AGENDA

TRUSTEES OF THE CALIFORNIA STATE UNIVERSITY

Office of the Chancellor
Munitz Conference Room
401 Golden Shore
Long Beach, California

October 26, 2000 – 9:00 a.m.

Call to Order and Roll Call

Agenda Item for Board of Trustees’ Consideration

Adjournment

Note: The Board of Trustees will conduct this meeting via teleconference. The public is invited to attend the meeting that convenes in the Munitz Conference Room, Office of the Chancellor, 401 Golden Shore, Long Beach. The proceedings will be audible to the public at this location.
California State University
2001/02 Support Budget

Presentation By
Richard P. West, Executive Vice Chancellor and Chief Financial Officer

Summary
The purpose of the item is to present the 2001/02 Support Budget for approval. There are two parts to this item. The first part addresses the usual state appropriated support budget for 2001/02 and the second part deals with the lottery revenue-funded portion of the yearly operating budget.

Recommended Action
Approval by roll call vote of two proposed resolutions.

State Appropriated 2001/02 Support Budget
The Board of Trustees reviewed a draft of the chancellor’s recommended state support budget for 2001/02 at the September Board of Trustees’ meeting. The final recommended budget document “2001/02 Support Budget” is submitted with this agenda item. The support budget recommends a total General Fund appropriation of $354,429,000, a 14.3 percent increase over the current year. With the addition of $26,473,000 in State University Fee Revenue projected as a result of new and year round operations’ (YRO) enrollment growth, the total increase for state appropriations is $380,902,000.

2001/02 Lottery Revenue Budget
The total lottery revenue available to the California State University in 2001/02 is estimated to be $42.7 million. After providing for a $5 million systemwide reserve for economic uncertainties and cash flow variation due to fluctuations in lottery receipts, the total available for allocation is $37.7 million. The $5 million reserve assists CSU campuses by providing necessary start-up funds for the beginning of the fiscal year and provides for cash-flow variations due to fluctuations in quarterly lottery receipts.

The proposed lottery budget follows:
### Sources of Funds

<table>
<thead>
<tr>
<th></th>
<th>2000/01 Adopted Budget</th>
<th>2001/02 Recommended Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beginning Balance</td>
<td>$10,000,000</td>
<td>$5,000,000</td>
</tr>
<tr>
<td>Receipts</td>
<td>$30,000,000</td>
<td>$36,000,000</td>
</tr>
<tr>
<td>Interest</td>
<td>$1,700,000</td>
<td>$1,700,000</td>
</tr>
<tr>
<td><strong>Total Revenues</strong></td>
<td><strong>$41,700,000</strong></td>
<td><strong>$42,700,000</strong></td>
</tr>
<tr>
<td>Less Systemwide Reserve</td>
<td>(5,000,000)</td>
<td>(5,000,000)</td>
</tr>
<tr>
<td><strong>Total Available for Allocation</strong></td>
<td><strong>$36,700,000</strong></td>
<td><strong>$37,700,000</strong></td>
</tr>
</tbody>
</table>

### Uses of Funds

<table>
<thead>
<tr>
<th></th>
<th>2000/01</th>
<th>2001/02</th>
</tr>
</thead>
<tbody>
<tr>
<td>Forgivable Loan/Doctoral Incentive Program</td>
<td>$3,000,000</td>
<td>$3,000,000</td>
</tr>
<tr>
<td>California Pre-Doctoral Program</td>
<td>472,500</td>
<td>633,000</td>
</tr>
<tr>
<td>CSU Summer Arts Program</td>
<td>1,100,000</td>
<td>1,200,000</td>
</tr>
<tr>
<td>Campus Based Programs</td>
<td>31,786,500</td>
<td>32,526,000</td>
</tr>
<tr>
<td>Systemwide Implementation Costs</td>
<td>341,000</td>
<td>341,000</td>
</tr>
<tr>
<td><strong>Total Uses of Funds</strong></td>
<td><strong>$36,700,000</strong></td>
<td><strong>$37,700,000</strong></td>
</tr>
</tbody>
</table>
Trustee Resolutions

The following two resolutions are recommended for adoption:

1. **State Appropriated 2001/2002 Support Budget**

   **RESOLVED,** By the Board of Trustees of the California State University, that the 2001/2002 Support Budget is approved as submitted by the chancellor; and be it further

   **RESOLVED,** That the chancellor is authorized to adjust and amend this budget to reflect changes in the assumptions upon which this budget is based, and that such changes made by the chancellor be communicated promptly to the trustees; and be it further

   **RESOLVED,** That the chancellor is authorized to comply with requests of the Department of Finance and the legislature regarding establishment of priorities within this budget; and be it further

   **RESOLVED,** That copies of this resolution be transmitted to the California Postsecondary Education Commission, to the governor, to the director of finance and to the legislature.

2. **2001/2002 Lottery Revenue Budget:**

   **RESOLVED,** By the Board of Trustees of the California State University, that the 2001/2002 Lottery Revenue Budget totaling $42.7 million be approved for implementation by the chancellor, with the authorization to make transfers between components of the Lottery Revenue Budget and to phase expenditures in accordance with receipt of lottery funds; and be it further

   **RESOLVED,** That the chancellor is hereby granted authority to adjust the 2001/2002 Lottery Revenue Budget approved by the Board of Trustees to the extent of receipt of greater or lesser lottery revenue than budgeted in 2001/2002 to respond to opportunities or exigencies; and be it further

   **RESOLVED,** That a report of Lottery Revenue Budget receipts and expenditures be made to the Board of Trustees.