Notes from the February 6, 2014 Q&A Forum Regarding the 2014-15 Budget Process and a 2013-14 Budget Update
San José State University

Associate Vice President for Finance, Josee Larochelle, started the session by asking the participants if they wanted to go directly to questions, or if they wanted her to provide a presentation on the University's 2013-14 Budget Outlook and 2014-15 Budget Plan. The slides are available here:

http://www.sjsu.edu/finance/about_us/budget/budgetprocessinformation/

The participants asked for the presentation first. The questions in Section 1 are from the presentation. General questions about the 2014-15 budget process begin in Section 2.

Section 1 – Questions from the Presentation

1. *What is the NextGen project? How will the $4M shown in slide 5 be used?*

The Next Gen project is led by ITS and was launched in 2012-13. NextGen is a $28 million project to improve voice and network services across campus. Originally, the campus put forth $13.2 million from the Continuing Education Revenue Fund (CERF) for that project. Continuing Education revenues result from Special Session, Intersession, and Open University programs offered through the College of International and Extended Studies (CIES). Other sources of funding for the NextGen project included broadband revenues and operating funds. During a recent State audit of the CSU's Continuing Education programs that focused on three campuses and included SJSU, the methodology for determining the $13.2 million CERF contribution was questioned and an agreement was reached that $9.4 million would be appropriate based on CIES's percentage of total online courses offered by the University. The $4 million noted on slide (5) of the presentation is needed to backfill the reduced CERF contribution.

2. *Does the $2.7 million in additional fee revenues from surplus FTES shown in slide 6 take into account exceeding our enrollment target?*

Yes, the $2.7 million takes into account a potential penalty for overenrollment.

3. *What is the amount associated with the overenrollment penalty?*

It is based on actual tuition fee revenues, so the penalty amount is not final until final FTES numbers and Tuition Fee revenues are received by the Chancellor's Office (July).

4. *In slide 12 How was SFR calculated?*

It is from the SJSU Office of Institutional Effectiveness and Analytics' website: http://www.iea.sjsu.edu/Faculty/SJSU.cfm?UNIV=University%20Totals (select "SFR" near the bottom of the page). This is the source of official SJSU faculty and enrollment data.

Section 2 – Questions about the 2014-15 Budget Process

5. *How does one implement a request for a new initiative that is launched with one-time funds? How do we launch initiatives that rely on new staff with one-time funds?*

Initiatives launched in 2013-14 with one-time resources that are determined to be successful, should be put forth in the 2014-15 budget process for base funding. A report of outcomes that demonstrates the initiative's success and viability should be attached to the request.

6. *When one is deciding whether to put forth a request for Student Success, Excellence, and Technology Fees (SSETF) or Operating Funds, what does the requirement for SSETF requests mean that stipulates "new initiatives"? To what degree would a request to expand an existing activity be considered against "new new new" initiatives?*

Expansion is new, versus supplanting what already exists. If a program already exists that is not expanding, it is not "new". New means don't request funds for something that was already done. SSETF funds should not be requested to backfill Operating Fund reductions that occurred in recent years.

7. *Why were the new science lab techs denied last year when they would have expanded course offerings?*

Academic Affairs received marginal cost funding for additional FTES (full-time equivalent students, a standard unit of measure in higher education). It would be expected those funds would cover costs such as these. That being said, the Cabinet is very well aware that the historical funding for instruction at SJSU needs to be examined. Academic Affairs and Administration & Finance have a group working on a budget model for instruction and instructional support, because the current allocation practices utilize a marginal funding approach. SSETF was designed to improve student success. It was not intended to support activities that are not directly addressing student success. Student success programs should be supported with student success fees. However, it is also important to note that marginal cost funding for FTES support also includes a student success component. SSETF funds are intended to enhance that. For example, the San Luis Obispo campus has a large student success fee to provide services above and beyond what can be funded in the CSU FTES funding model. SJSU has some work to do in terms of addressing course fee levels, which were subsumed by SSETF in Fall 2012. Note that SSETF funds to support new courses are an appropriate use of SSETF funds and can be requested through the annual budget process.

8. *What about Operating Funds? Can we request instructional funds from Operating Funds, even if the request is related to student success?*

Yes

9. *How will such a request be considered/prioritized?*

[Answered by Provost Feinstein]: The first question is "are we being adequately funded at the division/college level." We shouldn't be requesting money here [in the 2014-15 University budget

process] for that purpose. The division needs to work on the issue first. The University budget process is for larger initiatives.

10. How do we decide which funds to request (Operating Funds versus SSETF Funds)?

Work with your division head. Provost Feinstein added that he wants to put forth the proposals that will be successful, so some discussion should happen before departments spend time developing budget requests. It's hard to provide general specifications.

11. Can SSETF be used for faculty salaries?

SSETF cannot be used to pay faculty for instruction. However, it might be used to pay a member of the faculty who holds a separate, non-teaching appointment that supports the priorities of SSETF, such as spearheading a student success program or initiative.