

# FY 2016 Budget Narrative

**Institution Name: Clayton State University**

## Part I: Enrollment

1) Discuss enrollment trends over the past three years (fiscal years 2013, 2014 and 2015)? Discuss factors impacting enrollment.

Clayton State experienced a decline in enrollment over the past two years due to student financial need, changes in eligibility for aid during summer sessions, and a change in leadership in the Office of Undergraduate Admissions. With 62 percent of Clayton State undergraduate students being Pell eligible, changes in financial aid regulations and the lagging economic recovery have negatively impacted enrollment. This fall, 170 registered students were dropped at the start of the semester because they were unable to pay their tuition and fees. The changes in Pell support for summer term have resulted in declines in summer enrollment totaling more than 35 percent over the past three years. According to a student survey, those not registering for summer term cited financial reasons as the primary reason for their decision. Another challenge over the past year has been the changes in the Admissions Office and the transition to a new Director of Undergraduate Admissions. As will be discussed below, the primary drivers of Clayton State's previous growth have been the dual-enrollment program and the graduate degree programs. The student populations that are recruited by the Office of Undergraduate Admissions have been declining for several years. Thus, the decision was made in November 2013 to begin a search for a new Director. A new Director with experience in developing effective strategies to reach students in our key geographic and demographic sectors was hired on July 1, 2014 after the primary recruiting season had already passed.

Over the past two academic years, headcount and FTE have decreased by approximately 2% and 1.9%. Duplicate fiscal year headcount has decreased from 17,539 in FY2013 to 17,180 in FY2014. For FY2013, the duplicated headcount for Fall and Spring was 14,094 and the FTE was 11,656. For FY2014, the duplicated headcount for Fall and Spring was 14,237 and the FTE was 11,734. Much of the decline in the annual FTE can be attributed to enrollment declines in summer semester. Summer 2013 headcount was 3,444 and Summer 2014 headcount was 2,943, which is a 14.55% decrease. Similarly, FTE from Summer 2013 to Summer 2014 decreased by approximately 17%. There was 1.0% increase in headcount and 0.67% percent increase in FTE for the Fall and Spring semesters. The headcount for Fall 2013 is 7,261, which increased by approximately 1.7% from Fall 2012 headcount of 7,140. The Fall FTE increased from 5,920 in Fall 2013 to 5,999 in Fall 2014 by approximately 1.3%. The headcount for Fall 2014 is 7,023, which is approximately a 3.3% decrease from Fall 2013 headcount of 7,261. This headcount is 322 students less than the Carl Vinson Projection. Again, we believe this shortfall is the result of the economic challenges faced by our students and the leadership changes in the Admissions Office. The Fall FTE decreased by approximately 4.5% from 5,999 in Fall 2013 to 5,732 in Fall 2014.

The majority of the enrollment growth over the past two fiscal years can be attributed to an increase in dual enrollment and graduate students. The duplicate headcount for dual enrollment has greatly increased since FY 2013 from 530 to 862 (62.64% change) with primary growth in the Fayette County and Henry County Instructional Sites. Dual Enrollment headcount increased by 58.67% (increase of 159 students) from Fall 2012 to Fall 2013 and continues to increase in Fall 2014 with an increase of 26.74% (increase of 115 students) from Fall 2013. Graduate programs are continuing to grow as well. The duplicate headcount for graduate enrollment has increased by approximately 60 students (6.44% change) from FY2013 to FY2014. Also the graduate Fall headcount increased by 10.84% from Fall 2012 to Fall 2013 and by 5.98 % from Fall 2013 to Fall 2014.

## FY 2016 Budget Narrative

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For the Fall 2012 first-time full-time freshmen, continuing students have increased slightly overall and significantly due to expanded retention and advising efforts that began with the Fall 2011 cohort. The first-time, full-time institutional retention rate has increased from 67.84% for the Fall 2011 cohort to 72.34% for the Fall 2012 cohort, which was approximately 4.50% increase. The first-time, full-time institutional retention rate has decreased from 72.34% for the Fall 2012 cohort to 68.49% (based on preliminary Fall 2014 enrollment) for the Fall 2013 cohort which was 3.85% decrease. According to the National Student Clearinghouse data, only 50 of the 151 students who did not return enrolled at another institution. This finding along with the student surveys and non-payment trends support the identification as financial need as the primary factor impacting enrollment.

2) What are your enrollment projections for the next two years (Fall 2015 and Fall 2016)? What enrollment management strategies are employed at your institution? What is your institution doing to positively impact enrollment and retention?

Clayton State University projects a headcount of 7,120 and FTE of 5,811 for Fall 2015 and a headcount of 7,200 and FTE of 5,876 for Fall 2016. These projections reflect a growth rate of 1 percent each year but are lower than the Carl Vinson projections of 7,434 and 7,524 due to the economic factors that are still impacting our students. The Division of Enrollment Management & Academic Success oversees new student recruitment and enrollment and supports university-wide initiatives to increase continuing student retention.

The Office of Undergraduate Recruitment & Admissions, under the leadership of a new director hired July 1, 2014, will achieve new student enrollment expectations through the development of new initiatives, the enhancements of current initiatives, and through expanded collaboration campus wide. These initiatives, designed to bring a higher level of awareness and visibility to the campus, include high school bus tours and college and program specific information sessions. We will expand communication methods with prospective students to include text messaging and social media. We are also committed to providing a higher level of service to our students which will include invitations for admissions counseling, program advisement, and informational webinars. We are making deliberate efforts to engage with working professionals who have not yet completed their bachelor's degree. These efforts include initiating contact with the human resources departments of the top employers in Clayton and Henry counties, becoming more heavily involved in the Clayton and Henry counties Chambers of Commerce, and investing in internet search campaigns designed to attract those needing to complete their degree. This outreach is particularly relevant to Clayton County where 29 percent of adults have some college credit but no degree compared to 21 of Georgians overall.

We will continue to enhance some of our current successful programs such as fall and spring open houses, degree completion open houses, the counselor luncheon, and regional recruitment receptions. These new and existing strategies, which are outlined in detail in our recruitment plan, will produce an increase in new student applications and an increase in new student enrollment. This plan is designed to highlight unique aspects of the University and promote individual academic offerings through the use of customized strategies that target particular student types.

Strategies to support all student retention and completion continue to occur in three main areas: academic support, financial support and academic advising. The Center for Academic Success has expanded hours in the center and in the freshman residence hall, increased tutoring opportunities for students, introduced an academic coaching model where faculty and staff refer students experiencing academic difficulty, created a midterm study session program, and now houses our Operation Study initiative. To support students' unmet financial needs, the scholarship initiative *Dream Makers* continues to assist high achieving students and/or those who are close to completing their degree. This program provided new scholarships for 60 students totaling \$51,820 during Fall 2014, bringing our total scholarship award for

## FY 2016 Budget Narrative

\$358,913 for the 2014-2015 academic year. We anticipate awarding even more scholarships for Fall 2015. The First-Year Advising & Retention Center (FYARC) continues to require first-year students to meet with their advisor monthly through a holistic developmental approach that focuses on the academic, social, emotional, and physical development of the students. The FYARC also requires first-year students to participate in a variety of programs such as career exploration activities, service learning programs, and various team building programs. To enhance the advising experience for all students and to shorten time to degree, Clayton State fully implemented the degree audit program, Degree Works, this past year and has trained over 160 faculty and staff in this program. The Educational Advisory Board's Student Success Collaborative, which provides analytics to predict student success in courses and majors, was fully implemented as another advising tool in September 2014.

Finally, Clayton State University is currently embarking on a major initiative that will change the academic advising model for all students beyond their freshman year. Research by the Educational Advisory Board, with documented success at Georgia State University, has found that the use of well trained and supported professional advisors increases the student retention rate and reduces the time to graduation. Thus, we are moving toward a centralized model of advising for sophomores, juniors, and seniors. Currently these students are advised in their respective colleges by professional and faculty advisors. The plan is to move toward hiring more advisors so all students will be advised by a professional advisor in one center, and faculty advisors will work with students in a more mentoring role where they will focus on careers, research, internships and graduate school.

### Part II: Institutional Health

3) Discuss the financial health of your institution using the June 30, 2014 annual financial statements as the basis. This discussion should include trend data for key financial measures (i.e. cash, reserves, etc.). Discuss any material audit findings. *(Insert charts and graphs as appropriate)*

This past March, the University hosted the Southern Association of Colleges and Schools Commission on Colleges (SACSCOC) or SACS reaffirmation team. As part of the accreditation process, institutions must meet several core requirements and standards. CSU met Standard 2.11.1 which states: "The institution has a sound financial base and demonstrated financial stability to support the mission of the institution and the scope of its programs and services." The visiting team did not have any findings or recommendations and they indicated that institution was in compliance with all standards. The University will be reaffirmed in December.

The University remains sound and continues to use its resources in a conservative and prudent manner. CSU continues to adjust to the "New Normal" and strives to grow and improve its financial sustainability in a more competitive higher education market. The institution works diligently to achieve its strategic goals and make strategic decisions to ensure the financial health of the University. CSU meets the needs of its stakeholders while adhering to sound business practices which drive our operational decisions. We ensure fiscal stewardship by utilizing our resources appropriately to support and enhance the mission of the University and create an atmosphere that encourages all members of the University community to contribute to the overall excellence of the University. We constantly assess and reassess what we are doing so that we can improve our efficiency and effectiveness.

#### Current State of the University

A review of our annual financial statements supports the conclusion that our institution is financially sound and has survived the economic downturn. The University is experiencing very moderate financial

## FY 2016 Budget Narrative

growth, due primarily to increases in operating revenue. The University is sensitive to changes in enrollment and making modifications to reduce costs. The numbers below indicate that CSU's operating revenue continues to have an upward trend. CSU had an increase of 20.42% in operating revenues from 2011 to 2014.

CSU maintained its operating revenue growth during FY 14 and this allowed CSU to reinvest in its infrastructure and academic programs to provide the highest quality education possible for our students.

**Table 1.**

	2014	2013	2012	2011
Operating Revenue	\$46,104,353	\$45,821,615	\$42,549,207	\$38,286,863
Student HC (Fall)	7,023	7,261	7,140	6,860

CSU is employing standard measures to serve as a basis for evaluating the overall financial health of the institution. **Table 2** below provides our figures based on the System Offices' use of six key financial ratios. The ratios are derived from several balances from the Annual Financial Report including; the Statement of Revenues, Expenses, and Changes in Net Assets/Position, and the Statement of Net Position. The ratios provide a quick but limited overview of the current health of the institution and can be used *with other factors* to help make assessments about the status of the institution.

**Table 2.**

<b>Ratios</b>	<b>6/30/2014</b>	<b>6/30/2013</b>	<b>6/30/2012</b>
Primary Reserve Ratio	0.063	0.076	0.070
Viability Ratio	0.076	0.089	0.083
Return on Net Assets Ratio	(0.073)	(0.058)	(0.127)
Current Ratio	2.310	2.070	1.970
Cash Ratio	1.930	1.850	1.790
Capital Liability Burden Ratio	0.0487	0.066	0.0693

The **primary reserve ratio** measures the financial strength of the institution by comparing net assets to total expenses. The ratio decreased from 0.075 to 0.063 due primarily to interest expense on capital leases. Capital lease debt was incurred to provide affordable, on-campus housing for the students. The University made the decision almost a decade ago to acquire debt for its strategic housing goals. CSU has managed this debt strategically to advance the mission of the university to "cultivate an environment of engaged, experienced-based learning, enriched by active community service, which prepares students of diverse ages and backgrounds to succeed in their lives and careers." *It should be noted that the University has and will continue to maintain sufficient expendable net assets (or resources) to cover its expenses and obligations.*

The **viability ratio** measures the availability of expendable net assets to cover debt should the institution need to settle its obligations as of the balance sheet date. For fiscal years 2013 and 2014, the ratio decreased from 0.089 to 0.076. Although the PRR and VR ratios decreased, CSU has adequate funds to cover the current portion of its long-term debt and meet its current obligations. The University has maintained operating efficiency and adequate capital to cover its current liabilities as demonstrated with the "current" and "cash" ratios.

## FY 2016 Budget Narrative

The **current ratio** calculation gives us the amount of current assets available to pay each \$1 in current liabilities. In FY2014 the university had \$2.31 in current assets for each \$1 in current liabilities.

The **cash ratio** shows how well an institution can pay off its current liabilities with only cash and cash equivalents. This ratio shows cash and equivalents as a percentage of current liabilities. For example, in FY2014 the University's ratio was 1.93.

The **return on net assets ratio** is based on the level and changes in total net assets, regardless of the asset classification, and is a broad measure of the change in total wealth over a year. It represents the increase in net assets as a percentage of beginning net assets. For fiscal year 2013 and 2014, the University experienced a decrease in the return on net assets from -0.058 to -0.073 due primarily to an increase in interest expense. This ratio will improve in fiscal year 2015/16 when the University acquires the new Science Building.

The **capital liability burden** ratio consist of the percentage of total revenues in any given fiscal year that are used to pay an institution's capital lease payments associated with the PPV program. It reflects what percentage of an institution's income is used to make PPV payments and is a generally accepted method of measuring an institution's capacity to enter into additional PPV capital lease arrangements. For FY2014, our capital liability burden ratio was 4.87, which does not exceed the five (5) percent benchmark established by BOR. CSU has no plans to enter into any other PPV projects for the next several years.

Many institutional stakeholders and regulators look to these lagging ratio indicators to assess an entity's fiscal health. However, these indicators cannot be used in a vacuum. For example, the addition of the new science building in FY2015 or 16 will lead to an improvement of the Return on Net Assets and Net Operating Revenue. If we maintain all other variables constant, the return on net assets would increase 592% from -.058 to .283. Likewise the Capital Liability Burden goes from .0487 to .0399.

These ratios should not be the only measures that should be considered when ascertaining the health of an institution because CSU continue to implement changes in business practices that yield administrative efficiencies and cost-saving as well as increase revenues where possible.

As the need to demonstrate more accountability and good stewardship of institutional funds, Clayton State continues to operate efficiently. As the chart displays (**Table 3**), CSU operating revenue increased per FTE of 11% from 2011 to 2014. Moreover, the University continues to control operating costs per FTE. (**Table 4**).

**Table 3.**

	2014	2013	2012
Total Operating Revenue Per FTE	\$7,685	\$7,740	\$7,426

**Table 4.**

	2014	2013	2012
% Increase Cost Per FTE	0.09%	-4%	4%
% Increase Revenue Per FTE	-0.71%	4%	7.3%

The University works hard to contain cost even though prices and cost of all goods and services are increasing. CSU's investments have resulted in expanded student offerings and onsite facilities. These

## FY 2016 Budget Narrative

investments coupled with enrollment management have led to the institution maintaining its enrollment of over 7,000. Over the past several years, CSU constructed a 450 bed residence hall, built a student activity center, a laboratory annex building, acquired and renovated a portion of an 850 bed apartment complex, renovated its bookstore, dining hall, and two academic buildings. The institution made renovations to additional academic buildings.

The response of students, faculty, staff and other stakeholders to these changes and additions continues to spur growth and excitement on campus, in this time of slow economic recovery. CSU has invested its funds in the repair, maintenance and renovation of several of its buildings and replaced or upgraded HVAC, roofs, plumbing and utility systems. The University is almost two-thirds through the completion of its 3 year interior library renovation. The University's library was inadequate and needed to major improvements to meet accreditation requirements and to provide our students with an appropriate place to study and learn.

### Material Audit Findings

Clayton State University is not aware of any major issues and anticipates a solid audit for 2014, and we are awaiting the final report. The DOAA team auditing CSU had one member quit without providing any notice. Consequently there has been a few weeks delay in the receipt of our FY14 audit. This will be updated, if needed.

We did very well on our recent financial aid audit and have not received any negative audits from external auditors to date. The following material audit findings were from our internal auditor's work based on the institution's audit plan. These are the material findings reported in the 2014 Campus Life Cash Handling Audit. Campus Life is a department within the Division of Student Affairs. The department revenue is primarily generated by the Student Activities Fee of \$60 per student and the Student Activities Center fee of \$100 per student. Additional revenue is collected from campus-wide organization events and rental fees from community use of the SAC facilities.

The University has made modifications to correct these items. Although the dollar exposure was limited, the University understands that small issues can lead to larger issues.

### Table 5.

**Audit Exception:**

Missing deposit documentation and the following six receipt books were not available at the time of the audit: 1331, 12601, 626801, 626901, 205200, and 640600.

**Audit Recommendation:**

CSU Institutional Policy states that each unit must have a system to provide documentation of all funds received. Financial documentation should be retained in accordance with the USG Records Retention Manual for a minimum of 5 years.

**Management Response:**

Management was unable to locate receipt books listed above. Student Affairs Receipt Book policy and procedures has been updated as advised and reviewed by the Internal Auditor. In order to provide an additional layer of oversight and review, university issued receipt books will be signed out via a receipt book log from the Division Business Manager. Receipt books will be signed back in to the Business Manager when they are full or at the end of the fiscal year. This allows Divisional review of all receipt

## FY 2016 Budget Narrative

books to identify any potential issues that need to be addressed before they are returned to the Bursar's office.

**Audit Exception:**

A total of \$1,255.00 could not be accounted for based off of the financial documentation provided for the annual audit. The lack of financial documentation inhibited the ability to identify the missing funds as mishandled or fraud.

**Audit Recommendation:**

All funds received from other departments of CSU are to be received by the Cashier in the Bursar Office and are credited to the appropriate department's account.

**Management Response:**

Receipting procedures have been updated and shared with the department staff, along with university and departmental cash handling policies. The new procedures and oversights being implemented will result in consistent and thorough retention of pertinent documentation, allowing for a clear audit-trail moving forward.

**Audit Exception:**

When reconciling deposits, management stated that once a deposit is submitted, it is logged into a spreadsheet. Reconciliations are conducted regularly using the spreadsheet and budget reports to ensure deposited funds are properly credited to the account. This process does not take into account reconciling collected funds from the original cash receipts. A clear audit trail was not established from receipt to reconciliation of funds.

**Audit Recommendation:**

Reconciliations to financial systems should be performed regularly as required by internal cash handling policy. To complete the reconciliation process; cash receipts, deposit documentation, and the general ledger must be in agreement.

**Management Response:**

Management will reconcile deposits thoroughly against receipt books, backup documentation, financial accounting systems, and Bursar's office receipts.

### Part III: Fiscal Year 2015 Update

- 4) How are new funds appropriated for fiscal year 2015 being used to address the **institutional priorities** as presented during the last budget hearing? Specifically, discuss the progress to date, achievements, challenges, etc.

We hired an Academic Advisor and assigned her to the department with the highest faculty advisement load. As a part of our major advising initiative, as discussed in question 2, our goal is increase the number of students who are served by full-time professional advisors.

## FY 2016 Budget Narrative

Clayton State hired an Assistant Professor of Psychology. The Psychology major is the largest in the College of Arts and Sciences and produces about 1/5 of the college's graduates.

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

In FY15, when Clayton State University built its budget, we took a conservative approach and built it on a student enrollment of 7,000. Although our projected enrollment numbers were higher. We knew that prudence was a better strategy to avoid fall or mid-year budget cuts or hiring freezes. The University engaged in a series of analyses in which we made the decision to reduce our OS&E overall by 3%. The cuts were not across the board.

CSU has created a Summer Work Group to address summer enrollment and revenues decline by analyzing ways to increase enrollment and reduce costs. For example, exploring a flat rate salary for summer faculty, closing campus on Fridays during the summer term and requiring administrators to teach a summer class.

We took an aggressive look at our part-time employees to limit any ACA expansion impacts. We continue to improve our energy efficiency and reduce utility costs. CSU is exploring alternative revenue stream such as facilities rental. And we are evaluating programs and services and plan to modify those that have consistently failed to generate revenue, are over staffed or are no longer aligned with the mission of the university.

The University also created an IT Council that will strategically look at all information technology purchases so that we can leverage IT purchases across the entire university. This will enable us to negotiate even lower prices on the acquisition of certain software and hardware as we do strategic bulk purchases. The University will also be consolidating servers so that areas will no longer need to purchase this equipment and support the specialized environment.

We have also decided to implement e-procurement and that will result in a savings as well. The University's utilization of E-Procurement to streamline processes, provide timely information and improve coordination and collaboration will lead to operational benefits related to improving the efficiency of the procurement process and thereby reducing the total costs of procurement and staff time required to process procurement transaction.

We are strategically engaged in partnerships for community engagement and are doing collaborations across the institution. With regard to the core activities of our mission related to community engagement and career preparation, we are addressing those activities by emphasizing shared responsibilities across Academic Affairs and Student Affairs, and while the efforts may not immediately lead to realized cost savings, they reinforce the core purpose of the institution and develop frameworks or build capacity for systematic collaborations that in the future will provide cost benefits while better serving students.

### Part IV: Looking Ahead to FY 2016

6) The FY 2016 budget request includes a modest increase to state funds of approximately \$7.6 million, resulting from a 1.08% drop in credit hours during the 2013-2014 academic



## FY 2016 Budget Narrative

year. The growth experienced in the upper level, graduate and professional credit hours offset the significant decline in the lower level credit hours. How will your institution address the loss in funding over a three-year period, assuming a 3% reduction in state funds? Be specific. Your actions should specify reductions in force (RIF) plans, if needed. ***Please use the attached Excel template to provide a list of actions with the corresponding savings (tab labeled Reduction Actions).***

Please see attached Excel template for costs associated with the reduction in state funding.

- Delay hiring critical vacant positions
- Deferred maintenance
- Reductions in OS&E (first) and Travel (second) Budget
- Freeze hiring of temporary employees, consultants and independent contractors
- Reduction in special projects funding
- Classroom upgrades
- Reduction in student assistants funding
- Elimination of designated vacant position
- Reduction in funding for academically – related student programs

7) If your institution receives additional funds in FY 2016, what are the top three budget priorities for your institution? How will 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).***

**Academic Advisors – \$160,000.** As part of our Complete College Georgia effort we are greatly revamping our advising program, including the development of a centralized advisement center patterned after the model successfully employed at Georgia State University. Professional advisors using the Student Success Collaborative software will identify at-risk students and optimize course scheduling to increase retention and decrease time to graduation. The three advisor lines requested here are a minimum to move us toward reaching this goal.

**New Storage Area Network (SAN) - \$300, 000.** The Storage Area Network (SAN) provides storage for many of the campus services including Banner. The existing SAN infrastructure is aging. Of the 3 primary SANs, one is no longer serviced by the manufacturer and one is no longer sold (and soon to be no longer supported) by the manufacturer. The proposed new SAN will replace all three and add fiber channel attachment to speed up data access. This will enhance operations and reliability of the storage infrastructure. The existing SANs will be redeployed as part of an expanded Disaster Recovery/Business Continuity plan.

**Experiential Learning Coordinator – \$53, 500.** During Academic Year 2013-2014, Academic Affairs, Student Affairs, and External Relations collaborated to develop intentional strategies for increasing the number of Clayton State students who participate in experiential learning opportunities, including internships. An assembled task force made recommendations that resulted in development of The EDGE

## FY 2016 Budget Narrative

- a University-wide targeted approach to increase student participation in experiential learning opportunities. Through a series of initiatives for each classification level, students are exposed to and given opportunities to participate in career-development opportunities that lead to their being prepared for participation in internships and other experiential learning options. As Career Services takes the lead in development and implementation of EDGE, they experience a need for an additional staff member who can coordinate experiential learning activities such as job shadowing, alumni mentoring, and non-academic internships while collaborating with colleagues across campus and engaging organizations throughout the region in providing experiential learning opportunities.

8) What are your recommendations with respect to tuition changes for FY 2016? What is the rationale behind your recommendation?

CSU would recommend a 2.5% increase. We are trying to maintain affordability while recognizing the realities of increased personnel, insurance, durable goods and services costs.

### Part V: FY 2015 Mandatory Fee Requests

9) Discuss proposed increases to mandatory fees for FY 2016 (*if applicable*). Present a sound business case for any proposed increases? How do increases impact affordability for students? How did you engage the student body at large concerning the fee increase?

The University is not seeking an increase in mandatory fees at the time of this submission. However, it has needs in the International and Athletic areas. The University is engaged in on campus conversations with stakeholders.

Clayton State University has approximately 62% of its students eligible for Pell. Consequently, the University is always concerned about affordability. Being able to retain our students is key for those students to ultimately graduate with a degree from the University and become productive citizens and taxpayers. The University strives to stretch any scholarship dollars that have been given to the University. The institution has streamlined its Bateman Loan process so that more students' requests for emergency loans can be processed and awarded. Bateman Loans are internal emergency loans of \$1,500 or less for students. In addition, CSU has adopted an automatic "find a scholarship tool" so that students don't have to apply for all scholarships. The tool actually searches the student's Banner information and will pinpoint which students may be eligible for certain scholarships and programs.

Several years ago, the institution empaneled a fee committee to look at how mandatory fees can either be waived or pro-rated for certain classes and categories of students. Consequently, the University waives all mandatory fees for dual-enrolled students who generally do not avail themselves of any university services and the University has partial waivers for institutional students that take a limited number of credit hours.

The University has been sensitive to the need of parents that have incoming full-time freshman who live very close to campus and has created an exception to the mandatory freshman live on campus requirement for students that live in certain designated zip codes close to the institution.

## FY 2016 Budget Narrative

10) Provide an update on the status of Public Private Ventures (PPVs) at your institution. Have the underlying assumptions been achieved (i.e. enrollment, occupancy, etc.) If not, discuss how shortfalls will be addressed. Provide available reserve balances for each PPV.

Clayton State has continued to work to effectively contain costs, ensure a safe and vibrant living/learning community, and provide timely and efficient customer service to address our housing residents' needs. We have implemented practices to ensure we meet the governing and accountability requirements associated with managing tax exempt facilities and have worked as a team to consistently update the items required on the PPV checklist developed by the University. In addition, we maintain communication with our LLC I and LLC II partners and keep them informed regarding budgetary and facility issues, meeting face-to-face with them two times per year (June and December). We also continue to work with LLC I to address the concerns related to the flooring irregularities that were brought to light during the Facilities Condition Assessment in August, 2012.

The University has increased its enrollment as envisioned by its proformas and overall occupancy numbers across both residential facilities have remained steady. Clayton Station required a 65% occupancy for FY 2014; the actual occupancy level for both Fall and Spring semesters was 70%. Current fiscal year 2015 requires an occupancy level of 70% for Clayton Station and for Fall, 2014 we have achieved an occupancy of 75%. However, there are 3 buildings at Clayton Station still offline due to needed renovations. Taking the rooms that are offline into account, Clayton Station is near 100% occupancy for available space. There are plans to bring at least one more building online for Fall, 2015 as finances allow, adding another 50 rooms available for occupancy. Laker Hall has a required occupancy of 90% and ended fiscal year 2014 with an 85% occupancy level. For Fall Semester, 2014, the occupancy level for Laker Hall is at 78%.

The Housing & Residence Life Department remains committed to containing costs and operating the facilities in an efficient manner. For example, the department was able to bring the management of the residence hall in-house and realized cost savings of close to 100k a few years ago. In addition, the maintenance, custodial, and residence life supervision staff are shared across both facilities. Finally, both facilities have been used intentionally for summer programming and conference or camp opportunities to support both the educational/academic programs on campus and to supplement the revenue and support the proforma. Last year's summer revenue for camps or conferences across both properties was \$30,000.

The department of Housing & Residence Life continues to work cooperatively with other campus departments to further enhance facilities and increase occupancy. Collaborations with the Division of Enrollment Management are ongoing to further increase the number of first-time freshman living in Laker Hall. Renovations and other improvements for the Clayton Station facility, in coordination with Facilities Management, have allowed us to market upgraded apartments and group housing opportunities to attract new residents. In addition, we continue to partner with Academic Affairs to offer themed living-learning communities for all students, as well as selective opportunities for international faculty and students to engage in visits and academic programs at Clayton State University.

Clayton State University requested and received a \$25 fee increase for the Student Activities Center (SAC), one of the projects in LLC I, that began Fall semester, 2013; therefore, the financial assumptions moving forward will be met for this facility. We will also continue to employ the cost saving measures we have used in the past. The SAC averaged 10,000 visitors per month during FY 14; the overall use of the Fitness Center alone increased by 10% over the previous fiscal year. The SAC staff provides opportunities for external constituents to rent and use the ballroom when available and not used by students. The debt service ratio ending FY 2014 for the SAC was 1.04.

## FY 2016 Budget Narrative

The debt service ratio for Laker Hall for FY 2014 was 1.10 and for Clayton Station 1.14. Available operating reserve balances for the SAC ending FY 2014 was \$507,958; for Clayton Station, \$643,399, and for Laker Hall, \$372,509.

### Part VI: Facility Needs

11) Discuss the facility needs of your institution. *Please use the attached Excel template to provide the estimated cost associated with each priority (tab labeled Facilities).*

Clayton State University utilizes over one million gross square feet of space. There are a total of 38 buildings (not including rented space in Fayette, Henry and Rockdale counties). Over 700,000 gross square feet are devoted to resident instruction at the University. The institution has fifteen academic buildings; 11 of which are classroom buildings, four educational support buildings, one 450-bed residential building and 14 apartment buildings (850 beds). The University is currently constructing a new Science Building thanks to the support of the Board of Regents and state.

CSU continues to focus on using its existing space to the fullest. The University is also committed to maintaining its physical resources to meet the needs of all of our constituents.

#### Budget Development FY16

##### 1. Academic Core Renovation (Design Phase)

###### 1A. Academic Core Renovation - Arts & Sciences:

Arts & Sciences was built in 1974 and is mainly dedicated to classroom space. The building is a heavily utilized classroom building and houses 52 faculty on its two floors. Only a few minor upgrades occurred over the years, including lighting upgrades, partial window replacement and partial ceiling tile replacement and a 2014 second floor HVAC upgrade.

###### Needs

- Building Envelope Upgrades: Roof is in very poor condition with several leaks causing moisture in building and resulting in additional problems with humidity in the building. Single-pane windows need to be replaced because of insufficient R values.
- HVAC system upgrade for first floor scheduled for completion in Summer 2015.
- Bring building up to current ADA code standards. (Classrooms).
- Reconfigure space to be more efficient and to meet BOR guidelines.
- Plumbing valves, pipes and fittings are in poor condition.
- Electrical system is in poor condition.
- Fire Alarm system upgrade.
- Improve classroom acoustics.
- Theater seating and flooring upgrade.
- Addition of a lobby area adjacent to the Theater.
- Addition of an exterior canopy and walk path to connect workshop and the Theater's stage.
- Carpet/flooring replacement for the offices.

## FY 2016 Budget Narrative

### **1B. Academic Core Renovation – Lecture Hall Upgrade:**

Lecture Hall had roof replaced in 2000 and cosmetic upgrade in 2003. The building is the only academic facility on campus that is 100% dedicated to auditorium style classrooms. It has been utilized very heavy.

#### **Needs**

- Replace Air handlers.
- Upgrade electrical and controls.
- Upgrade IT/AV.
- Reconfigure two classrooms into three classrooms.
- Enclose exterior canopy for study area.
- Ceiling and finishes upgrades.

### **1C. Centralized System for Harry S. Downs Center for Continuing Education, Spivey Hall and Music Education Building:**

Individual air cooled chillers for buildings are highly inefficient. Construction of a new centralized utility infrastructure loop in the West side of campus will assist with energy-efficiency measures for the three existing buildings in that area of campus and allow upgrade possibility for the future expansion. Campus is planning to replace electrical system, adjust mechanical system to support chilled/hot water loop infrastructure. Buildings' combined square footage is 109,329 sq. ft. (Continuing Education & College of Nursing; 47,877 sq. ft.; Music Education Bldg. 28,620 sq. ft.; and Spivey Hall 32,865 sq. ft.)

#### **Needs**

- Need a Central hot/chilled loop to accommodate the above mentioned buildings' heating and cooling needs with more efficient energy approach.
- Replace electrical system.
- Adjust mechanical system in existing buildings to comply with new infrastructure.
- Replace electrical heating to a gas-fired boiler system (connect to a future central utility loop at Spivey Hall).
- Spivey Hall loading dock lift.

### **1D. Academic Core Renovation - Roof replacement for Natural & Behavioral Sciences Building:**

The University needs to improve the building envelope, insulation, and moisture protection to improve energy savings measures and prevent future moisture or air quality issues. All these measures directly affect energy savings. Roof replacement for Natural & Behavioral Sciences is at the top of the list and is in very poor condition with several leaks causing moisture in building and adding to additional problems with humidity in the building.

### **1E. Academic Core Renovation - Roof replacement and addition of classrooms for Athletics and Health Building:**

## FY 2016 Budget Narrative

Roof replacement for Athletics and Health building is one of the priorities. In addition to the roof replacement for the Athletics & Health building, two - three academic classrooms will be added within existing building square footage.

### Needs

- Building Envelope Upgrades: Roof is in very poor condition causing moisture and additional problems with humidity in the building. We need to prevent air quality problems.
- Provide a better roof to protect recently upgraded basketball court and other system improvements.
- Built-out three academic classrooms.

### **1F. Academic Core renovation – James M. Baker and Library Roof Access Ladders Installation:**

The James M. Baker University Center's original construction did not include access ladders for roof access. Need ladders installed for 19 clerestory system roofs at the University Center and Library buildings to provide safe access for roof maintenance.

### Needs

- Roof access ladders.

### **2. Library System Upgrade:**

Library building is undergoing interior renovation for Library functions. Occupancy load will increase by 500, hence, electrical and HVAC systems require upgrade. Air handlers need to be replaced because they are at the end of their life expectancy. Interior space including building envelope improvements, ceiling system and windows/curtain wall upgrade are in the project scope as well.

### Needs

- Curtain walls and window replacement due to single-pane windows with insufficient R values.
- HVAC system, design and controls are 35 years old and not supplying conditioned air adequately to the spaces. Building is set up with six air handlers, one of them is badly leaking, and the remaining are in poor condition. Parts are unavailable with aged equipment.
- Replace 6 air handlers and HVAC duct system.
- Bring Library space in accordance with SACS requirements.
- Bring the existing building to ADA compliance.
- Reconfigure old space (17,000 sq. ft.) to be more efficient and support all Library functions.
- Plumbing valves, pipes and fittings are in poor condition.
- Electrical system is in poor condition.
- Upgrade from pneumatic system to DDC controlled.
- Ceiling system for second floor needs to be replaced.

### **3. Upgrade IT Infrastructure Campus Wide:**

IT and Networking support is vital for campus daily operations. The network equipment supports the operation and infrastructure of the entire campus, all systems, the internet and Ethernet

## FY 2016 Budget Narrative

services for faculty, staff and students, Continuing Education and online programs, as well as satellite centers. This provides the backbone to run PeopleSoft, Banner, and all other back office functions and operations. This equipment will age out over the next twelve to eighteen months and a failure in the University's networking equipment could result in major operational issues.

### Needs

- Replace aging Enterasys equipment, network switches and routers in various buildings on campus.
- Upgrade 7,903 network ports campus wide.

#### **4. Library Upper Level Renovation**

Complete renovation of the Library Upper Level to increase student seating spaces and study areas. The plan is to provide individual and group study rooms along with open collaborative study zones. Upgrade includes expansion of archives and addition of 500 study seats and provision of a small academic exhibit space.

#### **5. Spivey Hall Renovation:**

Spivey Hall is a unique concert venue that contains the world famous Spivey organ and provides a stage for world renowned artists, supports the performing arts program at Clayton State University, as well as supports the campus community engagement program PACE that initiated in 2013. It is imperative to keep facility in the right condition. Failure to do so would have a catastrophic impact on several one-of-a-kind instruments.

### Needs

- Convert utility infrastructure in the building (electrical heating needs converted to a gas-fired boiler system).
- Upgrade Energy Management System and controls.
- Improve building envelope.
- Upgrade interior.

#### **6. Public Safety**

**6A.** Campus is exploring the purchase and renovation of the Trammell Property adjacent to the East side of the campus for relocation of Public Safety department. This acquisition would provide a much needed back entrance from campus. All current roads require crossing of a railroad track.

**6B.** Explore an option to find a space on campus for expansion or relocation of Public Safety department.

#### **7. Advising Center:**

## FY 2016 Budget Narrative

Clayton State University is using research on student success and the advising model of Georgia State University to develop a centralized advisement center. A centralized advisement center has the data resources and staffing to develop consistent, proactive and data driven advising that increase student retention rates and decrease the time to graduation. An advising ratio of 300:1 is widely adopted as a standard of best practices. Clayton State currently has 14 academic advisors but hopes to hire up to 6 additional advisors in the near future.

### Needs

- Identify and build out centralized location to start with space for 14 advisors.
- Research options to accommodate more offices for additional hires for advisory center.
- Reception /waiting room area with purpose to display resources.

### **8. Fayette Instructional Site Expansion:**

CSU Satellite Instructional Site in Fayette County supports dual enrollment. Currently, total head count 550 (unduplicated) and the program is growing. The existing site consists of 10,900 square feet of instructional and office space cannot support increasing enrollment due to 100% utilization of existing facility at Kedron Office Park location. Classes run from 7:45 am to 10:35 am and from 4:30 pm to 10:00 pm scheduled back to back. The site will start offering afternoon classes between 1:00 pm and 4:00 pm, this will allow for some additional capacity flexibility, however this is an intermediate measure and will not solve the continuing increase in dual enrollment. Some existing spaces have been reconfigured to meet needs for space, such as testing classroom is used for faculty offices; an existing board room is used for classes.

### Needs

- Rent of additional space across the hall of existing space on as-is basis (preferable part of the 10,000 square feet that are vacant and currently available for rent as a bulk space).
- Adopt lounge space to allow seating and studying for students in between classes.
- With growing enrollment, there will be need for additional faculty to maintain 20-25 students per instructor ratio.

### **9. Miscellaneous Campus Projects by Facilities Advisory Committee:**

**9A.** Create space for a Center for Justice Studies.

**9B.** Counseling Services expansion.

**9C.** Recreation and Wellness – build a field at Sanford and Simpson Drive for expansion of intramural and sport clubs activities.

**9D.** Build or find space for Visitors and Welcome Center for prospective students.

**9E.** Build Lactation Station.



## FY 2016 Budget Narrative

**9F.** Separate office area from the lobby at UC to provide privacy (faculty and students—FERPA).

**9G:** Update and replace directional signage for entire campus.

Campus Miscellaneous Projects	Cost
9A. Center for Justice	\$62,000
9B. Counseling Services Expansion	\$46,000
9C. Recreation & Wellness	\$630,000
9D. Visitors and Welcome Center	TBD
9E. Lactation Station	\$10,000
9F. Separate office area from the lobby at UC to provide privacy to faculty and students.	\$15,000
9G. Signage	\$50,000
<b>Total</b>	<b>\$813,000</b>

### Part VII: Academics

12) Discuss new academic programs under consideration for startup in FY 2016. How do the proposed programs line up with the goals of the System, the region and the State? How were the needs for the programs and the program budgets determined?

Work Force Needs and System Priorities

Clayton State is proactively addressing state workforce demands through academic program development in the areas of film and entertainment, healthcare, information technology, and supply chain management and logistics.

Clayton State University will propose a Bachelor of Science degree in Health Sciences (BSHS) to provide students with skills needed to succeed in a variety of non-clinical health related careers. The program is interdisciplinary in nature to provide students with a solid foundation for nonclinical positions in a range of private and public sector organizations. The curriculum provides students with a strong health science knowledge base and emphasizes community health education and health needs assessment. Students will gain skills in research, healthcare delivery, health promotion, disease prevention and management, and ethical, legal, and cultural issues related to the health field. Examples of employment areas include medical information technology, health care administration, health care education, geriatric care, and social policy program areas, and healthcare specialized social workers and counselors. The program includes the following concentrations:

- Addiction and Prevention
- Health Education
- Public Health and Policy

## FY 2016 Budget Narrative

- Gerontology and Long Term Care
- General Health

Life sciences and healthcare are key industry focus areas for both Georgia and metro Atlanta economic development. The demand for entry and mid-level health science professionals is driven by a growing aging population and recent legislative reform to the health care system.

This program will also address an area of concern identified in Clayton State's FY15 Budget Narrative, the so-called bottleneck created by high demand programs. The proposed Health Sciences degree offers an alternative for students who are not accepted into the highly selective Nursing and Dental Hygiene programs or who, due to other commitments, cannot meet the scheduling demands of the nursing program.

Film: Georgia has emerged as one of the top 5 movie production destinations in the country. In FY 2013 alone, television networks, Hollywood studios, production companies and independent producers invested more than \$3.3 billion in Georgia. The state offers film, television and digital entertainment tax credits of up to 30% and access to large and experienced crew base and production resources. As many as 333 productions have been shot in the state in 2012. In response to this industry growth and the corresponding Board of Regents request to develop programs supporting the burgeoning film industry in Georgia, Clayton State is developing a number of new programs.

CSU has recently established Continuing Education programs in Film and Digital Media and has added a Film Production Concentration to its Bachelor of Applied Science degree. The University's department of Visual and Performing Arts is developing a Bachelor of Arts in Film Production, with four potential concentrations:

*Post-Production:* the processing of the film after shooting has occurred including compositing, editing, storytelling, special effects, motion graphics, and sound.

*New Media:* This area includes the study and use of digital communication and entertainment programs and devices.

*Pre-Production:* This aspect of the film production process involves preparation for shooting the film. It involves many business functions, such as: finance, accounting, planning, scheduling, hiring and site location and artistic endeavors such as storyboarding and set construction.

*Entrepreneurship:* This concentration would provide individuals with a sufficient background in (the film) business to prepare them to creatively develop ideas resulting in a new (and successful) business.

Clayton State University's College of Business intends to offer a Bachelor of Business Administration Degree in Film and Entertainment Management This degree would prepare graduates for careers in a variety of burgeoning industries in Georgia, ranging from film production, promotion of musical concerts and theatrical performances, and promotion and management of spectator sporting events such as boxing, wrestling and rodeos.

The College of Business is also responding to the economic development need for Logistics and Supply Chain Management degree program by preparing to offer it online beginning in Fall 2015. This will increase the geographic availability of the program while also meeting the needs of working adults.

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## FY 2016 Budget Narrative

### Other Emerging Needs

Although our prospectus for a Master of Arts degree in Digital Rhetoric and Applied Writing (DRAW) was initially denied, after further clarifying conversations, BOR Academic Affairs staff have asked that we resubmit. This degree is designed to offer advanced training in writing so students have marketable skills for professional contexts. It is also designed for professionals who want to develop their professional writing skills and guide others in developing effective writing and writing projects in academic, professional, and community settings. Finally, it will serve as a preparatory degree for PhD-level work in rhetoric, writing, communication studies, media studies, or technical communication. Development efforts also continue on a Master of Science in Biology to meet growing occupational demand, in response from the Department of Labor and Statistics indicating that between 2010 and 2020 Biomedical Sciences will be one of the fastest growing jobs in the US and in Georgia. The Department of Natural Sciences Faculty has the expertise to sponsor the program with the majority pursuing laboratory research related to biomedical sciences and mentoring undergraduate research projects that result in the production of scholarly works. Additionally, in 2015 Clayton State University will open its new science building which will contain 8 new research labs and 8 new teaching labs to support its existing undergraduate degrees in Biology and Chemistry and its future graduate degree programs.

13) What are your short-term and long-term plans for addressing low producing programs identified at your institution? What are the financial implications of your plans? Will savings be achieved? Will tenured faculty be impacted?

Bachelor of Science with a major in Legal Studies- The identification of this program as low-producing is accurate, but the program only began producing majors in the last three years (the first student to declare it as a major did so in Fall 2008). It has been over 10 graduates per year for the last two years: 30 graduates in the last 5 years; average 6.00 graduates per year. It has a strong number of majors (FA14 = 109 BS). An additional consideration is that the same faculty teach in the Paralegal AAS and Certificate programs, which has many more students (FA14 = 21 AAS & 47 Certificate). Legal Studies faculty also provide necessary instructional support for our Bachelor of Applied Science, Criminal Justice, and Homeland Security/Emergency Management programs. During AY15, Professor Sheryne Southard will serve as the instructor for four sections (12 hours) of TECH 3115 “Legal Issues in Administrative and Technology Management” to support the BAS program. Professor Mara Mooney will serve as the instructor for 2 sections (6 credit hours) of HSEM 4700 “Legal Issues in Homeland Security” in support of both the CRJU and HSEM programs. Professor Antoinette France-Harris will serve as the instructor for CRJU 4420/SOCI 4800 “Law and Society” in support of the programs in CRJU and SOCI. She will ultimately also rotate in sections of CRJU 3410 “Criminal Law and Procedure,” a required course in the Criminal Justice major that is presently taught by part-time faculty. During the years tracked in this report, we have had only three full-time faculty in this program; because of the work-load issues cited above, it was necessary to hire a fourth faculty member.

Bachelor of Science with a major in Health Fitness Management- This is another program which does not meet degree productivity criteria on average during the period indicated, but as shown in the table below, the number of majors has begun to increase to healthy levels.

HFMG	Fall	Summer	Spring
2014	143	71	163
2013	160	69	136
2012	135	58	117
2011	117	59	83

## FY 2016 Budget Narrative

<b>2010</b>	81	36	73
<b>2009</b>	69	29	54

A proposal to merge the Bachelor of Arts with a major in Theatre, the Bachelor of Arts with a major in Music and the Bachelor of Music with a major in Music into a single Bachelor of Arts with a major in Performing Arts is nearing completion and has been submitted. A faculty line in the music major has already been reassigned to create a faculty line to support the burgeoning film and entertainment industry in Georgia.

The Bachelor of Information Technology with a major in Information Design and Production and the Bachelor of Applied Science in Dental Hygiene Practice and Administration were on the list but had already been terminated. The Bachelor of Science in Information Technology is offered collaboratively by five USG institutions so the expenses of the program are shared.

14) Provide a high level summary of the Complete College Georgia report. What was the financial investment in CCG? Is this investment paying off through increased retention, improved graduation rates, etc.?

To improve access and completion for a diverse student body, Clayton State's strategies focus on expanding flexible learning and credit options and enhancing student advising and support. The overarching goal of these strategies is to increase the number of degrees awarded to all learners but especially adult learners with some college credit but no degree. As cited previously, the percentage of adults with some college credit but no degree is nearly 40 percent higher in Clayton County (29%) when compared to the State average of 21%. At Clayton State, adult learners comprise 40% of new undergraduates and 70% of all bachelors' degrees awarded. An essential piece of CSU strategy will be our focus on reaching Clayton County's adult population with some college.

Enhancing student advising is one of the institution's top priorities. We're in the process of hiring for a newly created Director of Advising position to oversee Clayton State University's new, centralized academic advising center and use data driven resources (DegreeWorks, Student Success Collaborative) and best practices to provide effective support for approximately 6500 undergraduate students. Advising is currently decentralized between the colleges and a first-year advising center that uses the program MapWorks and a holistic advising model. Since opening the first-year center, the first-time, full-time retention rate has remained above the 2010 rate of 65.86% for the fall 2010 cohort, with retention rates of 67.84%, 72.34% and 68.3% (estimated) for the three most recent cohorts. The goal of centralizing advising, with consistent guidelines and use of advising tools such as the Student Success Collaborative, is to see similar retention improvements among all student populations.

Another main priority is expansion of distance learning to support student success. Clayton State hired an online student success advisor in fall 2013 and a distance education director in summer 2014. Since hiring the online student success advisor, online and eCore credit completion rates have increase by 1% for online courses and by almost 10% for eCore.

The CCG budget of \$250,000 supports these goals with 40% budgeted for advising and student support (*Student Success Collaborative* advising tool, peer financial counselors, and Writers' Studio for writing support), 20% supporting faculty development of online and alternate instructional delivery models, and the remaining budgeted to two staff members supporting Veterans and the Complete College initiative.

## FY 2016 Budget Narrative

15) Consistent with the goals of Compete College Georgia, the funding model for state funds is shifting from an enrollment-based model to an outcomes-based (performance) model, with progression and awards conferred being critical factors. Discuss your institution's current retention and graduation rates. How does the institution compare/rank to its peer institutions? What are the short-term and long-term retention and graduation targets for your institution?

The most recent cohort retention rate available is for our Fall 2012 entering class. The retention rate for this group was 72.34% (76.45% system-wide). This rate was above the 70.60% average for state universities in our sector. We attribute this retention rate to the various interventions developed through the First-Year Advising & Retention Center. Unofficial numbers indicate that the Fall 2013 cohort retention rate will be approximately 3% lower. As stated earlier, we believe this decline is primarily attributed to loss of financial aid, since 62% of the students who did not return were making satisfactory academic progress but still did not return and fewer than one-third transferred to another institution. Our short-term target for retention is to remain over 70% with a long-term target closer to the low to mid 70% range. We will continue to work closely with this population each year and continue encouraging first-year students to take advantage of the many campus-wide academic support services.

Our most recent six-year graduation rate available is for the 2007 cohort. The graduation rate for this group was 28.57% (38.10% system-wide). This rate was below the 40.16% average for state universities in our sector. We are striving to reach a short-term cohort graduation rate over 30% with a long-term goal of reaching the low to mid 30% range. We hope to achieve these targets with a more intentional advising approach beyond the first year through graduation with our plan to centralize advising and implement a new advising model in the next year. A companion to this model is the full implementation of Degree Works, which has already occurred and the full implementation of the Student Success Collaborative (SSC). Both of these advising initiatives have been discussed throughout this Budget Narrative.

Two policies changes that could immediately decrease time to graduation would be to restore the availability of Pell grants for the summer term and also offer ACCEL scholarships for dual-enrolled high school students during the summer. Many working adults enroll in fewer courses during the fall and spring terms due to work and family obligations. Offering financial support for the summer would help them stay on track and decrease the time to graduation. And, many motivated high students could reduce the cost of college and shorten time to graduation by completing dual-enrolled courses during the summer.

**NOTE:** In addition to the FY 2016 Budget Narrative, please complete (as applicable) all four tabs included in the attached Excel file regarding the fiscal year 2016 operating budget request. The tabs are labeled (1) Data Sheet, (2) Reduction Actions, (3) New Funds and (4) Facility Needs.

## FY 2016 Budget Hearing Data Sheet

**Institution Name:**

Clayton State University

Enrollment Trends						
	Fall 2011	Fall 2012	Fall 2013	Fall 2014	Fall 2015 (Projected)	Fall 2016 (Projected)
<b>Headcount</b>	6,860	7,140	7,261	7,023	7,120	7,200
% Change in Headcount over prior Fall		4%	2%	-3%	1%	1%
<b>FTE</b>	5,730	5,920	5,999	5,732	5,811	5,876
% Change in FTE over prior Fall		3%	1%	-4%	1%	1%
<b>State funding per Student FTE</b>	\$ 3,759	\$ 3,699	\$ 3,876	\$ 4,199		
<b>Undergraduate Headcount</b>	6,561	6,808	6,893	6,633	6,710	6,780
<b>Graduate Headcount</b>	299	332	368	390	410	420
<i>The sum of graduate and undergraduate headcount must agree to the total headcount reported on row 7.</i>						
<b>Beginning Freshman</b>	535	616	547	513	570	585
<b># of Online Students (Enrolled 100%)</b>	651	589	614	805	840	850
<b># of Students taking at least 1 online course but not enrolled 100% online</b>	2,663	2,687	2,805	2,721	2,750	2,800
					<b>Carl Vinson Projections</b>	
					<b>Fall 2015</b>	<b>Fall 2016</b>
<b>Headcount</b>					7,434	7,524
<b>FTE</b>					Not Provided	Not Provided

Academics						
	FY 2012	FY 2013	FY 2014	FY 2015 (Projected)		
<b>One-Year Retention Rates</b> for First-Time Full-Time Freshman	67.84	72.34	68.49	70.00%		
<b>Six-Year Graduation Rates</b> First-Time Full-Time Freshman	27.1	27.6	28.6	29		
<b>Number of Degrees Awarded</b>	1,281	1,238	1,262	1,275		
<b>Total # of Active Programs</b>	51	51	48	46		
<b>Number of Low Producing Programs</b>	2	2	2	0		

Funding						
	FY 2012	FY 2013	FY 2014	FY 2015		
<i>Source: Budget Compliance Report</i>				<i>Ist Qtr. Budget</i>	<b>Percent Change from 6/30/12 to 6/30/14</b>	<b>Percent Change from 6/30/14 to 6/30/15</b>
State Appropriations	\$ 21,540,947	\$ 21,899,158	\$ 23,251,922	\$ 24,067,121	7.94%	3.51%
Tuition Revenue	\$ 25,054,370	\$ 26,611,286	\$ 27,382,471	\$ 27,130,000	9.29%	-0.92%
Special Institutional Fee	\$ 4,040,162	\$ 4,085,165	\$ 3,837,848	\$ 4,100,000	-5.01%	6.83%
Sponsored Revenue	\$ 20,457,245	\$ 20,151,216	\$ 20,012,043	\$ 19,976,853	-2.18%	-0.18%
<b>Tuition Revenue Analysis (Fund 10500)</b>						
	FY 2012	FY 2013	FY 2014	FY 2015	<b>Percent Change from 6/30/12 to 6/30/14</b>	<b>Percent Change from 6/30/14 to 6/30/15</b>
In-State Tuition Revenue	\$ 23,691,084	\$ 24,670,033	\$ 24,275,477	\$ 24,020,000	2.47%	-1.05%
Out-of-State Tuition Revenue	\$ 1,363,286	\$ 1,941,253	\$ 3,106,994	\$ 3,110,000	127.90%	0.10%
<i>The sum of the in-state and out-of-state tuition revenue must agree to the total tuition revenue reported on row 16.</i>						
Undergraduate Tuition	\$ 23,529,885	\$ 24,673,157	\$ 24,362,268	\$ 24,840,000	3.54%	1.96%
Graduate Tuition	\$ 1,524,485	\$ 1,938,129	\$ 3,020,203	\$ 2,290,000	98.11%	-24.18%
<i>The sum of the undergraduate and graduate tuition revenue must agree to the total tuition revenue reported on row 16.</i>						
Tuition Carry Forward	\$ 643,694	\$ 514,502	\$ 820,974			
Percent of Tuition Carried Forward	2.57%	1.93%	3.00%			

Financial Trends						
	6/30/2012	6/30/2013	6/30/2014			
<i>Source: Audited Financial Statements</i>				<b>Percent Change from 6/30/12 to 6/30/14</b>	<b>Percent Change from 6/30/13 to 6/30/14</b>	
Cash and Equivalents	\$ 10,562,768	\$ 9,746,452	\$ 7,174,753	-32%	-26%	
S-T Investments	\$ -	\$ -	\$ -	#DIV/0!	#DIV/0!	

## FY 2016 Budget Hearing Data Sheet

**Institution Name:**

Clayton State University

Receivables	\$ 2,051,217	\$ 2,407,707	\$ 1,769,372		-14%	-27%
Current Liabilities	\$ 7,060,591	\$ 6,570,560	\$ 4,640,400		-34%	-29%
Lease Purchase Obligations (L-T)	\$ 77,141,883	\$ 76,845,088	\$ 76,351,321		-1%	-1%
Net Assets - Unrestricted	\$ 6,435,426	\$ 6,880,114	\$ 6,561,929		2%	-5%

### Financial Ratios

	6/30/2012	6/30/2013	6/30/2014			
Primary Reserve Ratio	0.070	0.076	0.063			
Viability Ratio	0.083	0.089	0.076			
Return on Net Assets Ratio	(0.127)	(0.058)	(0.073)			
Current Ratio	1.970	2.070	2.310			
Cash Ratio	1.790	1.850	1.930			

### Capital Lease Obligations

	6/30/2012	6/30/2013	6/30/2014			
Capital Liability Burden Ratio	6.93	6.66	4.90			
<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	\$ 3,131,144	\$ 4,174,271	\$ 4,310,218			
Total Capital Lease Obligations	77,141,883	76,845,088	76,351,321			
Student Housing Occupancy Rates	55%	70%	74%			
Capital Liability Per FTE	\$ 13,463	\$ 12,981	\$ 12,727			

### Financial Trends - Auxiliary Operations

	6/30/2012	6/30/2013	6/30/2014		Percent Change from 6/30/12 to 6/30/14	Percent Change from 6/30/13 to 6/30/14
<b>Auxiliary Reserve Balance:</b>						
Unrestricted	\$ 2,371,757	\$ 3,406,250	\$ 3,062,823		29%	-10%
Reserved for Encumbrances	\$ 500,616	\$ 354,463	\$ 419,932		-16%	18%
R&R Reserve	\$ 1,642,457	\$ 1,599,882	\$ 376,062		-77%	-76%
<b>Total Auxiliary Reserve Balance</b>	<b>\$ 4,514,830</b>	<b>\$ 5,360,595</b>	<b>\$ 3,858,817</b>		<b>-15%</b>	<b>-28%</b>
Total Auxiliaries Cash and Equivalents	\$ 1,871,840	\$ 2,347,621	\$ 1,131,929		-40%	-52%

### Employee Trends

	Fall 2011	Fall 2012	Fall 2013	Fall 2014	Percent Change from Fall 11 to Fall 13	Percent Change from Fall 13 to Fall 14
Full-Time Faculty	243	247	255	255	4.94%	0.00%
Full-Time Staff	355	375	382	387	7.61%	1.31%
<b>Total Full-Time Employees</b>	<b>598</b>	<b>622</b>	<b>637</b>	<b>642</b>	<b>6.52%</b>	<b>0.78%</b>
Part-Time Faculty	249	245	187	166	-24.90%	-11.23%
Part-Time Staff	136	140	147	117	8.09%	-20.41%
<b>Total Part-Time Employees</b>	<b>385</b>	<b>385</b>	<b>334</b>	<b>283</b>	<b>-13.25%</b>	<b>-15.27%</b>
Student Workers	320	305	363	359	13.44%	-1.10%
Graduate Assistants	7	18	7	14	0.00%	100.00%

### Financial Aid

	FY 2012	FY 2013	FY 2014	FY 2015 (As of Fall 2014)		
% of Undergraduates Receiving Pell	57%	55%	55%	56%		
% of Undergraduates Receiving HOPE	16%	15%	13%	13%		
% of Students Receiving Federal Loans	66%	67%	64%	60%		

**Fiscal Year 2016 Budget Hearing**  
**Part IV - How Would You Use New Money in FY16?**  
*Priority Items*

INSTITUTION NAME: Clayton State University

	<b>NARRATIVE (As In Part III of the Budget Narrative)</b>	<b># of Positions (if applicable)</b>	<b>Requested Amount</b>
	<b>List Top 3 Priorities (in priority order )</b>		
<b>1</b>	Academic Advisors: As part of our Complete College Georgia effort we are greatly revamping our advising program, including adopting the Student Success Collaborative from Educational Advisory Board and centralizing all of our professional advising to create a "dual core" advising system whereby each student will be assigned two advisors, one professional and one faculty. The three advisor lines requested here are a minimum to achieve this full goal.	3	\$ 160,000
<b>2</b>	New Storage Area Network (SAN): The Storage Area Network (SAN) provides storage for many of the campus services including Banner. The existing SAN infrastructure is aging. Of the 3 primary SANs, one is no longer serviced by the manufacturer and one is no longer sold (and soon to be no longer supported) by the manufacturer. The proposed new SAN will replace all three and will enhance operations and reliability of the storage infrastructure. The existing SANs will be redeployed as part of an expanded Disaster Recovery/Business Continuity plan.		\$ 300,000
<b>3</b>	Experiential Learning Coordinator: During Academic Year 2013-2014, Academic Affairs, Student Affairs, and External Relations collaborated to develop intentional strategies for increasing the number of Clayton State students who participate in experiential learning opportunities, including internships. An assembled task force made recommendations that resulted in development of The EDGE - a University-wide targeted approach to increase student participation in experiential learning opportunities. Through a series of initiatives for each classification level, students are exposed to and given opportunities to participate in career-development opportunities that lead to their being prepared for participation in internships and other experiential learning options. As Career Services takes the lead in development and implementation of EDGE, they experience a need for an additional staff member who can coordinate experiential learning activities should as job shadowing, alumni mentoring, and non-academic internships while collaborating with colleagues across campus and engaging organizations throughout the region in providing experiential learning opportunities.	1	\$ 53,500
<b>Total</b>			<b>\$ 513,500.00</b>



**Fiscal Year 2016 Budget Hearing**  
**Part IV - What Actions Would You Take if State Funding Declined in FY16?**

**INSTITUTION NAME:** Clayton State University

FY 2016  
 Reduction Target \$ 722,014 (3% of FY15 Original State Funds Budget)

Reductions of a permanent nature should be considered/implemented whenever possible. Permanent reductions should be reported in subsequent years, while one-time actions should drop off. The reduction plans should be for a 3-year period.

	Reduction Action	# of Positions Impacted (if applicable)	Savings from Action (\$)		
			FY 2016	FY 2017	FY 2018
1	Deferred maintenance		\$ 207,013.63	\$ 70,577.63	\$ -
2	Reduction in student assistants funding		\$ 30,000.00	\$ 30,000.00	\$ 55,000.00
3	Elimination of designated vacant positions	6	\$ 200,000.00	\$ 200,000.00	\$ 200,000.00
4	Delay critical hiring vacant positions		\$ 200,000.00	\$ 150,000.00	\$ -
5	Classroom upgrades		\$ 85,000.00	\$ 85,000.00	\$ 85,000.00
6	Reduction in OS&E (3%) and Travel (4%) budget			\$ 161,436.00	\$ 161,436.00
7	Reduce funding for academically - related student programs			\$ 25,000.00	\$ 25,000.00
8	Elimination of designated vacant positions	2			\$ 147,400.00
9	Reduction in special projects funding				\$ 48,177.63
10					
<b>Total</b>			\$ 722,013.63	\$ 722,013.63	\$ 722,013.63

**Fiscal Year 2016 Budget Hearing**  
**Part VI - Facility Needs**  
*Priority Items*

INSTITUTION NAME: Clayton State University

	NARRATIVE (As In Part IV of the Budget Narrative) List in Order of Priority	# of Spaces, Rooms, SQ FT (if applicable)	Proposed Funding Source (i.e. GO Bonds, Private, PPV, etc.)	Estimated Cost	When would facility be needed?
<b>1</b>	<b>Academic Core (Design)</b>				
	<b>1A. Arts and Sciences</b>	38,908 sq.ft.	GO Bonds	\$ 469,450.00	Jul-15
	<b>1B. Lecture Hall</b>	12,118 sq.ft.+ 1,700 sq.ft. new built out	GO Bonds	\$ 250,300.00	Nov-15
	<b>1C. Centralized System for Continuing Education Bldg., Spivey Hall and Music Education Bldg.</b>	109,329 sq.ft.	GO Bonds	\$ 510,000.00	Jul-15
	<b>1D. Roof for Natural and Behavioral Sciences Building</b>	45,162 sq.ft.	GO Bonds	\$ 60,000.00	Aug-15
	<b>1E. Roof for Athletics and Health Building</b>	43,266 sq.ft.+4,000 sq.ft.	GO Bonds	\$ 80,000.00	Jul-15
	<b>1F. University Center and Library Access Ladder Installation</b>	12 ladders	GO Bonds	\$ 30,250.00	Jul-15
<b>2</b>	<b>Library System Upgrade</b>	56,400 sq.ft.	GO Bonds	\$ 3,200,000.00	Jul-15
<b>3</b>	<b>Upgrade IT Infrastructure Campus Wide</b>	Equipment	GO Bonds	\$ 3,300,000.00	Jul-15
<b>4</b>	<b>Library Upper Level Renovation</b>	30,000 sq.ft.	Campus Funds	\$ 1,700,000.00	Jul-15
<b>5</b>	<b>Spivey Hall Renovation</b>	32,865 sq.ft.	GO Bonds	\$ 2,500,000.00	Jul-15
<b>6</b>	<b>Public Safety (property acquisition or expansion)</b>	Acquisition of property or expansion	Campus Funds	\$ 600,000.00	Jul-15
<b>7</b>	<b>Advising Center</b>	new space 4,000	GO Bonds	\$ 375,000.00	Jul-15
<b>8</b>	<b>Fayette-Kedron Location Expansion</b>	10,900 sq.ft.(existing) + portion of 10,000 sq.ft. for additional rent	GO Bonds	\$ 120,000.00	Jul-15
<b>9</b>	<b>Campus Miscellaneous Projects</b>	Varies	Campus Funds	\$ 813,000.00	Jul-15
<b>Total</b>				\$ 14,008,000.00	