

MEMORANDUM

DATE: July 20, 2017

TO: Vice President Freer
President Morales
In Turn

FROM: Davina Lindsey
Principal Cost & Policy Analyst

RE: **FY 17-18 Auxiliary and Enterprise Fund Budgets**

Enclosed are the 17-18 Auxiliary and Enterprise Fund budgets for your review and approval.

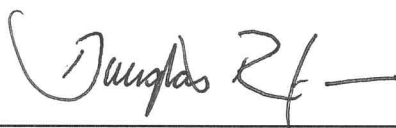
Each Auxiliary/Enterprise area has included their year-end projections for FY 16-17 along with projected revenue, expenses and reserve amounts for the upcoming year. Reserve designations for 16-17 balances have also been included to provide information for long-term financial plans.

The final sheet in this packet provides a combined summary of each of the Auxiliary/Enterprise funds' reserve designations.

Please let me know once these budgets have been approved and I will communicate back to the appropriate departments.

Enclosures

Approved:



10/20/17

Dr. Douglas R. Freer
Vice President, Administration & Finance

Date



Dr. Tomás D. Morales
President

10/20/17

Date

CALIFORNIA STATE UNIVERSITY, SAN BERNARDINO
AUXILIARY/ENTERPRISE BUDGET PLAN
2017-2018

Area Associated Students, Inc.

	2016/2017 Approved Budget	2016/2017 Projected Actuals	2017/2018 Projected Budget
Operating Revenues			
Student Fees	1,665,246	1,749,517	1,743,318
Interest Earnings	3,000	13,142	8,000
Total	1,668,246	1,762,659	1,751,318
Operating Expenses			
Management	84,052	86,574	84,000
Staff	124,102	98,834	218,000
Student Assistants	243,400	242,440	298,505
Overtime	500	500	100
Benefits	133,099	140,948	177,791
Supplies & Services(includes Utilities, etc)	60,301	177,272	180,611
Travel	35,000	34,700	24,250
Accounting/Audits/Legal Consultants	93,000	80,174	104,000
Equipment, IT Hardware & IT Software	28,000	16,300	19,500
Hospitality/Special Events	310,550	225,900	149,525
Scholarships/Campus Support	504,600	460,000	437,000
PDC activities	29,200	25,350	27,900
Insurance	22,000	17,500	22,000
Total	1,667,804	1,606,492	1,743,182
Net Operating Income	442	156,167	8,136
Debt Service			
Annual Debt Service Payments (if applicable)			
Debt Coverage Ratio	N/A	N/A	N/A
Reserves			
Prior-Year Retained Earnings	2,157,941	2,157,941	2,314,108
Current Year Reserve	442	156,167	8,136
Total Net Reserve	2,158,383	2,314,108	2,322,244
Return of Surplus for Operations	1,665,246	1,749,517	1,743,318

Please designate applicable reserves below. For information purposes only.

16/17 Mandatory Reserve Designation	Amount
Capital Improvement/Construction	200,000
Equipment Acquisition	100,000
Program Development	1,584,108
Future Debt Service	
Facilities Maintenance and Repairs	
Outstanding Commitments	
Catastrophic Events	300,000
Encumbrances	
CEL Campus Partners	
Economic Uncertainty	130,000
Total Reserve Designation	2,314,108 <i>(Should equal 16/17 Actual Total Net Reserve)</i>

**CALIFORNIA STATE UNIVERSITY, SAN BERNARDINO
AUXILIARY/ENTERPRISE BUDGET PLAN
2017-2018**

Area College of Extended Learning

	2016/2017 Approved Budget*	2016/2017 Projected Actuals*	2017/2018 Projected Budget*
Operating Revenues			
Student Fees	9,122,466	9,370,050	9,578,589
Summer Session	7,122,933	7,843,891	8,076,900
Early Start/CFS	854,966	899,492	823,783
Interest Earnings	75,497	173,945	120,000
Other	57,155	98,585	20,000
Total	17,233,016	18,385,963	18,619,272
Operating Expenses			
CEL Salaries and Benefits	3,074,483	2,634,965	3,166,718
CEL Instructors Salaries and Benefits	772,982	1,585,968	1,633,547
Other Operating Expenses	1,074,721	1,061,533	1,093,379
Equipment (Instructional, Furniture, IT, etc.)	38,308	16,757	25,000
Summer Session Expenses	6,872,403	6,813,447	6,068,051
Early Start/Coyote First Step Expenses	854,966	892,011	761,387
Cost Recovery-University	326,075	238,065	236,913
State Pro-Rata	258,590	225,817	318,310
Chancellor Office Charges	27,916	36,545	50,997
Maint/Repair	100,000	150,000	150,000
Capital Improvement	0	0	0
Other- Academic Affairs Reimb	75,000	75,000	0
Total	13,475,444	13,730,108	13,504,302
Net Operating Income	3,757,572	4,655,855	5,114,971
Debt Service			
Annual Debt Service Payments (if applicable)	0	0	0
Debt Coverage Ratio	N/A	N/A	N/A
Transfers In/Out			
To Construction	2,000,000	2,881,781	3,000,000
To Maintenance & Repair	150,000	150,000	150,000
To Campus Partners	1,596,815	1,598,396	1,678,316
Operating Reserves			
Prior-Year Retained Earnings	1,724,788	2,508,998	2,534,676
Current Year Reserve	10,757	25,678	286,655
Total Net Reserve-Operating	1,735,545	2,534,676	2,821,331
Other Fund Reserves			
Construction	2,000,000	7,535,690	7,535,690
Maintenance & Repair	150,000	655,838	745,838
Campus Partners	1,819,346	2,411,634	2,889,950
Total Other Fund Reserves	3,969,346	10,603,162	11,171,478

Please complete applicable reserve data below per ICSUAM Policy 2001.00

CEL-Operating

16/17 Mandatory Reserve Designation	Amount**	
Capital Improvement/Construction		
Equipment Acquisition	125,000	
Program Development	641,808	
Future Debt Service		
Facilities Maintenance and Repairs		
Outstanding Commitments	1,234,002	
Catastrophic Events		
Encumbrances	266,551	
CEL Campus Partners		
Economic Uncertainty	267,315	<i>(May not exceed \$8,616,508)</i>
Total Reserve Designation	2,534,676	<i>(Must equal 16/17 Actual Net Reserve for Oper.)</i>

**These figures may be adjusted, as needed, to equal actual balances at 6/30/17

**CALIFORNIA STATE UNIVERSITY, SAN BERNARDINO
AUXILIARY/ENTERPRISE BUDGET PLAN
2017-2018**

Area Health & Counseling Center

	2016/2017 Approved Budget	2016/2017 Projected Actuals	2017/2018 Projected Budget
Operating Revenues			
Academic Year	4,639,394	4,878,694	5,049,449
Waivers/Contra-Revenue		(116,474)	(120,551)
Summer Session	254,897	236,262	244,531
Revenue from Investments	1,594	4,396	4,550
Total	4,895,885	5,002,879	5,177,979
Operating Expenses			
Management	341,559	212,843	240,000
Faculty	770,807	845,598	887,878
Staff	1,413,233	1,378,246	1,419,594
Temporary Help	340,792	245,765	254,367
Student Assistants	5,240	7,060	8,000
Benefits	1,589,639	1,475,673	1,549,457
Financial Aid Fee	96,375	92,563	94,414
Palm Desert Campus Operating Expenses	299,990	307,299	316,518
Supplies, Contract Services, Chargebacks, and Accreditation	271,840	297,429	306,352
Travel	11,494	15,853	16,170
Communications	6,051	5,940	6,059
Postage & Duplicating	5,994	7,151	7,294
Equipment, IT Hardware & IT Software	35,814	36,544	37,275
Professional Development	11,844	11,986	12,225
Cost Recovery - State	386,117	514,195	581,879
Total	5,586,789	5,454,145	5,774,924
Net Operating Income			
	(690,904)	(451,266)	(596,945)
Operating Reserves			
Prior-Year Retained Earnings	(892,226)	(769,232)	(1,220,498)
Current Year Reserve	(690,904)	(451,266)	(596,945)
Total Net Reserve (Operating)	(1,583,130)	(1,220,498)	(1,817,443)
Facility Fee Revenues			
Facility Fees-San Bernardino Campus & Palm Desert	642,262	545,077	564,154
Waivers/Contra-Revenue		(37,673)	(38,992)
Fed Non-Op Grants	89,439	70,840	73,320
Interest Earnings	24,865	32,531	34,158
Total	756,566	610,775	632,640
Facility Fee Expenses			
Palm Desert Facility Fee Operating Expenses	99	0	0
San Bernardino Facility Fee Operating Expenses	11,564	0	0
Operating/State Serv Chgs/Interest Chgs		11,645	11,994
Contract Services	279	279	287
Overhead-Chancellor's Office	9,986	0	0
State Pro Rata	4,179	4,520	4,656
Total	26,107	16,444	16,937
Net Facility Fee Income			
	730,459	594,331	615,703
Debt Service			
Annual Debt Service Payments (if applicable)	451,537	451,537	455,737
Debt Coverage Ratio			
	1.62	1.32	1.35
Transfers In/Out			
To Maintenance & Repair (IDD01)	100,000	120,000	100,000
Reserves			
Prior-Year Retained Earnings	3,446,241	3,463,417	3,486,211
Current Year Reserve	178,922	22,794	59,966
Total Net Reserve (Facility Fee)	3,625,163	3,486,211	3,546,177
Other Fund Reserves			
Construction	0		
Maintenance & Repair (IDD01 Ending Balance)	50,000	69,044	100,000
Total Other Fund Reserves	50,000	69,044	100,000

Please complete applicable reserve data below per ICSUAM Policy 2001.00

Health-Operating

16/17 Mandatory Reserve Designation	Amount*
Capital Improvement/Construction	
Equipment Acquisition	
Program Development	
Future Debt Service	
Facilities Maintenance and Repairs	
Outstanding Commitments	
Catastrophic Events	
Encumbrances	
CEL Campus Partners	
Economic Uncertainty	<i>(May not exceed \$2,447,942)</i>
Total Reserve Designation	0 <i>(Must equal 16/17 Actual Net Reserve for Oper.)</i>

Health-Facilities Fee

16/17 Mandatory Reserve Designation	Amount*
Capital Improvement/Construction	
Equipment Acquisition	250,000
Program Development	
Future Debt Service	910,299
Facilities Maintenance and Repairs	947,629
Outstanding Commitments	
Catastrophic Events	1,000,000
Encumbrances	
CEL Campus Partners	
Economic Uncertainty	<i>(May not exceed \$378,283)</i>
Total Reserve Designation	3,486,211 <i>(Must equal 16/17 Actual Net Reserve for Facil.)</i>

*These figures may be adjusted, as needed, to equal actual balances at 6/30/17

**CALIFORNIA STATE UNIVERSITY, SAN BERNARDINO
AUXILIARY/ENTERPRISE BUDGET PLAN
2017-2018**

Area Philanthropic Foundation

	2016/2017 Approved Budget	2016/2017 Projected Actuals	2017/2018 Projected Budget
Operating Revenues			
Interest Earnings	67,000	74,000	70,000
Endowment Mgmt Fee	145,000	226,000	230,000
Community Board Membership	23,000	21,000	23,000
Other	29,000	950	1,000
Total	264,000	321,950	324,000
Operating Expenses			
Contract Services	182,887	190,717	31,021
Alumni/Fundraising Support			125,000
Communications and Marketing			75,000
Insurance	13,000	13,381	13,800
Audit	16,800	18,960	19,500
Supplies & Services	8,000	6,097	8,000
Other	34,000	34,000	34,000
Total	254,687	263,155	306,321
Net Operating Income	9,313	58,795	17,679
Debt Service			
Annual Debt Service Payments <i>(if applicable)</i>			
Debt Coverage Ratio	N/A	N/A	N/A
Reserves			
Prior-Year Retained Earnings	59,976	22,944	81,739
Current Year Reserve	9,313	58,795	17,679
Other			
Total Net Reserve	69,289	81,739	99,418

Area Philanthropic Foundation

Please designate applicable reserves below. For information purposes only.

16/17 Mandatory Reserve Designation	Amount
Capital Improvement/Construction	
Equipment Acquisition	
Program Development	
Future Debt Service	
Facilities Maintenance and Repairs	
Outstanding Commitments	
Catastrophic Events	
Encumbrances	
CEL Campus Partners	
Undesignated	5,159
Economic Uncertainty*	76,580
Total Reserve Designation	81,739

*Reserve is three months operating expenditures

(Should equal 16/17 Actual Total Net Reserve)

CALIFORNIA STATE UNIVERSITY, SAN BERNARDINO
AUXILIARY/ENTERPRISE BUDGET PLAN
2017-2018

Area Student Union / Recreation & Wellness

	2016/2017 Approved Budget	2016/2017 Projected Actuals	2017/2018 Projected Budget
Operating Revenues			
Return of Surplus	4,951,900	4,951,900	5,155,616
Interest Earnings	25,000	32,163	33,500
Other	596,857	400,000	1,165,117
Total	5,573,757	5,384,063	6,354,233
Operating Expenses			
Management	249,547	249,547	497,778
Staff	934,716	865,000	1,152,617
Temporary Staff	11,580	15,000	8,000
Student Assistants	1,073,867	1,200,500	1,343,329
Overtime	1,200	9,200	700
Benefits	705,174	555,000	827,135
Supplies & Services	460,515	515,000	280,598
Travel	115,633	143,000	95,388
Equipment, IT Hardware & IT Software	6,900	10,900	23,700
Utilities	465,971	450,000	478,439
Other	1,548,654	1,150,000	1,646,549
Total	5,573,757	5,163,147	6,354,233
Net Operating Income	0	220,916	0
Operating Reserves			
Prior-Year Retained Earnings	2,378,936	2,063,157	2,284,073
Current Year Reserve	0	220,916	0
Total Net Reserve (Operating)	2,378,936	2,284,073	2,284,073
Student Fee Revenues			
Student Fees	7,174,885	8,082,527	7,278,459
Interest Earnings	70,000	74,217	72,000
Total	7,244,885	8,156,744	7,350,459
Student Fee Expenses			
Chancellor Charges	20,000	19,828	21,000
Capital Projects Expenditures	100,000	42,410	0
Contra Revenue-Allowance & Fee Waiver	185,000	184,196	187,000
Return of Surplus for Operating	4,951,900	4,951,900	5,155,616
Total	5,256,900	5,198,334	5,363,616
Net Student Fee Income	1,987,985	2,958,410	1,986,843
Debt Service			
Annual Debt Service Payments (if applicable)	1,899,400	1,886,375	1,891,675
Debt Coverage Ratio	1.05	1.57	1.05
Transfers In/Out			
To Maintenance & Repair	418,000	418,000	418,000
To Construction (SMSU Expansion)		3,559,123	
Reserves			
Prior-Year Retained Earnings	9,078,361	9,132,995	6,227,907
Current Year Reserve	(329,415)	(2,905,088)	(322,832)
Total Net Reserve (Student Fee)	8,748,946	6,227,907	5,905,075
Other Fund Reserves			
Construction		3,392,717	3,000,000
Maintenance & Repair	2,857,315	2,737,615	3,005,615
Total Other Fund Reserve	2,857,315	6,130,332	6,005,615

Please complete applicable reserve data below per ICSUAM Policy 2001.00

Student Union-Operating (RO001)

16/17 Mandatory Reserve Designation	Amount*
Capital Improvement/Construction	829,245
Equipment Acquisition	25,000
Program Development	366,514
Future Debt Service	0
Facilities Maintenance and Repairs	116,600
Outstanding Commitments	243,556
Catastrophic Events	50,000
Encumbrances	
CEL Campus Partners	
Economic Uncertainty	653,158 <i>(May not exceed \$2,786,878)</i>
Total Reserve Designation	2,284,073 <i>(Must equal 16/17 Actual Net Reserve for Oper.)</i>

Student Union-Student Fee (HDD01)

16/17 Mandatory Reserve Designation	Amount*
Capital Improvement/Construction	2,186,232
Equipment Acquisition	150,000
Program Development	0
Future Debt Service	1,891,675
Facilities Maintenance and Repairs	950,000
Outstanding Commitments	0
Catastrophic Events	950,000
Encumbrances	20,000
CEL Campus Partners	0
Economic Uncertainty	80,000 <i>(May not exceed \$3,622,442)</i>
Total Reserve Designation	6,227,907 <i>(Must equal 16/17 Actual Net Reserve for Student Fee)</i>

*These figures may be adjusted, as needed, to equal actual balances at 6/30/17

**CALIFORNIA STATE UNIVERSITY, SAN BERNARDINO
AUXILIARY/ENTERPRISE BUDGET PLAN
2017-2018**

Area University Enterprises Corporation

	2016/2017 Approved Budget	2016/2017 Projected Actuals	2017/2018 Projected Budget
Operating Revenues			
Administrative Fees	70,000	55,000	58,000
Commissions	1,074,200	893,400	1,048,000
Sponsored Programs Recovered Indirect	2,400,000	2,530,000	2,640,000
Interest Earnings	50,000	35,000	35,000
Other	175,000	238,000	272,000
Total	3,769,200	3,751,400	4,053,000
Operating Expenses			
Salaries and Benefits	655,000	657,000	842,000
Contract Services	1,833,100	1,888,000	1,971,000
Commercial Operations	298,300	330,907	377,000
Supplies & Services	30,500	21,000	25,500
Professional Development/Travel	28,000	28,500	28,000
Repairs and Maintenance	22,000	8,000	17,600
Insurance	68,000	56,000	64,000
Audit Fees	44,000	44,000	46,000
Other	141,800	134,801	123,900
Total	3,120,700	3,168,208	3,495,000
Other Adjustments			
Allocations to campus	53,000	53,000	68,000
CalPERS Payment/Trust Deposit	190,000	195,000	195,000
Net Operating Income			
	405,500	335,192	295,000
Debt Service			
Annual Debt Service Payments (if applicable)			
Debt Coverage Ratio			
	N/A	N/A	N/A
Reserves			
Prior-Year Retained Earnings	1,108,417	1,108,417	1,443,609
Current Year Reserve	405,500	335,192	295,000
Total Net Reserve			
	1,513,917	1,443,609	1,738,609

Area University Enterprises Corporation

Please complete applicable reserve entries below. For information purposes only.

16/17 Mandatory Reserve Designation	Amount
Capital Improvement/Construction	851,356
Equipment Acquisition	
Program Development	
Future Debt Service	
Facilities Maintenance and Repairs	
Outstanding Commitments	350,000
Catastrophic Events	
Encumbrances	
CEL Campus Partners	
Economic Uncertainty	242,253
Total Reserve Designation	1,443,609 <i>(Should equal 16/17 Actual Total Net Reserve)</i>

CALIFORNIA STATE UNIVERSITY, SAN BERNARDINO
AUXILIARY/ENTERPRISE 16-17 FUND BALANCE
DESIGNATED RESERVES SUMMARY

	Housing	Parking	Parking Fines/Forfeitures	CEL	Health Center	Health Center Facilities	SMSU & SRWC	ASI	UEC	Philanthropic	Total
Operating Reserves											0
Capital Improvement/Construction	309,745	450,000					3,015,477	200,000	851,356		4,066,833
Equipment Acquisition				125,000		250,000	175,000	100,000			650,000
Program Development			175,000	641,808			366,514	1,584,108			2,592,430
Future Debt Service		259,661				910,299	1,891,675				2,801,974
Facilities Maintenance and Repairs	551,258					947,629	1,066,600				2,014,229
Outstanding Commitments				1,234,002			243,556		350,000		1,827,558
Catastrophic Events	3,000,000					1,000,000	1,000,000	300,000			2,300,000
Encumbrances		234,032	14,154	266,551			20,000				286,551
CEL Campus Partners											0
Undesignated										5,159	
Economic Uncertainty	521,796	171,332	94,811	267,315		378,283	733,158	130,000	242,253	76,580	1,751,009
Total Operating Reserves	4,382,799	1,115,025	283,965	2,534,676	0	3,486,211	8,511,980	2,314,108	1,443,609	81,739	18,290,584
Other Fund Reserves											0
Construction	1,367,969	326,729		7,535,690			3,392,717				10,928,407
Maintenance & Repair	621,172	211,935		655,838		69,044	2,737,615				3,462,497
Campus Partners				2,411,634							2,411,634
Total Other Reserves	1,989,141	538,664	0	10,603,162	0	69,044	6,130,332	0	0	0	16,802,538