals are implemented. The URPC acknowledges the need to engage in an in depth evaluation of our existing resources in the coming year to ensure alignment with the University's highest priority needs. The focus this year was on creating the framework for strategic budgeting rather than reducing the structural deficit. Next fall, the URPC will complete development of a reserve policy and strategic asset policy to guide and support sustainable resource allocation decisions in the years ahead.

Please keep the URPC informed of any changes that occur after the State of California budget is approved and the final CSU budget memo is distributed.

Background

Humboldt State is in the midst of a transition year with the campus filling the Provost position, actively implementing the 2015-2020 Strategic Plan, and building out the framework for Strategic Budgeting. The 2016-17 budget proposal reflects the initial steps being taken to transition to a strategic budgeting model focused on aligning the budget with our strategic priorities with an emphasis on maintaining and investing in our institutional assets. Intentional and incremental change is an important component of transforming the university in sustainable way, and this takes time. The work underway to align planning, budgeting, and assessment processes is a vital exercise to ensure Humboldt State is leveraging resources effectively to achieve the goals and outcomes in the Strategic Plan.

At the state level, funding appears limited for the foreseeable future. In 2015-16, the state fully funded the CSU Support Budget Request for the first time in eight years and the Chancellor's Office predicts this is unlikely to occur again next year given competing legislative priorities. As of the Governor's January budget proposal, Governor Brown is holding steady to his multi-year stable funding plan that will provide the CSU with a 4% General Fund increase in 2016-17. While this funding demonstrates the State's continuing commitment to investing in higher education, it provides very little in the way of discretionary funding to campuses once mandatory costs are covered. Looking ahead, the state is considered overdue for another recession and Governor Brown is investing much of the available funding into reserves to retain financial resources during future economic instability. The campus should also be considering how resources are allocated to support the long-term financial health and stability of the institution.

At the system level, dramatic changes are underway. Last year, existing debt and capital financing authority was transferred from the state to the CSU. While this transition is still in progress and the impacts are yet to be fully understood, the significant changes involving campus reserves and capital project funding are already underway. The CSU recently implemented a new reserve policy that changes the threshold from a 3% maximum to a 50% maximum reserve for economic uncertainties, while allowing for unlimited reserves for future capital improvements. In addition, campuses will likely need to provide 10% cash up front for future capital projects. Humboldt State must balance the need to build reserves with the need to advance the priorities of the institution. The URPC's work to develop a reserve policy to guide these efforts is significant and appreciated.

Priorities

The 2015-2020 Strategic Plan outlines the highest priorities of the institution over the next five years by identifying four main goals:

Goal 1: Prepare students to be socially and environmentally responsible leaders in a diverse and globalized world.

Goal 2: Foster meaningful relationships across differences, including diverse cultural communities, identities, and competencies.

Goal 3: Strengthen partnerships with local communities.

Goal 4: Serve as effective stewards of the natural and built environment and the university's resources with a focus on sustainability.

Advancing these four goals, along with the outcomes and objectives nested within each goal ([Strategic Plan Blueprint](#)), has been and will continue to be the focus of budget planning conversations over the next several years as work is done to realign resources to directly support the Strategic Plan.

Principles

The Strategic Budgeting Overview document developed by the URPC and shared with the campus in February 2016 provided valuable guidance to Cabinet in developing the 2016-17 budget proposal. While the document outlines many principles that will be leveraged in future strategic budgeting cycles, the following five principles were key components of 2016-17 planning:

Balanced: Expenditures should not exceed revenues.

- The 2016-17 budget reflects a balanced budget for the first time in more than five years. Prior to 2016-17, the ongoing structural deficit was being covered on a one-time basis out of reserves, which was continuously diminishing available campus reserves.

Realistic: Estimates must be conservative. (Don't spend it before we see it.)

- Revenue and mandatory cost estimates are based on long-term trends and the best information available from the State and the Chancellor's Office. HSU's 2016-17 resident enrollment target is reflective of an attempt to be conservatively accurate with the planning assumptions.

Invest in Priorities: Take money off the top to invest in strategic assets or activities.

- The biggest new base budget allocation in 2016-17 is \$500,000 to hire additional tenure track faculty, reflecting the campus commitment to invest in its core mission and increase tenure track density.

Safeguard assets: Have an annual base contingency. Build a longer-term reserve fund.

- The second biggest base allocation in 2016-17 is \$478,305 to increase the base contingency from approximately \$260,000 to \$740,000. Developing a solid contingency is an important aspect of strategic budgeting in order to safeguard assets and provide protection against unanticipated fiscal challenges that may occur. If the contingency remains intact at the end of each fiscal year, the balance will build reserves. Given future economic uncertainty and union negotiations still under way, it is fiscally prudent to bolster the contingency with a portion of the available funding.

Sustainable Success: Allocate base budget money for ongoing commitments. If pilot projects are successful and are to be continued/sustained, then they must be base budgeted. Identifying ineffective or inefficient practices so as to reallocate resources devoted to them must be an ongoing strategic budgeting practice.

- Existing high priority commitments associated with community engagement and student success, which were previously covered with one-time funding, were factored into the 2016-17

HSU Operating Fund Base Budget Proposal | 2016-17

budget to appropriately support these commitments with an ongoing funding source. Note: Additional ongoing expenses exist that are being supported with one-time funding that will either need to be discontinued or incorporated into the base budget in the future to ensure long-term sustainability.

2016-17 Base (Ongoing) Allocations

After factoring in additional revenue, mandatory costs, and base budget savings, \$1.35 million (equivalent to about 1% of the budget) remained available to distribute in support of institutional priorities. The following table provides the line item detail of proposed base allocations and their connection to the Strategic Plan and strategic budgeting.

2016-17 Base Budget Allocations	Strategic Plan Goal	Strategic Budgeting Category	Amount
Tenure Track Faculty	Goals 1 & 4	Strategic Priorities -> Personnel	500,000
Additional Course Sections	Goal 1	Strategic Priorities -> Programs	125,000
Data-Driven Decision Making	Goal 4	Strategic Priorities -> Personnel	50,000
Community Support	Goal 3	Strategic Priorities -> Personnel	50,000
RISS Support	Goal 1	Strategic Priorities -> Students	50,000
Sustainability	Goal 4	Strategic Priorities -> Personnel	100,000
Contingency	Goal 4	Contingency	478,305
Total Allocations			1,353,305

2016-17 One-Time Savings and Allocations

Anticipated savings and one-time allocations are still being finalized and will be brought to the URPC for review at the end of April.

Humboldt State University
Sustainable Budget Planning Detail for FY16-17

HSU Operating Fund Budget Planning Sheet - Detail Revised April 7, 2016		2015-16 Budget	2016-17 Budget	2017-18 Projection	2018-19 Projection	2019-20 Projection	2020-21 Projection
Resident FTES Target (16-17 target in 17-18, then .5%(+38))		7,400	7,500	7,565	7,603	7,641	7,679
WUE FTES (reduce by ~20 per year)		330	320	300	280	260	250
Out-of-State FTES (-15 in 2016-17, then flat)		110	95	95	95	95	95
International FTES (flat)		70	70	70	70	70	70
Total FTES Target		7,910	7,985	8,030	8,048	8,066	8,094
Beginning Fund Balance		5,519,316	5,800,000	5,800,000	6,343,000	7,046,000	7,893,000
Revenue Budget							
1a	Prior Year State Appropriation	63,858,110	69,526,510	73,174,510	77,489,510	80,784,510	84,234,510
	Enrollment Growth	1,314,000	476,000	215,000	215,000	215,000	215,000
	Health Benefits	312,000	949,000	750,000	790,000	840,000	880,000
	2% Compensation Pool (Non-Faculty in 2016-17)	1,610,000	933,000	1,690,000	1,740,000	1,790,000	1,840,000
	Estimated 2% Compensation Pool (Faculty in 2016-17)		760,000				
	Other Adjustments	17,000	7,000				
	Estimated New CSU Retirement Obligation	-					
	Subtotal New 2016-17 General Fund (GF) Allocations	3,977,000	3,125,000	2,655,000	2,745,000	2,850,000	2,960,000
1b	Retirement Funding	1,661,000	523,000	1,660,000	550,000	600,000	550,000
	Subtotal 2015-16 GF Allocation Adjustments	1,691,400	523,000	1,660,000	550,000	600,000	550,000
	Subtotal State Appropriation	69,526,510	73,174,510	77,489,510	80,784,510	84,234,510	87,744,510
Student Fees and Other Revenue							
2	State Tuition Fee	45,136,000	45,441,000	45,677,000	45,750,000	45,822,000	45,968,000
	Non-Resident Tuition Fee	1,819,000	1,640,000	1,640,000	1,640,000	1,640,000	1,640,000
	Materials, Services and Facilities Fee (MSF)	2,562,000	2,600,000	2,616,000	2,623,000	2,630,000	2,640,000
3	Other Fees and Revenue (MBA Fee, App Fee, CR, etc)	5,232,432	4,717,135	4,717,135	4,717,135	4,717,135	4,717,135
	Subtotal Student Fees and Other Revenue	54,749,432	54,398,135	54,650,135	54,730,135	54,809,135	54,965,135
TOTAL Revenue Budget		124,275,942	127,572,645	132,139,645	135,514,645	139,043,645	142,709,645
Prior Year Expenditure Budget							
Total Prior Year Expenditure Budget		124,981,637	124,981,637	127,572,645	131,596,645	134,811,645	138,196,645
4	2% Compensation Pool for all Employees		1,640,000	1,690,000	1,740,000	1,790,000	1,840,000
5	Projected Benefit Rate Increases - Health, etc.		900,000	750,000	790,000	840,000	880,000
6	Projected Benefit Rate Increase - Retirement		570,000	1,840,000	630,000	700,000	660,000
7	State University Grant (SUG)		97,000	48,000	48,000	48,000	48,000
8	Dedicated Budget Allocated to Depts		(622,297)	16,000	7,000	7,000	10,000
9	General Univ Adjs: Utilities, Space Mgmt, Insurance		(150,000)				
10	CMS Loan Payment Decrease		(1,200,000)	(820,000)			
11	Cogen Plant Expense Decrease		(497,000)				
12	Fold Back in Unrealized Non-Academic Efficiencies		500,000				
13	Base Allocations		1,353,305	500,000			
	Subtotal Base Expenditure Adjustments	-	2,591,008	4,024,000	3,215,000	3,385,000	3,438,000
TOTAL Base Expenditure Budget		124,981,637	127,572,645	131,596,645	134,811,645	138,196,645	141,634,645
Net Base Budget Surplus / (Deficit)		(705,695)	-	543,000	703,000	847,000	1,075,000
One-Time Adjustments							
14	One-Time Allocations	650,000	-	-	-	-	-
	One-Time Savings	(500,000)					
	Subtotal One-Time Adjustments	150,000	-	-	-	-	-
TOTAL Expenditure Budget		125,131,637	127,572,645	131,596,645	134,811,645	138,196,645	141,634,645
Net Budget Surplus / (Deficit)		(855,695)	-	543,000	703,000	847,000	1,075,000
Operating Fund Ending Fund Balance		4,663,621	5,800,000	6,343,000	7,046,000	7,893,000	8,968,000

Color Legend	
Fund Balance	
Base Revenue Budget	
Base Expenditure Budget	
Projected Base Surplus/Deficit	
One-Time Allocations	
Net Budget Surplus	

HSU Budget Planning Assumptions – Line Item Detail | 2016-17

Each number listed in these assumptions provides line item detail associated with the same number listed in the far left column on the detailed 2016-17 Budget Planning Summary.

Enrollment Assumptions

Resident FTES: The CSU resident FTES target for HSU for 2016-17 is 7,565 FTES. This represents an increase of 1% over last year's CSU target and 2% over HSU's 2015-16 resident FTES target (HSU did not budget the full CSU target of 7,483 in 2015-16 because the Chancellor's Office gave us until fall 2016 to reach the target). For planning purposes, the HSU resident FTES target is 7,500 for 2016-17, 7,565 for 2017-18, and .5% growth in the subsequent years, which reflects the expectation that HSU will not fully reach the 2016-17 resident FTES target until 2017-18.

Western Undergraduate Exchange (WUE) FTES: A steady decline of 10-20 FTES per year.

Out-of-State FTES: 2016-17 decrease of 15 FTES, from 110 FTES to 95 FTES to reflect the decrease in our Out-of-State students. Projected flat thereafter.

International FTES: Projected flat at 70 FTES.

Revenue Assumptions

1. State Appropriation:

- a. Multi-year stable funding plan: The 2013-14 State of California budget included a four year stable funding plan that will provide the CSU system with a 4% increase in 2016-17. While the system received additional resources beyond just the 4% in 2015-16, it is anticipated that we will receive only the 4% increase in 2016-17. Even though the multi-year plan concludes in 2016-17, we are maintaining the 4% increase in future years for planning purposes.

For 2016-17, the 4% will be spent on a 2% compensation pool, mandatory costs and 1% resident enrollment growth, resulting in minimal, if any, additional funding available.

- b. Retirement: In addition to the multi-year stable funding plan, the State will continue to fund retirement cost increases, but only based on 2013-14 payroll levels. Therefore, any payroll increases beyond our 2013-14 level will have to be absorbed. In 2015-16, HSU received funding for 96% of the retirement rate increases, resulting in 4% payroll growth that HSU had to cover. For 2016-17, it is anticipated that HSU will receive 94% of the needed funding to cover retirement cost increases. (corresponding expenditure entry – see note 7).

2. **State Tuition Fee, Non-Resident Tuition and MSF Fees:** Tuition revenue will increase and Non-Resident tuition will decrease based on enrollment assumptions discussed in the enrollment section. We are anticipating no changes to current tuition rates. The Materials, Services and Facilities Fee (MSF) increase reflects additional revenue associated with a 2.1% fee increase, which is based in the Higher Education Price Index (HEPI).

3. **Other Fees and Revenue:** Most of these fees are dedicated to specific areas and any revenue changes generally include a corresponding expenditure entry. The change in 2016-17 reflects a decrease in budgeted cost recovery. (Dedicated Budget Allocated to Depts – see note 9).

Revised: April 7, 2016

HSU Budget Planning Assumptions – Line Item Detail | 2016-17

Expenditure Assumptions

4. **Compensation:** Reflects compensation increases of approximately 2% each year for all employees.
5. **Health/Dental Benefits:** Reflects annual increase of approximately 5.5% (based on 5 year average).
6. **Retirement Benefits:** Retirement rates increased by 3.7% in July 2015. Rate increases in future years are based on the preliminary five year retirement rate projection provided by CalPERS in March 2014. Since the State will only cover cost increases based on 2013-14 payroll levels, we estimate our portion of the cost will grow each year (corresponding revenue entry – see note 1b).
7. **State University Grant (SUG):** Reflects the SUG increase included in the preliminary CSU Budget Memo, which approximates a one-third set aside of revenue from resident enrollment growth.
8. **Dedicated Budget Allocated to Depts:** When revenue increases or decreases for dedicated revenue streams (i.e. MSF Fee, MBA Fee, Cost Recovery), the expenditure budget increases or decreases by the same amount. (Reflects net neutral activity).
9. **General University Adjustments: Utilities, Space Management, Insurance:** Total net decrease of \$150,000 reflects a \$100,000 decrease in the utilities budget and a \$50,000 decrease in CSURMA Insurance rates for 2016-17.
10. **CMS Loan Payment Decrease:** 2016-17 reflects year two of reduced payments in the final three years of our CMS Loan payoff. Once paid off, this will free up \$2.4 million in base budget.
11. **Cogen Plant Expense Decrease:** Cogen Plant debt service will be paid off in 2015-16. This frees up \$497k in base budget in 2016-17.
12. **Fold Back in Unrealized Non-Academic Efficiencies:** The \$500,000 is being added back into the budget since the savings were not realized in 2015-16.
13. **Base Allocations:** Reflect ongoing base allocations of \$1.35 million as outlined in the budget proposal.
14. **One-Time Allocations:** TBD

Fund Balance (Reserve) Assumptions

For 2016-17, the beginning fund balance is estimated at \$5.80 million, an increase of \$280,000 over the 2015-16 beginning balance of \$5.52 million. Initially, the 2015-16 budget anticipated a deficit of almost \$860,000; however, the anticipated deficit was more than offset by \$1.14 million in one-time savings in 2015-16, resulting in the first budget surplus in more than five years. Projected future Fund Balances reflect a small increase each year, although new allocations have yet to be incorporated.

ATTACHMENT B - 1

Budget Planning Scenarios

Including new allocations of \$1.35 million, based on initial budget proposal

May 16, 2016

	Option 1	Option 2	Option 3	Option 4
	OPTIMISTIC	SLIGHTLY OPTIMISTIC (STATE)	SLIGHTLY OPTIMISTIC (ENROLLMENT)	CONSERVATIVELY REALISTIC
<u>Assumptions</u>				
Enrollment	No Change	Down: -78 FTES	No Change	Down: -78 FTES
CFA Agreement Impact	Fully Funded	Fully Funded	Campus covers 1%	Campus covers 1%
Resident FTES Enrollment	7,500	7,428	7,500	7,428
Total Enrollment	7,985	7,913	7,985	7,913
Beginning Fund Balance	5,800,000	5,800,000	5,800,000	5,800,000
State Appropriation	74,748,510	74,748,510	73,898,510	73,898,510
State Tuition	45,441,000	45,041,000	45,441,000	45,041,000
Non-Res Tuition & Other Revenue	8,957,135	8,934,135	8,957,135	8,934,135
Total Revenue	129,146,645	128,723,645	128,296,645	127,873,645
Prior Year Expenditures	124,275,637	124,275,637	124,275,637	124,275,637
New GSI/SSI Costs	3,920,000	3,920,000	3,920,000	3,920,000
Benefits & Other Costs	(402,297)	(425,297)	(402,297)	(425,297)
Base Allocations	1,353,305	1,353,305	1,353,305	1,353,305
Total Expenditures	129,146,645	129,123,645	129,146,645	129,123,645
Base Budget Surplus/(Deficit)	-	(400,000)	(850,000)	(1,250,000)

Budget Planning: Base Budget Allocations Update

May 16, 2016

Initial Base Allocation Proposal (April 8, 2016):

2016-17 Base Budget Allocations	Strategic Plan Goal	Strategic Budgeting Category	Amount
Tenure Track Faculty	Goals 1, 4	Strategic Priorities -> Personnel	500,000
Additional Course Sections	Goal 1	Strategic Priorities -> Programs	125,000
Data-Driven Decision Making (IRP)	Goal 4	Strategic Priorities -> Personnel	50,000
Community Support	Goal 3	Strategic Priorities -> Personnel	50,000
RISS Support	Goal 1	Strategic Priorities -> Students	50,000
Sustainability	Goal 4	Strategic Priorities -> Personnel	100,000
Contingency	Goal 4	Contingency	478,305
Total Allocations			1,353,305

Updated Base Allocation Proposal (May 16, 2016):

2016-17 Base Budget Allocations	Strategic Plan Goal	Strategic Budgeting Category	Amount
Tenure Track Faculty	Goals 1, 4	Strategic Priorities -> Personnel	500,000
Additional Course Sections	Goal 1	Strategic Priorities -> Programs	0
Data-Driven Decision Making (IRP)	Goal 4	Strategic Priorities -> Personnel	50,000
Community Support	Goal 3	Strategic Priorities -> Personnel	50,000
RISS Support	Goal 1	Strategic Priorities -> Students	0
Sustainability	Goal 4	Strategic Priorities -> Personnel	0
Contingency	Goal 4	Contingency	0
Total Base Allocations			600,000

one-time allocation in 2016-17

base funded through internal reallocation

one-time allocation in 2016-17

one-time allocation to reserves in 2016-17

Budget Planning Scenarios

Including new allocations of \$600k: \$500k for Tenure Faculty, \$50k Community Liaison, \$50k IRP (Data-Driven Decision Making)

May 16, 2016

	Option 1	Option 2	Option 3	Option 4
	OPTIMISTIC	SLIGHTLY OPTIMISTIC (STATE)	SLIGHTLY OPTIMISTIC (ENROLLMENT)	CONSERVATIVELY REALISTIC
<u>Assumptions</u>				
Enrollment	No Change	Down: -78 FTES	No Change	Down: -78 FTES
CFA Agreement Impact	Fully Funded	Fully Funded	Campus covers 1%	Campus covers 1%
Resident FTES Enrollment	7,500	7,428	7,500	7,428
Total Enrollment	7,985	7,913	7,985	7,913
Beginning Fund Balance	5,800,000	5,800,000	5,800,000	5,800,000
State Appropriation	74,748,510	74,748,510	73,898,510	73,898,510
State Tuition	45,441,000	45,041,000	45,441,000	45,041,000
Non-Res Tuition & Other Revenue	8,957,135	8,934,135	8,957,135	8,934,135
Total Revenue	129,146,645	128,723,645	128,296,645	127,873,645
Prior Year Expenditures	124,275,637	124,275,637	124,275,637	124,275,637
New GSI/SSI Costs	3,920,000	3,920,000	3,920,000	3,920,000
Benefits & Other Costs	(402,297)	(425,297)	(402,297)	(425,297)
Base Allocations	600,000	600,000	600,000	600,000
Total Expenditures	128,393,340	128,370,340	128,393,340	128,370,340
Base Budget Surplus/(Deficit)	753,305	353,305	(96,695)	(496,695)

ATTACHMENT B - 4

Budget Planning : One-Time Allocations Option 4					
<i>Based on Updated \$600k Base Augment Option</i>					
May 16, 2016					
Type/Description	Functional Category	Strategic Plan Goal	Strategic Budgeting Category	Total	
Projected Unrestricted Roll Forward (One-Time) Balance				2,565,000	Roll Forward Estimate 04/2016
Compliance					
ADA Accommodations	Student Services	Goal 1	Consumables	68,000	fluctuates annually
Accessible Technology Initiative (ATI)	Institutional Support	Goal 1	Personnel	80,000	long-term base need
Title IX Contract Increase	Institutional Support	Goal 2	Consumables	7,500	long-term base need
Title IX Investigator	Institutional Support	Goal 2	Personnel	125,000	long-term base need
Sustain Existing Operations					
Additional Course Sections	Instruction	Goal 1	Programs	125,000	growth dependent support needed
Klamath Connection Match	Instruction	Goal 1	Programs	150,000	pilot RFY academic program
Athletics Support	Student Services	Goal 1, 3	Programs	500,000	long-term plan needed
Behavioral Intervention Team	Student Services	Goal 1	Consumables	25,000	long-term base need
Honors Dinner	Institutional Support	Goal 2, 3	Consumables	15,000	long-term plan needed
IRP Salary Backfill	Institutional Support	Goal 4	Personnel (one-time)	72,000	only for 2016-17
Pantheon (Web Hosting)	Institutional Support	Goal 4	Brand	40,000	long-term base need
Innovation - New Costs					
Haas Institute (John Powell)	Institutional Support	Goal 2	Consumables	10,000	only for 2016-17
Sustainability	Op & Maint of Plant	Goal 4	Personnel	100,000	long-term base need
Not One-Time Funded					
Homecoming Related Events				0	seeking alternate funding
Community Support				0	proposed for base funding
Data-Driven Decision Making				0	proposed for base funding
RISS Support				0	base funded through internal reallocation
uDirect 1 FTE temp 16-17				0	utilizing existing funding
Reserves (in lieu of Contingency)			Reserves	500,000	
One-Time Deficit Coverage				496,695	
Total One-Time Funding Need				2,314,195	
Remaining Unrestricted Balance				250,805	

Humboldt State University
Sustainable Budget Planning Detail for FY16-17

HSU Operating Fund Budget Planning Sheet - Detail Revised: May 16, 2016	2015-16 Budget	2016-17 Budget	2017-18 Projection	2018-19 Projection	2019-20 Projection	2020-21 Projection
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Out-of-State FTES (-15 in 2016-17, then flat)	110	95	95	95	95	95
International FTES (flat)	70	70	70	70	70	70
Total FTES Target	7,910	7,913	7,967	8,028	8,046	8,074
Beginning Fund Balance	5,519,316	5,800,000	6,300,000	4,528,305	2,996,610	1,381,915
Revenue Budget						
Prior Year State Appropriation	63,858,110	68,820,510	73,183,510	77,320,510	80,460,510	83,750,510
Enrollment Growth	1,314,000	476,000	-	-	215,000	215,000
Health Benefits	312,000	949,000	750,000	790,000	840,000	880,000
2% Compensation Pool (Non-Faculty in 16-17, 17-18)	1,610,000	933,000	946,000	1,800,000	1,850,000	1,900,000
Estimated 2% Compensation Pool (Faculty 16-17, 17-18)		760,000	781,000			
Estimated 2% Compensation Pool (Faculty 15-16)		715,000				
Other Adjustments	17,000	7,000				
Estimated New CSU Retirement Obligation	-					
Subtotal New 2016-17 General Fund (GF) Allocations	3,977,000	3,840,000	2,477,000	2,590,000	2,690,000	2,800,000
Retirement Funding	1,661,000	523,000	1,660,000	550,000	600,000	550,000
Subtotal 2015-16 GF Allocation Adjustments	1,691,400	523,000	1,660,000	550,000	600,000	550,000
Subtotal State Appropriation	69,526,510	73,183,510	77,320,510	80,460,510	83,750,510	87,100,510
One-Time State Appropriation (15-16 Faculty 2% Savings)	(706,000)	715,000				
State Appropriation Updated with 2015-16 Faculty Adj.	68,820,510	73,898,510				
Student Fees and Other Revenue						
State Tuition Fee	45,136,000	45,041,000	45,316,000	45,636,000	45,701,000	45,858,000
Non-Resident Tuition Fee	1,819,000	1,640,000	1,640,000	1,640,000	1,640,000	1,640,000
Materials, Services and Facilities Fee (MSF)	2,562,000	2,577,000	2,595,000	2,617,000	2,624,000	2,633,000
Other Fees and Revenue (MBA Fee, App Fee, CR, etc)	5,232,432	4,717,135	4,717,135	4,717,135	4,717,135	4,717,135
Subtotal Student Fees and Other Revenue	54,749,432	53,975,135	54,268,135	54,610,135	54,682,135	54,848,135
TOTAL Revenue Budget	123,569,942	127,873,645	131,588,645	135,070,645	138,432,645	141,948,645
Prior Year Expenditure Budget						
Total Prior Year Expenditure Budget	124,981,637	124,275,637	128,370,340	133,360,340	136,602,340	140,047,340
GSI/SSI Pool - All (16-17 3%/7%, 17-18 2%/4.5%, 2%)	(706,000)	3,920,000	2,702,000	1,800,000	1,850,000	1,900,000
Projected Benefit Rate Increases - Health, etc.		900,000	750,000	790,000	840,000	880,000
Projected Benefit Rate Increase - Retirement		570,000	1,840,000	630,000	700,000	660,000
State University Grant (SUG)		97,000	-	-	48,000	48,000
Dedicated Budget Allocated to Depts		(645,297)	18,000	22,000	7,000	9,000
General Univ Adjs: Utilities, Space Mgmt, Insurance		(150,000)				
CMS Loan Payment Decrease		(1,200,000)	(820,000)			
Cogen Plant Expense Decrease		(497,000)				
Fold Back in Unrealized Non-Academic Efficiencies		500,000				
Base Allocations		600,000	500,000			
Subtotal Base Expenditure Adjustments	(706,000)	4,094,703	4,990,000	3,242,000	3,445,000	3,497,000
TOTAL Base Expenditure Budget	124,275,637	128,370,340	133,360,340	136,602,340	140,047,340	143,544,340
Net Base Budget Surplus / (Deficit)	(705,695)	(496,695)	(1,771,695)	(1,531,695)	(1,614,695)	(1,595,695)
One-Time Adjustments						
One-Time Allocations	650,000	1,317,500	-	-	-	-
One-Time Savings	(500,000)	(2,314,195)				
Subtotal One-Time Adjustments	150,000	(996,695)	-	-	-	-
TOTAL Expenditure Budget	125,131,637	127,373,645	133,360,340	136,602,340	140,047,340	143,544,340
Net Budget Surplus / (Deficit)	(855,695)	500,000	(1,771,695)	(1,531,695)	(1,614,695)	(1,595,695)
Operating Fund Ending Fund Balance	4,663,621	6,300,000	4,528,305	2,996,610	1,381,915	(213,780)

4.9%

Color Legend
Fund Balance
Base Revenue Budget
Base Expenditure Budget
Projected Base Surplus/Deficit
One-Time Allocations
Net Budget Surplus/Deficit