

# FY 2020 Budget Discussion – Clayton State University

## Part I: System-Wide Initiatives

1) Discuss the major actions undertaken as a part of your Momentum Year plan. What components are still in the development or implementation phases? From a financial perspective, how has your institution invested in your Momentum Year plan and what were the sources of funds? Describe strategy taken in scaling corequisite model. Discuss any early results to date.

**Stephen Schultheis, Narem Reddy, Kevin Demmitt**

2) Provide an update on the status of the Comprehensive Administrative Review at your institution. Have you begun to implement the CAR action plan and, if so, what savings have been realized and where have the funds been reinvested? Who on your campus is on the design team tasked with recommending organizational changes to the President?

**Jim Flowers**

3) Describe the process that your institution is using to evaluate the level of benefits or payroll staff needed post-conversion to OneUSG Connect. What positions are expected to have time redirected to new duties and what positions can be (or have been) eliminated? Also, list any third-party costs related to human capital management previously incurred, including software, professional consultants, or outsourced services, that will no longer be needed by the institution in FY19 or beyond.

**Rodney Byrd, Megan Davidson, Corlis Cummings**

## Part II: Enrollment

4) Discuss enrollment trends over the past three years (fiscal years 2017, 2018 and 2019). Discuss factors impacting enrollment. What are your enrollment projections for the next two years (Fall 2019 and Fall 2020)? What enrollment management strategies and software are employed at your institution and how effective are they? Discuss trends in online enrollment. To what extent are the trends driven by dual enrollment students? What steps has your institution taken to enroll dual enrollment students post-high school graduation? Use data available to highlight success in this area.

**Stephen Schultheis, All**

5) What is the current impact and projected impact of the out-of-state tuition waivers for the 14 institutions approved to extend out-of-state waivers to bordering states? What are the target areas? How do you advertise/communicate to potential students?

**If needed and factored**

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## Part III: Student Success and Affordability

6) Provide information on graduation and retention rates. Explain positive or negative trends. Discuss student success in Freshman Math & English. What initiatives (if not described already) do you intend to introduce this coming year to improve student success? In what ways will you know that these initiatives are succeeding?

**Kevin Demmitt, Stephen Schultheis**

7) Discuss your institution's participation in the Affordable Learning Georgia program and also give details on the percentage of courses at your institution using low-cost or no-cost textbooks. What other actions has your institution taken to reduce the cost of education to students? Provide details regarding these actions, the number of students impacted and the savings to students. Additionally, provide ideas on how your institution can be proactive in reducing costs to students for the upcoming year.

**Kevin Demmitt, ?, Julie Coile, Corlis Cummings, All**

## Part IV: Institutional Financial Health

8) Discuss the financial health of your institution using the June 30, 2018 annual financial statements as the basis. This discussion should include trend data for student receivable balances as well as other key financial measures (i.e. cash, reserves, etc.). Discuss any material audit findings. Use charts and graphs as necessary.

**Corlis Cummings, Megan Davidson, Scott McElroy, Ceimone Strickland?**

9) Discuss the financial health of each auxiliary enterprise (except Athletics). Are any major changes to service offerings being contemplated, such as outsourcing that will affect the finances of the auxiliary portfolio? Have any auxiliary funds operated in deficit for multiple years, and if so how will this trend be reversed? Please use the attached Excel template to provide Auxiliary Reserves (tab labeled Reserve Balances).

**Each holder: Norman Grizzell—LakerCard; Polly Parks/Shakeer Abdullah-UHS; Antonio Long/Corlis Cummings—Parking; Shakeer Abdullah/Jeff Jacobs/Natasha Hutson—SAC & Student Affairs, Bill Gruska-Technology**

10) Provide an update on the current status of each Public Private Venture (PPV) at your institution. Have the underlying assumptions been achieved (i.e. enrollment, occupancy, etc.)? If not, discuss how shortfalls will be addressed. Describe any unexpected capital repairs, expenditure trends, reserve balances, and the anticipated coverage ratio for the current year based on your enrollment/occupancy. Discuss any needs for a fee increase in the upcoming year. Do current and projected future conditions indicate a need to draw from the capital reserve maintained at the System Office? If so, when and how much?

**Shakeer Abdullah, Brandi Alkire, Jeff Jacobs**

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11) Provide an update on the financial health of the athletics program at your institution. Specifically, provide the revenue generated, total spent by fund source, and reserve balance for the past five years. What percent of revenue comes from student fees and what percent comes from private donations? Report on any shortfalls. What actions are being taken at your institution to address any shortfalls or prevent them from happening? What are the biggest challenges in athletics? Be specific. Is your institution in compliance with the subsidy limit established by the Board? If not, what actions are being taken at your institution to get in compliance?

**Merlene Aitken, Ryan Erlacher**

## Part V: Fiscal Year 2019 Update

12) How are new funds appropriated for fiscal year 2019 being used to address the institutional priorities? Specifically, discuss the progress to date, achievements, challenges, etc.

**All**

13) How is your institution addressing the impact of fall 2018 enrollment declines or shortfalls, if applicable? Was this decline considered in your original budget? What actions are being taken to cut costs and streamline operations?

14) What one-time costs are anticipated or possible but currently on hold pending funding availability in fiscal year 2019? Use the attached template to provide a priority listing.

**All**

## Part VI: Looking Ahead to FY 2020

15) The University System of Georgia was permitted to request enhancement funding in FY20. A template to collect enhancement requests related to Momentum Year/student success and student safety initiatives was distributed in August. Please provide a narrative description of the request, to include description of activity, timeline of implementation, and expected outcomes or performance indicators.

**Scott McElroy—Please repeat**

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16) Credit hour enrollment growth at your institution was relatively flat in academic year 2018. In the event that a small amount of new funds were made available in FY 2020, what would be the budget priorities for your institution and how would new funds be utilized to best serve students? Please use the attached Excel template to provide the estimated cost associated with each priority (tab labeled New Funds – do not duplicate enhancement requests from question 15).

**All**

### Part VII: Academics

17) Discuss new academic programs under consideration for startup in FY 2020. Do you have plans to introduce a Nexus degree? How do the proposed programs line up with the goals of industry, the System, the region and the State? How were the needs for the programs and the program budgets determined?

**Kevin Demmitt & Deans**

18) Discuss the success of programs created during the past 4 years. Have enrollment targets been met and have cost projections held true? How is the institution addressing any underperforming programs?

**Kevin Demmitt & Deans**

19) What existing programs have low degree production? What measures are you taking to improve the enrollment in these programs?

**Kevin Demmitt & Deans**

### Part VIII: Facilities

20) Highlight any projects in your existing Capital Plan that are integral to the goals and outcomes discussed elsewhere in this document (enrollment, academic, student success, etc.).

**Corlis Cummings, Harun Biswas & All**

21) Are there any facility expenses, including one-time or ongoing maintenance needs, which are not discussed in the Capital Plan that will have a major impact on operating budget planning for FY20? Provide details and budget impacts.

**Corlis Cummings, Harun Biswas & All**

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## Part IX: Information Technology (IT)

22) What are the trends in the overall IT expenditures of the institution over the last three years and where has the institution strategically invested in IT solutions to improve student outcomes or administrative efficiencies.

**Bill Gruszka & All**

23) Discuss the investments your institution has made in relation to cybersecurity operations, including multifactor authentication. What cybersecurity related services would your institution be interested in having the USO/ITS provide?

**Bill Gruszka & All**

24) Discuss the information technology needs of your institution other than cybersecurity. What is the FY20 annual projected IT spend concerning the remediation/mitigation of audit findings, legislative mandates, or regulatory requirements? IT needs that have been identified as top priorities for your institution should be included as a part of your FY20 funding request (Question #15) if your institution has been permitted to request new funds.

**Bill Gruszka & All**

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## Part X: Major Success/Accomplishment

25) Use this section to highlight one major success/accomplishment at your institution that is in alignment with one or all of the Chancellor's three priorities.

- Degree Attainment: ensure more Georgians enter the workforce with a college degree.
- Affordability: make college more affordable for Georgians.
- Efficiency: find opportunities to be more efficient and control costs.

Please attach a one-pager that succinctly presents this success/accomplishment. This is an opportunity to brag on yourself. The information provided may be used in external communications.

Please include the following elements as you deem appropriate:

- Background
- Who benefited?
- Impact on student success
- Impact to the State of Georgia
- Savings (\$), if applicable

**All**

NOTE: In addition to the FY 2020 Budget Discussion Template, please complete (as applicable) all tabs included in the attached Excel file regarding the fiscal year 2020 budget request. The tabs are labeled (1) Enrollment Trends, (2) Academic & Financial Aid Data, (3) Financial Trends, (4) Employee Data (5) Auxiliaries & Student Activities, (6) FY19 One-Time Projects, (7) New Funds, and (8) Reduction Actions.

**Scott McElroy, Narem Reddy, Stephen Schultheis, & All**

# FY 2020 Budget Hearing Data Sheet

## Fall Enrollment

Institution Name:

Clayton State University

### Enrollment Trends

Source: University System of Georgia Fall Semester Enrollment Report	Fall 2015	Fall 2016	Fall 2017	Fall 2018	Fall 2019 (Projected)	Fall 2020 (Projected)
<b>Headcount</b>	7,012	6,996	6,998			
% Change in Headcount over prior Fall		-0.2%	0.0%	-100.0%	#DIV/0!	#DIV/0!
<b>FTE</b>	5,699	5,677	5,721			
% Change in FTE over prior Fall		-0.4%	0.8%	-100.0%	#DIV/0!	#DIV/0!
<b>State funding per Student FTE</b>	\$ 4,422	\$ 4,349	\$ 4,472	#DIV/0!		
<b>E&amp;G funding per Student FTE</b>	\$ 9,305	\$ 9,922	\$ 10,153	#DIV/0!		
<b>Dually Enrolled Students</b>	644	777	789			
<b>Undergraduate Headcount (not including dual enrollment)</b>	6,587	6,555	6,551			
<b>Graduate Headcount</b>	425	441	447			
<b>Entering Freshman Class</b>	591	526	551			
<b>Number of Out-of-State Students</b>	177	183	213			
<b>Number of Out-of-Country Students</b>	126	151	137			
<b># of Students taking one or more online courses but not enrolled 100% online</b>	3,063	3,192	2,443			

### Fall Enrollment by Campus/Site (Source: FY19 Institution Budget Template Submission)

Campus/Site	Fall 2015	Fall 2016	Fall 2017	Fall 2018	Fall 2019 (Projected)	Fall 2020 (Projected)
100% Online*	759	896	1,012			
Main Campus	5,711	5,569	5,443			
Peachtree City-Fayette County	515	530	425			
Henry County	136	159	161			
Distance Learning(Online Only)	17	24	47			
eTuition (Online Only)	1,444	1,942	2,328			
Other USG Institution	189	67	87			
Off Campus						
<b>Total</b>	8,771	9,187	9,503	-	-	-

# FY 2020 Budget Hearing Data Sheet

Institution Name:

Clayton State University

## Academics & Student Success

Source: FY19 Institution Budget Template Submission	FY 2016	FY 2017	FY 2018	FY 2019 (Projected)
# of Degrees Awarded	1,273	1,267		
# of Degrees Awarded Through Reverse Transfer				
Total # of Active Programs	47	47		
Number of Low Producing Programs	3	1		
<i>Provide Graduation and Retention Rates for the four most recent Cohorts available and <b>indicate the cohorts in the highlighted cells below.</b></i>				
	Fall 2014	Fall 2015	Fall 2016	Fall 2017
<u>One-Year Retention Rates</u> for First-Time Full-Time Freshman	70.1%	71.3%	67.8%	
	Fall 2008	Fall 2009	Fall 2010	Fall 2011
<u>Six-Year Graduation Rates</u> First-Time Full-Time Freshman	33.3%	31.9%	33.0%	30.6%

## Financial Aid

Source: FY19 Institution Budget Template Submission	FY 2016	FY 2017	FY 2018	FY 2019 (As of Fall 2018)
% of Undergraduates Receiving Pell	54%	56%		
Total \$ Amount of Pell provided				
% of Undergraduates Receiving HOPE (including Zell)	15%	16%		
Total \$ Amount of HOPE provided				
% of Students Receiving Federal Loans	55%	60%		

## Federal Student Loan Default Rate

Source: FY19 Institution Budget Template Submission	FY 2013	FY 2014	FY 2015	FY 2016
<u>Three-Year Cohort Year</u>				
Federal Student Loan Default Rate	9.3%	9.3%		

## Scholarships and Gap Funding

	FY 2018	
Need-Based Scholarships		Report any scholarship that has a "means test"
Merit-Based Scholarships		Report scholarships solely based on merit
# of Students Purged for Non-Payment (Fall 2017)		
# of Students Saved thru Gap Funding (Fall 2017)		Report students that would have been purged
\$ Gap Funding Provided (Fall 2017)		The amount may be a subset of the scholarship information provided above.
\$ Gap Funding Provided (Spring 2018)		

Provide any additional comments you deem appropriate relevant to the data presented above.



# FY 2020 Budget Hearing Data Sheet

Institution Name:

Clayton State University

Funding						
Source: Budget Compliance Report	FY 2016	FY 2017	FY 2018	FY 2019 Budget <i>as of Q1 Amend.</i>	Percent Change from FY16 to FY19	Percent Change from FY18 to FY19
State Appropriations	\$ 25,198,595	\$ 24,688,217	\$ 25,584,910		-100.00%	-100.00%
Tuition Revenue	\$ 27,831,086	\$ 28,112,407	\$ 28,856,079		-100.00%	-100.00%
Special Institutional Fee	\$ -	\$ 3,526,979	\$ 3,644,165		#DIV/0!	-100.00%
Sponsored Revenue	\$ 19,273,679	\$ 18,643,668	\$ 20,641,513		-100.00%	-100.00%

Tuition Revenue Analysis (Fund 10500)	FY 2016	FY 2017	FY 2018	FY 2019	Percent Change from FY16 to FY19	Percent Change from FY18 to FY19
<b>In-State Tuition Revenue</b>						
Undergraduate					#DIV/0!	#DIV/0!
Graduate					#DIV/0!	#DIV/0!
<b>Total In-State Tuition</b>	\$ -	\$ -	\$ -	\$ -	#DIV/0!	#DIV/0!
<b>Out of-State Tuition Revenue</b>						
Undergraduate					#DIV/0!	#DIV/0!
Graduate					#DIV/0!	#DIV/0!
<b>Total Out-of-State Tuition</b>	\$ -	\$ -	\$ -	\$ -	#DIV/0!	#DIV/0!
Tuition Carry Forward						
Percent of Tuition Carried Forward	0	\$ -	\$ -			

e-Tuition Revenues (Differential only)	FY 2016	FY 2017	FY 2018	FY 2019 Budget	FY 2020 Proj.
Undergraduate					
Graduate					

Expenditures						
	FY 2016	FY 2017	FY 2018	FY 2016	FY 2017	FY 2018
<b>Source: Audited Financial Statements</b>				% of total expenditures		
Instruction	\$ 28,955,773	\$ 28,877,142		32.3%	32.9%	#DIV/0!
Research	\$ 22,582	\$ 20,656		0.0%	0.0%	#DIV/0!
Public Service	\$ 855,551	\$ 930,556		1.0%	1.1%	#DIV/0!
Academic Support	\$ 9,478,633	\$ 9,454,524		10.6%	10.8%	#DIV/0!
Student Services	\$ 9,187,388	\$ 8,871,673		10.2%	10.1%	#DIV/0!
Institutional Support	\$ 9,614,954	\$ 12,583,641		10.7%	14.3%	#DIV/0!
Plant Operations and Maintenance	\$ 10,937,218	\$ 6,946,549		12.2%	7.9%	#DIV/0!
Scholarships and Fellowships	\$ 8,258,888	\$ 7,741,972		9.2%	8.8%	#DIV/0!
Auxiliary Enterprises	\$ 12,419,071	\$ 12,274,381		13.8%	14.0%	#DIV/0!
<b>Total Operating Expenditures</b>	\$ 89,730,058	\$ 87,701,094	\$ -			

# FY 2020 Budget Hearing Data Sheet

Institution Name:

Clayton State University

Financial Trends						
Source: Audited Financial Statements	6/30/2016	6/30/2017	6/30/2018		Percent Change from 6/30/16 to 6/30/18	Percent Change from 6/30/17 to 6/30/18
Cash and Equivalents	\$ 6,300,021	6,402,569			-100.00%	-100.00%
S-T Investments	\$ -	\$ -			#DIV/0!	#DIV/0!
Student Receivables	\$ 2,032,674	\$ 2,226,526			-100.00%	-100.00%
Other Receivables	3,114,013	4,788,761			-100.00%	-100.00%
Current Liabilities	6,000,044	7,465,945			-100.00%	-100.00%
Lease Purchase Obligations (L-T)	\$ (74,522,428)	(77,616,325)			-100.00%	-100.00%
Net Assets - Unrestricted	(20,113,750)	(20,361,345)			-100.00%	-100.00%
Net Assets - Unrestricted (w/o pension & OPEB effect)					#DIV/0!	#DIV/0!
Accounts Receivable Written Off (Approved by SAO)	\$ 359,194	\$ 31,476			-100.00%	-100.00%

Financial Ratios (See attached Instructions)						
Source: FY19 Institution Budget Template Submission	6/30/2016	6/30/2017	6/30/2018			
Primary Reserve Ratio	(0.218)	(0.222)				
Viability Ratio	(0.201)	(0.263)				
Return on Net Assets Ratio	0.888	(0.163)				
Current Ratio	1.811	1.979				
Cash Ratio	1.605	0.858				

Capital Lease Obligations						
Source: FY19 Institution Budget Template Submission	6/30/2016	6/30/2017	6/30/2018			
Capital Liability Burden Ratio	5.1%	6.14%				
<i>Capital Liability Burden Ratio = Annual lease payments (principal + interest) divided by total revenues defined as follows ( the denominator of the fraction, total revenues, should include operating revenues and non-operating revenues, excluding capital gifts and grants and special item transfers).</i>						
Annual Capital Lease Payments	\$ 4,519,326	\$ 5,259,889				
Total Capital Lease Obligations	\$ 74,522,428	\$ 78,968,882				
Student Housing Occupancy Rates	74%	77%				
Capital Liability Per FTE	\$ 13,076.40	\$ 13,910.32				

Financial Trends - Auxiliary Operations						
Source: FY19 Institution Budget Template Submission	6/30/2016	6/30/2017	6/30/2018		Percent Change from 6/30/15 to 6/30/17	Percent Change from 6/30/16 to 6/30/17
<b>Auxiliary Reserve Balance:</b>						
Unrestricted	\$ 25,405	\$ 1,800,890			-100.00%	-100.00%
Reserved for Encumbrances	\$ 1,690,257	\$ 273,102			-100.00%	-100.00%
R&R Reserve	\$ 127,708	\$ 504,473			-100.00%	-100.00%

# FY 2020 Budget Hearing Data Sheet

**Institution Name:**

Clayton State University

<b>Total Auxiliary Reserve Balance</b>	\$	1,843,370	\$	2,578,465		-100.00%	-100.00%
Total Auxiliaries Cash and Equivalent	\$	1,127,595	\$	2,123,029		-100.00%	-100.00%

# FY 2020 Budget Hearing Data Sheet

Institution Name:

Clayton State University

Employee Trends						
Source: FY19 Institution Budget Template Submission	Fall 2014	Fall 2015	Fall 2016	Fall 2017	Percent Change from Fall 14 to Fall 17	Percent Change from Fall 16 to Fall 17
Full-Time Faculty	255	260	249	242	-5.10%	-2.81%
Full-Time Staff	387	402	398	385	-0.52%	-3.27%
<b>Total Full-Time Employees</b>	<b>642</b>	<b>662</b>	<b>647</b>	<b>627</b>	<b>-2.34%</b>	<b>-3.09%</b>
Part-Time Faculty	166	175	155	168	1.20%	8.39%
Part-Time Staff	117	128	65	116	-0.85%	78.46%
<b>Total Part-Time Employees</b>	<b>283</b>	<b>303</b>	<b>220</b>	<b>284</b>	<b>0.35%</b>	<b>29.09%</b>
Student Workers	359	282	263	338	-5.85%	28.52%
Graduate Assistants	14	12	21	16	14.29%	-23.81%

Personal Services Expenditures (Teaching Only - Do not include B-Units) <small>Source: USG Budgetary System - <a href="https://www.usg.edu/budgets/login/">https://www.usg.edu/budgets/login/</a></small>						
	FY 2016	FY 2017	FY 2018	FY 2019	% Change FY17 to FY18	% Change FY18 to FY19
<b>State Funds, Tuition, &amp; Other General</b>						
Original Budget	\$ 48,221,908	\$ 49,772,763	\$ 50,979,058		-100.00%	-100.00%
Final Expenditures	\$ 47,534,595	\$ 48,692,173	\$ 49,421,574		-100.00%	
<b>Sponsored Operations</b>						
Original Budget	\$ 815,880	\$ 941,194	\$ 614,145		-100.00%	-100.00%
Final Expenditures	\$ 960,281	\$ 1,067,511	\$ 721,390		-100.00%	
<b>Departmental Sales and Services</b>						
Original Budget	\$ 883,154	\$ 949,016	\$ 1,051,839		-100.00%	-100.00%
Final Expenditures	\$ 718,172	\$ 888,394	\$ 1,009,515		-100.00%	
<b>Indirect Cost Recovery</b>						
Original Budget	\$ 61,056	\$ -	\$ -		-100.00%	#DIV/0!
Final Expenditures	\$ 11,862	\$ 2,536	\$ 1,457		-100.00%	
<b>Technology Fee</b>						
Original Budget	\$ 529,143	\$ 579,952	\$ 560,127		-100.00%	-100.00%
Final Expenditures	\$ 454,547	\$ 438,889	\$ 413,820		-100.00%	
<b>Auxiliary Operations</b>						
Original Budget	\$ 3,742,837	\$ 3,640,848	\$ 3,584,380		-100.00%	-100.00%
Final Expenditures	\$ -	\$ -	\$ -		#DIV/0!	
<b>Student Activities</b>						
Original Budget	\$ 677,747	\$ 673,924	\$ 703,953		-100.00%	-100.00%
Final Expenditures	\$ -	\$ -	\$ -		#DIV/0!	



**Fiscal Year 2020 Budget Hearing**

**What one-time costs are anticipated or possible but currently on hold pending funding availability in fiscal year 2019?**

**Institution Name: Clayton State University**

	<b>DESCRIPTION (Based on Part V, Question 14 of the Budget Discussion Template)</b>	<b>Project Cost</b>	<b>Expected Fund Source</b>
	<b>List in Order of Priority/Likelihood</b>		
<b>1</b>			
<b>2</b>			
<b>3</b>			
<b>4</b>			
<b>5</b>			
<b>6</b>			
<b>7</b>			
<b>8</b>			
<b>9</b>			
<b>10</b>			
<b>Total</b>		\$ -	\$ -

**Fiscal Year 2020 Budget Hearing**  
**How Would You Use New Money in FY20?**  
*Priority Items*

Institution Name: Clayton State University

	DESCRIPTION (Based on Part VI, Question 16 of the Budget Discussion Template)	# of Positions (if applicable)	Requested Amount
	List in Order of Priority		
1			
2			
3			
4			
5			
6			
7			
8			
9			
10			
<b>Total</b>		-	\$ -