



Budget Council

February 12, 2008

Charge

Make institutional recommendations
regarding budget issues at USFSP

Economic Factors: National

The Wall Street Journal; 2/10/08

- Wholesaler's Inventories rose 1.1% in December...
- Commerce Secretary Gutierrez said the U.S.'s economic growth rate is expected to slow in the first half of 2008; but likely to recover in the second half...
- Inflation concerns are rising among some Fed officials...
- Credit-card delinquencies are rising...
- Congress approved a \$168 billion stimulus plan...
- Retailers turned in their worse monthly sales results in nearly five years...

Economic Factors: National

Competing Interests:

Education

Military (includes international spending)

Medicaid/Medicare/Social Security

Cost of doing business

Judicial/Penal

Corporate

Other

Economic Factors: Florida

The Florida Legislature Office of Economic & Demographic Research; *Monthly Revenue Report, 12/07*

Actual revenue continues to be less than estimated revenue:

- Sales Tax (74% of budget) - 4.0%
 - Automobiles -8.1%
 - Business -6.2%
 - Tourism -4.0%
 - Other Durables -1.2%
 - Other
- Corporate Income Tax (9% of budget) - 8.4%
- Documentary Stamp Tax (3% of budget) -70.1%
- Total Revenue - 7.8%

Economic Factors: Florida

Competing Interests:

Education (K-12/Community College/State Universities)

Social Services

County and Local Governments

Judicial/Penal

Environmental

Other

Economic Factors: State Universities

The Florida State University System Board of Governors: *Appropriate and Predictable Funding Update*; 1/8/08

- Core inflation-adjusted funding per student is down 6% compared to 2006/07
- State University System funding is ~\$500M lower than national average levels (~\$1B lower than North Carolina levels)

Economic Factors: State Universities

Competing Interests:

Number of State Universities

Community Colleges

Competing Missions

Instruction vs. Research

Other

USFSP: Budget Council Tasks for Spring 2008

- Communicate with campus constituents
- Generate Budget Reduction Ideas
- Generate Revenue Enhancement Ideas
- Adopt Budget Reduction Guiding Principles
- Create non-personnel budget restraint list
- Create summary report of deliberations and recommendations

USFSP: Budget Reduction Timeline

Fall 2007 Reduction

In Place

Spring 2008/FY 2008/09 Reduction

Budget Council Report

March 17

Getting Started: Budget Terminology

Definitions:

Recurring: Ongoing, repetitive funding (USF terminology – rate)

Nonrecurring: One-time, non-repetitive funding (USF terminology – cash)

Restricted: Funds designated for a specific purpose (usually grants, some gifts, contracts, some fees, financial aid)

Unrestricted: Funds not designated for a specific purpose (usually tuition, state appropriations, some fees, some gifts, investment earnings)

Getting Started: Budget Terminology

Type of Funds

Tuition and Fees
State Operating Appropriations
(Includes Lottery)
State Capital Appropriations
Grants and Contracts
Gifts (one time)
Gifts (Endowments)
Investment Earnings
Financial Aid
Auxiliary Income
Carry Forward (State)

Timing

Recurring
Recurring

Nonrecurring
Nonrecurring
Nonrecurring
Recurring
Recurring
Recurring
Recurring/Nonrecurring
Nonrecurring/Time Limited

USFSP

2007/08 Original Budget Summary By Fund

Education & General	<u>06/07</u>	<u>07/08</u>
Revenue		
Student Tuition & Fees	7,848,566	8,176,729
State Appropriations	<u>27,596,367</u>	<u>28,295,483</u>
Total	35,444,933	36,472,212
Expense		
Salaries	20,108,400	21,139,855
Fringe Benefits	5,876,864	5,943,855
Other Personnel Services	1,339,268	1,211,569
Expenses & Reserves	5,713,785	5,770,317
Indirect Charges	<u>2,406,616</u>	<u>2,406,616</u>
Total	35,444,933	36,472,212

USFSP

2007/08 Original Budget Summary By Fund

Auxiliaries	<u>06/07</u>	<u>07/08</u>
Revenue		
Parking	815,388	940,835
Bookstore	145,000	200,000
Housing	1,384,282	1,897,223
Other	<u>595,187</u>	<u>833,649</u>
Total	2,939,857	3,871,707
Expense		
Parking and Bookstore	340,154	419,995
Housing	810,906	774,425
Other	724,642	927,486
Reserve	<u>34,200</u>	<u>2,396,805</u>
Subtotal	1,909,902	4,518,711
Debt Service and Transfers	1,633,715	1,397,869
Add to (Use of) Balance	<u>(603,360)</u>	<u>(2,044,873)</u>
Total	2,939,857	3,871,707

USFSP

2007/08 Original Budget Summary By Fund

Activity & Services Fee	<u>06/07</u>	<u>07/08</u>
Revenue		
Fees	805,664	887,743
Sales	43,700	38,950
Transfer In	<u>36,581</u>	<u>0</u>
Total	885,945	926,693
Expense		
Student Life	561,331	597,295
Student Government	101,134	492,496
Other	<u>217,311</u>	<u>278,620</u>
Subtotal Expense	879,776	1,368,411
Add to (Use of) Balance	<u>6,169</u>	<u>(441,718)</u>
Total	885,945	926,693

USFSP

2007/08 Original Budget Summary By Fund

Contracts and Grants	<u>06/07</u>	<u>07/08</u>
Revenue	3,000,000	1,868,316
Expense		
Restricted	2,750,000	1,553,910
Facilities & Administration Recovery	<u>250,000</u>	<u>314,406</u>
Subtotal Expense	3,000,000	1,868,316
Total	3,000,000	1,868,316

USFSP

2007/08 Original Budget Summary By Fund

USF Foundation	<u>06/07</u>	<u>07/08</u>
Revenue		
Endowment Earnings	600,000	499,200
Gifts	<u>250,000</u>	<u>147,800</u>
Total	850,000	647,000
Expense		
Scholarships	300,000	250,000
Chairs & Professorships	200,000	200,000
Other	<u>350,000</u>	<u>197,000</u>
Total	850,000	647,000

USFSP

2007/08 Original Budget Summary By Fund

Concessions	<u>06/07</u>	<u>07/08</u>
Revenue		
Vending Commissions	24,732	23,252
Expense		
Allocations to Various Campus Activities		
Total	24,732	23,252

USFSP

2007/08 Original Budget Summary By Fund

Total Operating	<u>06/07</u>	<u>07/08</u>
Revenue	43,145,467	43,809,180
Expenses	42,109,343	44,897,902
Debt Service and Transfers	1,633,715	1,397,869
Add to (Use of) Balance	<u>(597,591)</u>	<u>(2,486,591)</u>
Total	43,145,467	43,809,180

USFSP

2007/08 Original Budget Summary By Fund

Public Education Capital Outlay (PECO)

	<u>06/07</u>	<u>07/08</u>
Revenue		
Carry Forward Science & Tech Planning		<u>2,500,000</u>
Science & Tech General Academic Facility		9,000,000
Utilities Infrastructure	825,000	2,000,000
Minor Projects	<u>702,326</u>	<u>725,202</u>
Total	1,527,326	11,725,202
Expense		
Science & Tech General Academic Facility		12,000,000
Central Lawn Project		1,500,000
Utility Infrastructure	2,631,325	
Minor Projects	<u>600,000</u>	<u>725,202</u>
Subtotal	3,231,325	14,225,202
Add to (Use of) Balance	<u>(1,703,999)</u>	<u>(2,500,000)</u>
Total	1,527,326	11,725,202

USFSP 2007/08 REVISED Budget Summary: General Revenue (only)

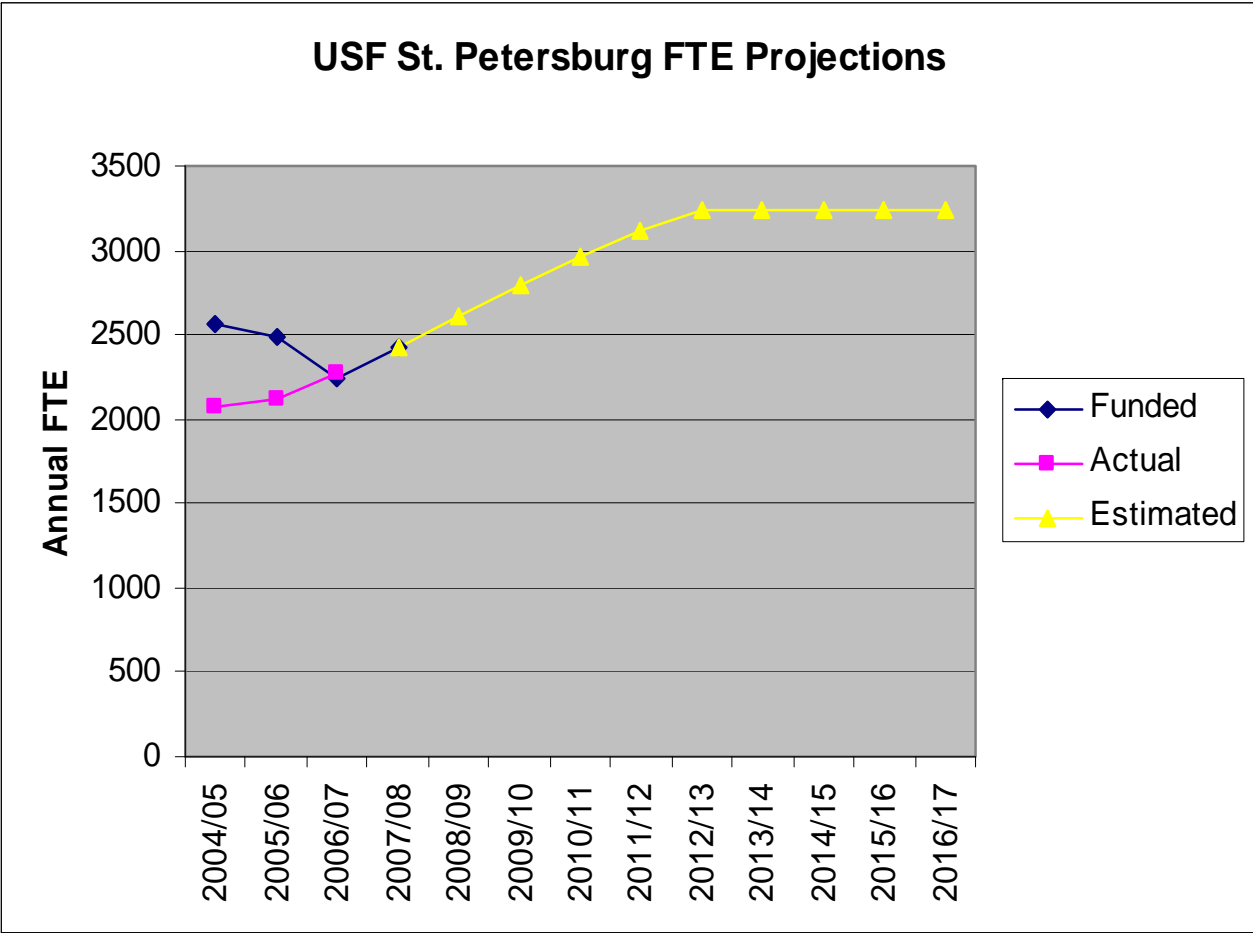
From *Revised Total Education and General Budget: 2007/08*

Recurring General Revenue Appropriation	28,715,112
Less Reduction Fall 2007 (4%)	<u>-1,159,430</u>
Subtotal Fall 2007/08	27,555,682
Less Reduction Spring 2008 (3.8%)	-1,091,174
Less Reduction July 1, 2008 (7.2%)	<u>-2,067,488</u>
Subtotal Spring 2007/08/FY 2008/09	-3,158,662
Adjusted Recurring Appropriation	24,397,020
Total Preliminary USFSP Reduction	-4,318,092

USF: Enrollment Funding

- Enrollment for SUS is funded by mission-driven formula
- The primary drivers are new student FTEs and ranked faculty salaries
- USF is categorized in Instructional Emphasis Group C (generates the least amount for instruction and the most amount for research); see handout

USFSP: Enrollment Plan



USFSP: Budget Council Tasks for Spring 2008

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