

GENERAL FUND General Fund Allocation Changes

Budget Allocations and Enrollment

The General Fund budget for California State University, Fresno is \$223,838,822 (excluding reimbursed activity) with an enrollment target of 18,005 FTES. Our final budget for 2011-12 is \$223,838,823, which when combined with our reimbursed activity of \$7,200,000 amounts to our total budget of \$231,038,823. This translated into a General Fund permanent base decrease of \$27,920,500, with fee increase of \$23,315,000, for a total decrease of \$5,605,500.

I. 2011-12 Final Base Budget Adjustments

Base Budget adjustments are changes required to address modifications to the General Fund allocation that the campus received in the 2011-12 final budget (Coded Memo B 2011-02, dated July 14, 2011). Base budget adjustments to campus allocations are comprised as follows.

Chancellor's Office Adjustments:

- ***Retirement Adjustment-*** Our state funding received was increased by \$2,138,500 as a result of the increase in CalPERS employer-paid retirement rates effective July 2010. The amount funded by campus is based on the change in retirement rates applied to 2010-11 FIRMS final budget CSU State Support salaries submitted in September 2010.
- ***Financial Aid State University Grant Set-Aside / Distribution:*** The financial aid set-aside from the current year's 2011-12 adjustments is \$7,556,800. The SUG augmentation is distributed based on financial need and funded enrollment targets. The difference between how the SUG increase is funded (based on the one-third set-aside of estimated campus SUF revenue growth) and how SUG is distributed (based on estimate of need) results in adjustments to campus General Fund allocations. Our campus was assessed \$7,812,000 and will receive a distribution of \$7,556,800.

Other Chancellor's Office Adjustments:

- ***Operating Fee Revenue Interest Assessment -*** The annual interest chargeback requirement was agreed upon to maintain fiscal neutrality for the State General Fund in recognition of the 2006-07 transition of the deposit of fee revenue from the State General Fund to the CSU local trust funds. Further, the CSU annual interest chargeback obligation is included each year in the State of California, Budget Act. The 2011-12 interest assessment is based on the campus operating revenue equivalent to the 2010-11 State University Fee and other fee revenue reported in 2010-11 FIRMS final budget submissions. The total assessment is distributed by campus on a quarterly payment schedule. Our annual campus assessment decreased from \$359,700, in 2010-11, to \$169,000 for 2011-12.

GENERAL FUND General Fund Allocation Changes

II. 2010-11 Expenditure Increases:

- **Enrollment Changes** -The enacted budget sets a target of 346,225 resident FTES for the CSU in 2011-12, for the enacted budget on July 14, 2011.

Enrollment targets for 2011-12 have been set at 18,005 for a 750 increase for a total CSU enrollment of 36,225.

- **Mandatory Costs** - Mandatory costs are expenditure obligations the university must pay whether or not funding is received from the State or student fee income. Mandatory cost obligations identified in the CSU budget plan for 2011-12 included increases in employer-paid health benefits premium costs, new space need and energy cost increases.
 - a. **Health and Dental Benefits**: This budget funds \$2,020,000 to cover the base increase in employer-paid health care costs resulting from January 2011 premium increases. Health care cost increases are determined by the number of CSU employee participants and the difference between the old and new employer-paid contribution rates. Campus expenditure increases to cover incremental costs have been prorated on the basis of percentage share of reported 2008/09 actual state support health benefits expenditures.
 - b. **New Space Need**: This budget provides \$28,000 to support the regular maintenance of new space at \$9.80 per square foot.
 - c. **Energy Costs (Utilities)**: This budget provides \$273,611 to assist with increases in electricity, natural gas, and water/sewer rates occurring at our campus.

(See next page)

GENERAL FUND
General Fund Allocation Changes

III. 2011-12 Budget Act, SUF Revenue Adjustments (331,716 FTES):

The SUF revenue adjustments reflect the combined changes in enrollment patterns, enrollment decline, lagging summer SUF rate change, and 22 percent SUF rate increases for fall. The applicable resulting changes in financial aid related to the SUF revenue adjustments are also included. For purposes of fee revenue projections for the current budget, the systemwide FTES is 331,716 FTES, or 18,005 FTES for our campus.

The following table summarizes the 2011-12 SUF revenue adjustments:

2011-12 SUF Adjustments - Systemwide	SUF Revenue Adjustments	Financial Aid Adjustment	2011-12 Net SUF Revenue Adjustments
Change in Student Enrollment Patterns	\$ (20,301,000)	\$ 0	\$ (20,301,000)
Mid-Year 2010-11 Tuition Increase	40,097,000	(20,210,000)	19,887,000
Enrollment Growth from 326,290 to 331,716 FTES	28,581,000	0	28,581,000
2010-11 SUF Rate Change Applied to Lagging Summer Term	3,323,000	0	3,323,000
2011-12 SUF Revenue from 22% Fall Increase	400,726,000	(133,173,000)	267,553,000
Total 2011-12 SUF Revenue Adjustment - Systemwide	\$ 452,426,000	\$ (153,383,000)	\$ 299,043,000

2011-12 SUF Adjustments –Fresno	SUF Revenue Adjustments	Financial Aid Adjustment	2011-12 Net SUF Revenue Adjustments
Change in Student Enrollment Patterns	\$ (1,384,000)	\$ 0	\$ (1,384,000)
Mid-Year 2010-11 Tuition Increase	2,038,000	(573,700)	1,464,300
Enrollment Growth from 326,290 to 331,716 FTES	1,550,000	(436,300)	1,113,700
2010-11 SUF Rate Change Applied to Lagging Summer Term	0	0	0
2011-12 SUF Revenue from 22% Fall Increase	20,409,000	(6,802,000)	13,607,000
Total 2011-12 SUF Revenue Adjustment - Fresno	\$ 22,613,000	\$ (7,812,000)	\$ 14,801,000