



California State University
SAN MARCOS


CSUSM
Corporation


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MEMORANDUM

DATE: June 5, 2023

TO: Ellen J. Neufeldt, Ed.D
President

VIA: Leon Wyden 
Vice President Finance and Administrative Services

FROM: Will Marchese 
Executive Director, CSUSM Corporation; AVP, Business Development

SUBJECT: CSUSM Corporation FY 2023/2024 Budget

In accordance with Title 5, Section 42402, of the California Code of Regulations, I am submitting for President Neufeldt's review and approval the CSUSM Corporation FY 2023/2024 operating and capital budgets. The budgets were approved by the CSUSM Corporation Board of Directors on May 25, 2023.

I have reviewed the CSUSM Corporation's Fiscal Year 2023/2024 budgets adopted by the CSUSM Corporation Board of Directors and find that the planned programs and appropriations are consistent with systems and campus policy as an integral part of the overall University mission.


Ellen J. Neufeldt, Ed.D
President

8-10-23
Date

Enclosures (1)

cc: Janine Prior

CSUSM CORPORATION

Combined Operating Budget - Comparison Format (Corporation Admin, Housing & Dining)

Detailed Summary				
Account Category	Corp Combined FY23-24 Budget	Corp Combined FY22-23 Projection	Favorable (Unfavorable) FY23-24 vs FY22- 23 Projection	Corp Combined FY22-23 Budget
Revenues				
Commercial Operations	\$ 686,105	\$ 646,796	\$ 39,309	\$ 624,343
Other Revenue	699,500	720,884	(21,384)	8,000
Cost Recoveries (IDC)	1,760,694	1,470,000	290,694	1,225,000
Cost Recoveries (Admin Fee, EOY-Campus)	295,000	339,258	(44,258)	291,674
Corporation Admin Allocations-Housing & Dining Operations	906,809	815,946	90,863	815,946
Corporation Admin Allocations-Housing Reserves	25,000	45,000	(20,000)	45,000
Rental Income (UVA Student Housing)	6,429,880	6,268,890	160,990	6,104,760
Other Housing Revenue	561,200	452,593	108,607	488,125
Dining Revenues	-	-	-	-
Total Revenues	\$ 11,364,187	\$ 10,759,367	\$ 604,820	\$ 9,602,848
Operating Expenses				
Salaries & Benefits	\$ 3,141,988	\$ 2,700,190	\$ (441,798)	\$ 2,855,739
Telephone	29,023	20,515	(8,509)	30,310
Utilities	963,825	883,564	(80,261)	730,153
Travel	68,129	46,950	(21,179)	51,500
Contractual Services Group	416,578	405,227	(11,351)	528,164
Information Technology Costs	18,565	26,655	8,090	20,110
Business Services Fees (Campus)	437,106	424,374	(12,732)	438,418
Space Rental	217,703	106,400	(111,303)	134,384
Commercial Ops Repair & Maint	140,053	139,479	(573)	147,861
Facility Maintenance	404,305	390,526	(13,779)	390,211
Management Fee	209,732	201,644	(8,088)	197,787
Residential Education	405,146	357,225	(47,921)	357,225
Corporation Admin Allocation (to Housing & Dining)	906,809	815,946	(90,863)	815,946
Misc. Operating Expenses	726,688	663,212	(63,476)	704,122
Campus Support	225,669	221,855	(3,814)	-
Total Operating Expenses	\$ 8,311,319	\$ 7,403,762	\$ (907,558)	\$ 7,401,930
Net Income/(Loss) from Operations	\$ 3,052,868	\$ 3,355,605	\$ (302,737)	\$ 2,200,918
Debt Service Summary				
		3,355,605		
Bond Payable -Principal	\$ 1,250,000	\$ 1,195,000		\$ 1,195,000
Bond Payable -Interest	217,444	269,467		269,467
Total Debt Service	\$ 1,467,444	\$ 1,464,467		\$ 1,464,467
Net Remaining after Debt Service	\$ 1,585,424	\$ 1,891,138		\$ 736,451
Debt Service Coverage Ratio	2.08	2.29		1.50
<i>DSCR Required = 1.25</i>				
<i>management/administration, Student Housing licensing/property management administration and capital development, Child Care Center property management administration and capital development.</i>				

CSUSM CORPORATION

FY 2023/2024 Combined Operating Budget (Corporation Admin, Housing & Dining)

Detailed Summary

Account Category	Corp Admin FY23-24 Budget	Housing FY23-24 Budget	Dining FY23-24 Budget	TOTAL
Revenues				
Commercial Operations	\$ 686,105	\$ -	\$ -	\$ 686,105
Other Revenue	699,500	-	-	699,500
Cost Recoveries (IDC)	1,760,694	-	-	1,760,694
Cost Recoveries (Admin Fee, EOY-Campus)	295,000	-	-	295,000
Corporation Admin Allocations-Housing & Dining Operations	906,809	-	-	906,809
Corporation Admin Allocations-Housing Reserves	25,000	-	-	25,000
Rental Income (UVA)	-	6,429,880	-	6,429,880
Other Housing Revenue	-	561,200	-	561,200
Dining Revenues	-	-	-	-
Total Revenues	\$ 4,373,107	\$ 6,991,080	\$ -	\$ 11,364,187
Operating Expenses				
Salaries & Benefits	\$ 2,622,234	\$ 519,754	\$ -	\$ 3,141,988
Telephone	15,328	9,175	4,520	29,023
Utilities	10,000	768,085	185,740	963,825
Travel	52,579	15,550	-	68,129
Contractual Services Group	216,410	158,148	42,020	416,578
Information Technology Costs	18,565	-	-	18,565
Business Services Fees (Campus)	437,106	-	-	437,106
Space Rental	39,711	-	177,992	217,703
Commercial Ops Repair & Maint	49,453	-	90,600	140,053
Facility Maintenance	-	379,237	25,068	404,305
Management Fee	-	209,732	-	209,732
Residential Education	-	405,146	-	405,146
Corporation Admin Allocation (to Housing & Dining)	-	481,481	425,328	906,809
Misc. Operating Expenses	383,570	302,114	41,005	726,688
Campus Support	225,669	-	-	225,669
Total Operating Expenses	\$ 4,070,626	\$ 3,248,421	\$ 992,272	\$ 8,311,319
Net Income/(Loss) from Operations	\$ 302,481	\$ 3,742,659	\$ (992,272)	\$ 3,052,868
Debt Service Summary				
Bond Payable -Principal		\$ 1,250,000		\$ 1,250,000
Bond Payable -Interest		217,444		217,444
Total Debt Service	\$ -	\$ 1,467,444	\$ -	\$ 1,467,444
Net Remaining after Debt Service	\$ 302,481	\$ 2,275,215	\$ (992,272)	\$ 1,585,424
		Debt Service Coverage Ratio		
		DSCR Required = 1.25		2.08
<i>management/administration, Student Housing licensing/property management administration and capital development, Child Care Center property management administration and capital development.</i>				
*Acceleration of amortization of Sodexo investment dollars allows Corporation to be relieved of liability sooner. All investments are amortizing over a five-year period.				

CSUSM CORPORATION

FY2023/2024 Combined Operating Budget - Reserves, Capital Expenditures & Other Projects

Reserves	Corp Admin FY23-24 Budget	Housing FY23-24 Budget	Dining FY23-24 Budget	TOTAL
Projected Beginning Reserve Balance	\$ 3,422,316	\$ 6,809,624	\$ (735,240)	\$ 9,496,700
Add/Deduct: Net Adjusted Income (Loss)	302,481	2,275,215	(992,272)	1,585,424
Deduct: Capital Expenditures & Projects (see below)	(579,500)	(1,483,337)	-	(2,062,837)
Projected Ending Reserve Balance	\$ 3,145,297	\$ 7,601,501	\$ (1,727,512)	\$ 9,019,286

Capital Expenditures & Other Projects	Corp Admin FY23-24 Budget	Housing FY23-24 Budget	Dining FY23-24 Budget	TOTAL
Capital Expenditures	\$ 75,000	\$ 887,000	\$ -	\$ 962,000
Other Projects	504,500	596,337	-	1,100,837
Total Capital Expenditures & Other Projects	\$ 579,500	\$ 1,483,337	\$ -	\$ 2,062,837

Statement of Reserves - Allocation

Category	Amount
Working Capital & Current Operating Reserve	\$ 6,155,660
Capital Replacement Reserve	2,500,000
Venture Capital/Opportunity Reserve	363,627
Total	\$ 9,019,286

CSUSM CORPORATION - ADMINISTRATION****FY 2023/2024 Operating Budget****Administration - Detailed Summary**

Account Category	FY23-24 Budget
Revenues	
<u>Commercial Operations</u>	
Follett	\$ 243,250
CCF (Child Care Center)	260,840
Pepsi Bottling Co.	95,715
Other (Vending/Catering/ATM/Misc)	86,300
<u>Other Revenue</u>	
Summer Conferences / Summer Residents	75,000
Revenue from Investments	-
Miscellaneous	624,500
<u>Cost Recoveries</u>	
Office of Sponsored Projects/Post Award - IDC	1,760,694
Administration Fee - Campus Programs/HRPR	135,000
Exchange of Value - CSUSM	160,000
<u>Corporation Overhead Allocations</u>	
Allocation to Housing (Operations)	481,481
Allocation to Housing (Reserves)	25,000
Allocation to Dining Services (Operations)	425,328
Total Revenues	\$ 4,373,107
Operating Expenses	
Salaries & Benefits	\$ 2,622,234
Telephone	15,328
Utilities (for Commercial Services)	10,000
Travel	52,579
Contractual Services Group	216,410
Information Technology Costs	18,565
Business Services Fees (Campus Fiscal Services)	437,106
Commercial Ops Repair & Maint	49,453
Misc. Operating Expenses	423,281
Campus Support	225,669
Total Operating Expenses	\$ 4,070,626
Net Income/(Loss)	\$ 302,481

*****Operations include Corp Administration, Commercial Services, HR/Payroll, Post Award administration, Summer Conference, Dining Services management/administration, Student Housing licensing/property management administration and capital development, Child Care Center property management administration and capital development.***

CSUSM CORPORATION - ADMINISTRATION

FY2023/2024 Budget - Reserves, Capital Expenditures & Other Projects

Reserves	FY23-24 Budget
Projected Beginning Reserve Balance	\$ 3,422,316
Add/Deduct: Net Adjusted Income (Loss)	302,481
Deduct: Capital Expenditures & Projects (see below)	(579,500)
Projected Ending Reserve Balance	\$ 3,145,297
Capital Expenditures & Other Projects	
Capital Expenditures & Other Projects	FY23-24 Budget
<u>Capital Expenditures - Detail</u>	
Starbucks Lighted Signs	\$ 11,000
Starbucks Connect IT work	2,100
USU Signage-1st & 4th floor	12,000
Pizza Oven	29,805
Catering Dishwasher	8,000
Contingency	12,095
Total Capital Expenditures	75,000
<u>Other Projects (Venture Capital/Oppty Reserve)</u>	
Starbucks Patio Renovations	\$ 300,000
USU Market Renovations	200,000
Concessions Grill & PopUp	4,500
Total Other Projects	\$ 504,500
Total Capital Expenditures & Other Projects	\$ 579,500
Statement of Reserves - Allocation	
Category	Amount
Working Capital & Current Operating Reserve	\$ 2,035,313
Capital Replacement Reserve	765,000
Venture Capital/Opportunity Reserve	344,984
Total	\$ 3,145,297

CSUSM CORPORATION - STUDENT HOUSING

University Village Apartments

FY2023/2024 - Housing Operations

Student Housing - Detailed Summary

Account Category	FY23-24 Budget
Revenues	
Rental income - UVA	\$ 6,429,880
Other Operating Income	561,200
Total Revenues	\$ 6,991,080
Operating Expenses	
Salaries & Benefits	\$ 519,754
Rental Advertising/Marketing	35,430
Administrative	112,427
Common Area	184,184
Grounds	51,500
Utilities	768,085
Interior Unit	101,950
Maintenance	202,155
Taxes & Insurance	131,578
Management Fee (COCM)	209,732
Residential Education Allocation	405,146
Corporation Admin Allocation	481,481
Other Expense	45,000
Total Operating Expense	3,248,421
Net Income (Loss) from Operations	\$ 3,742,659
Other Income/Expense	\$ -
Net Income (Loss) - Cash Available for Debt Service	3,742,659
Debt Service Summary	
Bond Payable -Principal	\$ 1,250,000
Bond Payable -Interest	217,444
Total Debt Service	\$ 1,467,444
Net Remaining after Debt Service	\$ 2,275,215

CSUSM CORPORATION - STUDENT HOUSING

University Village Apartments

FY2023/2024 Budget - Reserves, Capital Expenditures & Other Projects

Reserves	FY23-24 Budget
Projected Beginning Reserve Balance	\$ 6,809,624
Add/Deduct: Net Adj Inc/(Loss) Remaining after Debt Service	2,275,215
Deduct: Capital Expenditures & Projects	(1,483,337)
Projected Ending Reserve Balance	\$ 7,601,501

Capital Expenditures & Other Projects	FY23-24 Budget
<u>Capital Expenditures - Detail</u>	
Exterior Doors/Locks/Keys	\$ 200,000
Painting	105,000
Site/Exterior - Wayfinding Signage, Façade Repair, Pool Furniture, Fencing, Tables	161,000
Building Interiors - Fitness Center, Recreation Equipment, Flooring (carpet/tile)	65,000
Unit Interiors - Furniture, Fan Coil Units	116,000
Common Area Furniture, Fan coil units	110,000
Building Mechanical - Exhaust Ventilation Systems, HVAC Units/Controls	130,000
Total Capital Expenditures	\$ 887,000
<u>Other Projects (Venture Capital/Oppty Reserve)</u>	
Housing/Dining - Consultants & Legal	25,000
Residential Dining - Tenant Improvements	571,337
Total Other Projects	596,337
Total Capital Expenditures & Other Projects	\$ 1,483,337

Statement of Reserves - Allocation	FY23-24 Budget
Category	
Working Capital & Current Operating Reserve	\$ 3,624,211
Capital Replacement Reserve	1,750,000
Venture Capital/Opportunity Reserve	2,227,290
Total	\$ 7,601,501

CSUSM CORPORATION - DINING SERVICES

FY 2023/2024 Operating Budget

Dining Services - Detailed Summary

Account Category	FY23-24 Budget
Revenues	
Dining Services Revenue/Profit Share*	\$ -
Total Revenues	\$ -
Operating Expenses	
Telephone	4,520
Utilities	185,740
Contractual Services Group	42,020
Space Rental	177,992
Corporation Admin Allocation	425,328
Commercial Ops - Maint & Repair	90,600
Misc. Operating Expenses	66,072
Total Operating Expenses	\$ 992,272
Net Income/(Loss) from Operations	\$ (992,272)

*No anticipated profit share current year due to partner investment in dining hall startup & other retail concepts.

CSUSM CORPORATION - STUDENT HOUSING

FY 2023/2024 Budget - Residential Education

Residential Education - Detailed Summary

Account Category	FY23-24 Budget	# Bed Spaces
Revenues		
UVA Res Ed Allocation	\$ 405,146	681
QUAD Res Ed Allocation	547,054	866
North Commons Res Ed Allocation	252,717	339
Total Revenues	\$ 1,204,916	1,886
Operating Expenses		
Salaries & Benefits	\$ 740,113	\$ 392
Communications	6,000	\$ 3
Contractual Services	105,944	\$ 56
Information Technology Costs	15,230	\$ 8
Supplies	4,440	\$ 2
Recruitment	2,200	\$ 1
Program - Housing	53,352	\$ 28
Programs-Student Activities	15,390	\$ 8
Forums-Campus Wide Programming	60,000	\$ 32
Professional Development	12,312	\$ 7
Other Events	18,468	\$ 10
Leadership Development & Training	35,910	\$ 19
Parking Passes (Campus)	7,800	\$ 4
Other Expense	127,757	\$ 68
Total Expenses	\$ 1,204,916	\$ 639
Net Income/(Net Loss)	\$ 0	

**CSUSM CORPORATION - Extended Learning Building Operations
FY 2023/2024 Budget**

EL Building Operations - Detailed Summary

Account Category	FY23-24 Budget
Revenues	
Management Services (CSUSM Corp)	\$ 59,745
North City University One, LLC	9,600
Total Revenues	\$ 69,345
Expenses	
Salaries & Benefits	\$ 191,575
Utilities	639,219
Contracted Services	51,020
Repair & Maint - Custodial	290,850
Insurance & Risk Management/Safety	137,792
Facilities Services	392,052
Misc Operating Expenses	54,713
Subtotal Expenses	\$ 1,757,221
Less: Reimbursement from EL/Campus	\$ (1,687,875)
Total Expenses Remaining after Reimbursement from EL/Campus	69,345
Net Operations	\$ -

**CSUSM CORPORATION - Extended Learning Parking Operations
FY 2023/2024 Budget**

EL Parking Operations - Detailed Summary

Account Category	FY23-24 Budget
Revenues	
North City University One, LLC (56%)	\$ 170,055
Total Revenues	\$ 170,055
Operating Expenses	
Salaries & Benefits	\$ 107,108
Utilities	33,197
Contracted Services	32,789
Repair & Maint - Custodial	18,622
Insurance	45,855
Facilities Services	35,856
Misc Operating Expenses	30,244
Total Expenses	\$ 303,670
Less: Reimbursement from Campus (44%)	(133,615)
Total Expenses Remaining after Reimbursement from Campus	170,055
Net Operations	\$ -