

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

1. Approval of Support Budget for 2001/2002, including State Appropriated 2001/2002 Support Budget and 2001/2002 Lottery Revenue Budget

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.

BOARD OF TRUSTEES

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:

	2000/01 Adopted Budget	2001/02 Recommended Budget
<u>Sources of Funds</u>		
Beginning Balance	\$ 10,000,000	\$ 5,000,000
Receipts	30,000,000	36,000,000
Interest	1,700,000	1,700,000
Total Revenues	\$ 41,700,000	\$ 42,700,000
Less Systemwide Reserve	(5,000,000)	(5,000,000)
Total Available for Allocation	\$ 36,700,000	\$ 37,700,000
<u>Uses of Funds</u>		
Forgivable Loan/Doctoral Incentive Program	\$ 3,000,000	\$ 3,000,000
California Pre-Doctoral Program	472,500	633,000
CSU Summer Arts Program	1,100,000	1,200,000
Campus Based Programs	31,786,500	32,526,000
Systemwide Implementation Costs	341,000	341,000
Total Uses of Funds	\$ 36,700,000	\$ 37,700,000

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.