

FY 2015 Budget Narrative

Institution Name: Clayton State University

Part I: Enrollment

1) Discuss enrollment trends over the past three years (fiscal years 2012, 2013 and 2014)? Discuss factors impacting enrollment.

Over the past two academic years, headcount and FTE have increased by approximately 2% and 1.2%. Fall headcount has increased from 6860 in Fall 2011 to 7140 in Fall 2012 and is 7261 for Fall 2013. Much of the enrollment growth over the past two fall semesters can be attributed to an increase in dual enrollment and graduate students. Dual enrollment nearly doubled since Fall 2011 from 225 to 471 with primary growth in Fayette and Henry counties. Graduate enrollment grew in large part due to new programs. Continuing students have increased slightly overall and significantly for first-time freshmen 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 72.15% for the Fall 2012 cohort.

2) What are your enrollment projections for the next two years (Fall 2014 and Fall 2015)? What enrollment management strategies are employed at your institution? What is your institution doing to positively impact enrollment and retention? Discuss why your projections differ from Carl Vinson projections, if applicable.

Clayton State projects a headcount of 7300 and FTE of 6010 for Fall 2014 and a headcount of 7400 and FTE of 6065 for Fall 2015. The Division of Enrollment Management & Academic Success oversees new student recruitment and enrollment and supports continuing student retention. Recruitment strategies include visiting local feeder high schools and college fairs, coordinating regional recruitment receptions, and attending out-of-state recruitment fairs. Clayton State also piloted its first Degree Completion Open House this past summer to target adults with some college credit but no degree. To support transfer recruitment and enrollment, the recently hired transfer navigator (specialist) will provide direct service and assistance to potential transfer students.

Several strategies related to retention are having a positive impact. Since September 2011, the First-Year Advising & Retention Center (FYARC) has advised all first-year students. The Center adheres to a holistic developmental approach to advising that focuses on the academic, social, emotional, and physical development of the students. Strategies to support all student retention and completion are occurring in three main areas: course redesign and student support, financial support, and advisement. Course redesign and student support initiatives include adding recitation sections to 1000 level or lower math and science courses; awarding mini-grants for instructional redesign with priority given to courses with high DWF rates; adding additional supplemental instruction (SI) sections and tutoring; restructuring math remediation; and streamlining writing support in a new Writers' Studio. To support unmet need, the scholarship initiative *Dream Makers* was launched in August 2013 to help students who are achievers, are close to completion, or both.

Clayton State will implement two key programs over the next year to enhance advising including DegreeWorks, a degree audit system, and the Educational Advisory Board's Student Success

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Collaborative, which provides analytics to predict student success in courses and majors. Thus, our projections differ from the Vinson projections through long term changes in retained students, dual enrollment students, selected graduate students and returning degree completers within our enrollment profile.

Part II: Institutional Health

3) Discuss the financial health of your institution using the June 30, 2013 annual financial statements as the basis. This discussion should include trend data for key financial measures (i.e. cash, reserves, etc.).

Clayton State University is an institution planning for, reacting to and adapting to changes in higher education, the state of Georgia, and the University System. CSU remains a sound institution that uses its resources in a conservative and prudent manner. The university weathered underfunding and multiple years of budget cuts like other colleges and universities. Through conservative fiscal policies, sound management, cost reductions, program assessment, hiring slowdowns, furloughs and the Regent’s approval of modest tuition increases and the adoption of the institutional fee combined with several years of enrollment growth, Clayton State continues to survive the budget cuts without grossly impacting our students or mission. The University is adjusting to the “New Normal” and continues to grow and improve its financial sustainability in a more competitive higher education marketplace. The institution works diligently to reach its strategic goals and make strategic decisions to ensure the financial health of the University. Clayton State strives to meet the needs of its stakeholders while adhering to sound business practices which drive our operational decisions. We self-assess to ensure that the institution utilizes its resources appropriately, diligently and with care.

A review of our annual financial statements supports the conclusion that our institution is financially sound, has survived the economic downturn and is doing well. The University is experiencing moderate financial growth, due primarily to increases in operating revenue and student FTEs. The numbers below indicate that even with minor increases in enrollment growth; CSU’s operating revenue continues to have a steady upward trend. Given the fact that state appropriations have steadily declined in the past several years, CSU maintains its revenue growth. This continued growth in operating revenues will allow CSU to make the necessary investments in infrastructure and academic programs that enable the institution to provide the highest quality education for our students.

Table 1

Increase	2013	2012	2011
Operating Revenue	\$45,821,615	\$42,549,207	\$38,286,863
Student HC (<i>Fall</i>)	7261	7140	6860

Clayton State is employing standard measures that serve as a basis for evaluating the overall financial health of the institution. These measures have been adopted by the System Office as a tool. Table 2 provides our figures based on the System Offices’ adoption of four key financial ratios. The table below shows these ratios adjusted for non-cash transactions (depreciation

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expense). 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.

The Primary Reserve ratio shows that CSU appropriately plans and allocates necessary reserves in order to withstand financial catastrophe. It also demonstrates CSU's preparedness for the ever changing education, accountability and economic climates. The Viability ratio depicts the Net Assets of the institution and how much of the long-term debt can be serviced with our reserves. CSU has adequate funds to cover the current portion of its long-term debt.

The University's Return on Net Assets Ratio shows an improving trend. The financial meltdown had a wide-spread impact on the economy resulting in lower returns on assets. In addition, the University took advantage of historic lows in debt financing rates and acquired Clayton Station Apartments which increased our debt (Capital lease liabilities) (Note: Table 2 does not include depreciation since we do not fund). In addition, there was a \$2 million adjustment to clear up a 3 year old manual entry error by a former employee.

The University's Net Operating Revenue ratio also shows a positive trend. Again the shift in the ratio was the result of systematic and planned debt acquisition (Clayton Station Apartments).

Table 2

Ratios*	2013	2012	2011
Primary Reserve Ratio	8.05%	7.76%	12.37%
Viability Ratio	8.85%	8.29%	12.35%
Return on Net Assets	3.11%	(.16%)	18.11%
Net Operating Revenue	2.42%	(.15%)	14.78%

*without depreciation

Also, as the need to demonstrate more accountability and good stewardship of state appropriated funds, Clayton State continues to operate efficiently. The tables below demonstrate how efficient and effective Clayton State is with its resources. It depicts the total operating cost per FTE student. As the chart displays, CSU has experienced enrollment growth, however operating costs have declined. The University decreased operating expenses per FTE between 2012 and 2013. This indicates that CSU is operating within its means and continues to look for ways to reduce costs and operate efficiently and effectively.

Table 3

	2013	2012
Operating Expense Per FTE	\$14,700	\$15,371

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Table 4

	2013	2012
% Increase Cost Per FTE	(4%)	4%

A review of the past seven (7) years' annual financial statements including the 2013 statement supports our conclusion that our institution is financially sound and benefitting from the investments it has made over the past half-decade.

The University's investments have resulted in expanded student offerings and onsite facilities. These investments coupled with enrollment management have led to the institution sustaining and increasing its enrollment. Over the past several years, CSU constructed a 450 bed residence hall, built a student activity center, a small 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 minor renovations to two additional academic buildings and two administrative/student services buildings. The institution also upgraded its athletic facilities.

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 fledgling 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 used FY13 funds to begin a library renovation project that will span 3 fiscal years. The university's library is inadequate and must be improved to meet accreditation requirements.

Our statement of Net Assets shows a decrease between June 30, 2011 and June 30, 2012 because the University invested in its physical facilities and completed several planned capital projects. We again have a decrease in net assets for June 2013 but much of that is again because of several planned capital investments as well as the University receiving direction from the system on its two (2) year request to clean up a manual entry error of \$2 million. The institution is improving its net asset position and the addition of the New Science Building will have an impact.

Long-term debt substantially increased over the past 7 years as the institution made strategic investments in two residential facilities and a student activity center. Both residential facilities are either near or exceed occupancy levels and have proved to be sound investments for the benefit of our students.

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. (Example. In 2008/09 Harvard University's Net Assets Ratio was 2.2 while Leon's Beauty School in NC was 3.0) (K. Chobar, 2011 <http://www.guilford.edu/wp-content/uploads/2011/08/Will-Your-Institution-Pass-the-Financial-Responsibility-Test-AGB-July-2011.pdf>). Such results clearly indicate that one cannot use the Ratios in a vacuum to assess the fiscal health of an institution.

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Forward looking for FY14 shows that with the addition of the new science building and the corresponding addition of the assets in FY 14 and FY 15 will lead to an improvement of the Return on Net Assets and Net Operating Revenue. These Four ratios are not the only measures that should be considered when ascertaining the health of an institution.

Other Positive Trends:

Between 2008 and 2013, Clayton State University's headcount enrollment has increased by more than a thousand. The number of fulltime faculty has increased 22% and part-time faculty decreased by 24%. Part-time staff has decreased 185%. Fulltime employee numbers have gone up to assist with student success, compliance, and housing support. The number of credit hours has also increased and the university's total auxiliary reserve balance has increased 26%, the unrestricted reserve balance has increased 6%. The university contributed more than \$550k in FY14 to fund a system wide PPV Reserve.

During the fiscal year, the institution makes strategic expenditures of its one time annual funding "reserve" derived from salary and benefit savings from unfilled positions. Each quarter the university generates from \$200k to \$325k. The university uses these funds to support investments in its strategic goals, facilities and physical plant.

While these funds do not fit into any of the currently defined "reserve" categories, they function that way for the University. These dollars are available to help the university operate in the event of an unplanned event. The University also takes advantage of the 3% tuition carry forward legislation. For the past few years the University has expended some of these dollars on strategic goals and facilities investments (Library improvement for SACS) and not carried forward the full 3%. The institution going forward may well carry forward the maximum to paint a clearer picture of institutional health.

Campus Energy Conservation:

We are continuously identifying energy conservation measures to implement to contain increases in energy costs for campus facilities. The University was able to decrease its utility costs by more than \$100,000 for FY13.

The University has completed the following projects:

- 1) Changed outside parking lot lights to high efficiency (350 watt) Cobra metal halide heads.
- 2) Changed 100 walk-light heads from high pressure sodium to metal halide heads.
- 3) Expanded pond fed irrigation system that pulls water from a pond on campus to Athletic & Fitness building, North Lee Street, Student Activities Center entrance and Clayton State Blvd.
- 4) Upgraded new DDC valves and calibrated recently replaced controls at Spivey Hall for energy efficiency.
- 5) Upgraded DDC controls to air handlers at Library.
- 6) Replaced (84) 6-7 SEER DX units with 13 SEER high-efficiency units at Clayton Station in 7 buildings.

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- 7) Replaced roofs for Faculty Hall and Clayton Hall to 4-ply modified bitumen with a cool whitecap.
- 8) Replaced 45 year-old Vac Pacs, which is the switch gear of our main campus power distribution system, to VISTA cubicles. This allows for proper balance for efficiency.
- 9) Replaced campus master IT control room central HVAC system to (4) five-ton 15 SEER independent DX units. This separate system allows for cooling only IT room.
- 10) Installed additional utility meters (A&S and UC).
- 11) Replaced 40-year old exhaust fans with more efficient exhaust system on Library building.
- 12) Replaced 50% of windows in Arts & Sciences building from single pane to high-efficiency Low-e double pane windows.
- 13) Lighting upgrades to Faculty Hall, Arbor Hall, Woodlands Hall and Continuing Education from T12 to T8 fluorescent lights, including new electronic ballast with 18 cell parabolic lens.
- 14) Removed 3.2 Million BTU copper fin boiler from Edgewater Hall (services relocated to UC) and replaced it with a 40 gallon electric water heater to serve the smaller hot water needs in the building.

Our strategic plan provides a roadmap for increasing energy efficiency, reducing emissions, updating our design standards to increase building life cycle and reduce operating costs.

- 4) 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.

The University has increased its enrollment as envisioned by its proformas and overall occupancy numbers have also increased. Laker Hall has a required occupancy of 90% and ended fiscal year 2013 with an 85% occupancy level. For Fall Semester, 2013, the occupancy level is at 86%. Clayton Station required a 60% occupancy for FY 2013; the occupancy level was exceeded slightly at 61%. Current fiscal year requires an occupancy of 65% for Clayton Station and for Fall, 2013 we achieved an occupancy of 70%.

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 in house and realized cost savings of close to 100k a few years ago.

The department continues to work cooperatively with other campus departments to further enhance facilities and increase occupancy. Collaborations with the Division of Enrollment

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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.

The underlying financial assumptions for our PPV projects are on target except for the Student Activities Center (SAC), ending fiscal year 13. However, we requested and received a \$25 fee increase for the SAC that began Fall semester, 2013; therefore, the financial assumptions moving forward will be met. We will also continue to employ the additional cost saving measures we have used in the past. The debt service ratio ending FY 2013 for the SAC is .92 (compared to .78 ending FY 2012).

The debt service ratio for Laker Hall for FY 2013 was 1.11 and for Clayton Station was 1.20. Available reserve balances for the SAC ending FY 2013 was \$623,307; for Clayton Station, \$861,209, and for Laker Hall, \$255,850. The contributions to the debt service relief fund in July, 2013 bring the reserves for the SAC to \$462,568 and for Clayton Station to \$443,742.

Part III: Fiscal Year 2014 Update

5) How are new funds appropriated for fiscal year 2014 being used to address the **institutional priorities** as presented during the last budget hearing? Specifically, discuss the progress to date, achievements, challenges, etc.

Funds were used to support strategic needs outlined in budget hearings for FY2014. Eight full-time faculty lines were created in the areas of Psychology, Biology, Accounting, Economics, Mathematics, Chemistry, Health Care Management, and Health and Fitness Management. All of the lines are either filled or in the process of being filled. Two full-time staff lines were created and filled: 1. Online Course Advisor – Academic Outreach and 2. ESL Program Coordinator.

We utilized FY 14 newly allocated funds to address needs of the following four areas:

- 1) Classes with high faculty-student ratios and due to increase in majors (Health Care Management, Health and Fitness Management, and Psychology).
- 2) Core classes with larger than normal enrollments (Psychology).
- 3) Classes with high D, W, or F grades (Accounting, Biology, Chemistry, Economics, Math).
- 4) To address the qualified faculty for our newly established Masters Programs in Psychology and Health Care Management.

Complete College Georgia funds are currently being used in the following areas:

- 1) Funding for the Student Success Collaborative
- 2) Writing support services provided by the new Writers' Studio
- 3) Eighteen peer mentors for freshmen learning communities/seminar
- 4) Faculty mini-grants to develop high impact undergraduate teaching strategies
- 5) Supplemental Instruction – 21 sections offered in Fall 2013
- 6) Staff to support Complete College Georgia including a Veteran's Center Coordinator and an Enrollment Planning Analyst.

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6) 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?

While Clayton State has not experienced enrollment declines per se, the Institution appreciates and continues to plan for the new demography that may make future enrollment increases challenging. One of the major factors for staving off decreases is the ramping up of dual enrollment as part of Complete College Georgia and K-12 outreach. Dual enrollment grew to 471, a 59% increase from last fall, largely due to enrollment growth in Fayette and Henry counties. Graduate student enrollment has also grown with the recruitment of more international students. Continuing students have shown growth as well as a result of an expansion in advising and retention efforts. The preliminary one-year institutional retention rate of the Fall 2012 first-time, full-time, freshman cohort is 72.15%. This rate is 4.3% higher than Clayton State's Fall 2011 cohort retention, previously the highest rate in ten years. In summary, Clayton State will continue to dedicate its efforts to recruiting new populations and supporting continuing student success and retention.

7) What actions did your institution take to address salary inequities? How many employees were impacted (faculty and staff)? What percentage of full-time employees received pay adjustments? Did you address certain classes on employees (i.e. employees making less than \$18,000)? What was the overall cost to the institution? Be specific.

Summary of Salary Equity, Alignment, Compression/Inversion Adjustments for 2011 thru 2013

Faculty and Staff salaries have been stagnant for nearly five years. As a result, there has been both internal salary compression and a general lack of salary competitiveness with the labor markets in which the university competes.

In 2010, Clayton State University engaged a compensation consultant to analyze the institution's staff compensation practices and to make recommendations to address these issues. The study was informed by analyses of a wide range of data and by testimonies from a number of unit heads and employees, as well as comparison with salary data from peer institutions and local market data. The study identified a number of areas of concern.

An institutional plan and process was developed. Guidelines were utilized in the development of the plan. Basically, the goal and objective of the plan had to address both existing internal salary compression and labor market inequities. The plan could not be performance based or produce across-the-board salary adjustments. Finally, the plan had to represent a first step in ameliorating the serious salary inequities that had grown worse and threatening retention of personnel.

As part of the process, a CSU developed and implemented a "*Salary Stressor Program*" (SAP).

- On an annual basis, institutional leaders were engaged to identify problematic areas involving salary inequity, salary compression, salary inversion, and retention of key and hard to fill positions.
- The consultant also assisted in identifying a number of internal and external equity issues; however, many issues identified were considered to be retention risks. These key

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individuals received salary adjustments to begin to bring these salaries more in line with their market target salary to enhance retention.

In addition, during this time period, and still ongoing, there were reclassifications, transfers, and promotions, which were not part of the “stressor” program. These were the result of organizational restructuring and the assignment of higher–level job duties and responsibilities to employees necessitating a classification audit and sometimes a salary increase.

Along these lines, a number of classification/compensation studies were conducted in areas such as, Information Technology, Public Safety, Communications, and Health Services job classes. In some cases, this resulted in changes to existing job classes and reclassification of personnel resulting in salary increases in order to be market competitive and retain personnel. Sometimes the impact of adjusting salaries necessitated other internal salary adjustments be made.

Below is an analysis of salary changes, which covers the time period, October 1, 2011 to October 1, 2013.

Existing Employee Demographics and the Number of Employees Receiving Salary Adjustments from 10/1/2012-10/1/2013:

- Total Staff: 376
 - 109 Staff received salary adjustments (28.9%)
 - 55 of those have different jobs (14.6%) covering promotions, reclassifications, and transfers

- Total Faculty: 255
 - 127 had salary adjustments (49.8%)
 - 47 of those have different jobs (18.4%) resulting from promotions

- Summary of the actions taken in the “*Salary Stressor Program*” by year:

	2011	2012	2013
Reclassification	6	20	7
Retention – External Equity	10	23	26
Internal Equity	--	3	22
Total Increase for Stressors	\$138,546.80	\$168,580.20 *	\$157,551.30 *

*Note: Totals in 2012 and 2013 include “redirected” funds: (2012 - \$48,905.76 and 2013 - \$7,731.75.)

In conclusion, Clayton State University continues to work to address the compensation issues, which are the most serious equity issues in a variety of ways. This is an ongoing process. The *Salary Stressor Program* is conducted annually within the constraints of financial resources. Suffice it to say, many employees have received no salary increase in nearly five years, which creates significant morale issues. To the extent possible, CSU has implemented a number of programs to focus on improving and sustaining morale.

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For the current FY, we have given raises to the full-time faculty totaling \$156,200. This amount was given to 98 full-time faculty members at an average increase of \$1,594 or 2.6%. The raises were determined by comparing the current salary of each faculty member to College and University Professional Association (CUPA) averages by discipline and faculty rank. A simple ratio of CUPA salary to current salary provided the basis for the amount of the raise. Then, if all things were equal, we calculated adjusting our faculty salaries to above the 85% of those salaries and of course not being able to fund all of that divided our available funds proportionately and adjusted what we could across all levels, but only based upon the chair and dean recommendations.

The faculty and staff at Clayton State University are dedicated and loyal. They work in the Atlanta Metropolitan area, and as the economy continues to improve, many could easily find employment outside CSU at higher salaries. However, the vast majority of faculty and staff remain steadfast in their commitment to CSU, which is a testament to their patience and loyalty to this institution. For example, more than 80% of faculty and staff are contributors to the CSU annual fund. All USG institutions will face the risk of losing key talent as the economy improves because of the lack of salary increase over the past several years.

Part IV: Looking Ahead to FY 2015

8) The University System may be faced with a **\$20 million drop** in state funding in fiscal year 2015 resulting from a 2.74% drop in the total credit hour production. How will your institution address the loss in funding over a three-year period, assuming a 5% reduction in state funds? Be specific. Your actions should specify reductions in force (RIF) plans, if needed. *Please use of the attached Excel template to provide a list of actions with the corresponding savings (tab labeled Reduction Actions).*

Clayton State University experienced only a slight decline in credit hours and is not required to respond to this question.

Note to USG:

Our data indicates an increase in credit hours during this period. We would be happy to provide that data upon request.

9) Discuss the priorities, needs, challenges, and opportunities facing your institution.

Priorities and Needs:

Our chief institutional priorities continue to focus on implementation of various but related plans including the Strategic Plan, Enrollment Management Plan, Complete College Georgia Plan, Marketing and Branding Plan, and Facilities Master Plan. Additionally, we are dedicated to achieving a successful reaffirmation of accreditation by SACS.

Other priorities are as follows:

- 1) Strategically growing selected programs academic and otherwise.

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- 2) Increasing the enrollment of international students and participation in international experiences.
- 3) Enhancing advising through implementation of the Educational Advisory Board's Student Success Collaborative and DegreeWorks.
- 4) Fostering significant partnerships with P-12, the community, and local businesses that promote local economic development, support student completion and our QEP for our SAC reaccreditation.
- 5) Improving the conditions for faculty and staff, compensation, benefits, and morale.

Challenges:

The challenges are similar to other institutions and are largely financial:

- 1) Reductions in state support. With continuing reductions in state support, we are challenged to build an operating budget to support the priorities listed above. With the new positions added, we are in a position to grow an integrated, multi-faceted development program, but lack the operational resources to accomplish this.
- 2) Students in financial difficulty including new limits on Pell.
- 3) Our enrollments are tied to the economic well-being of our feeder area and so far we have been holding our own, but if downturns increase we will suffer and thus we are attending to the demographics assiduously.
- 4) Reductions in state support have also led to salary compression and salary insufficiencies.

Opportunities:

Over this FY as well as in next FY, we will implement several programs that support student recruitment, retention, and success. DegreeWorks will debut in Spring 2014, which will allow students, academic advisors, and faculty members to track student progress in their major. We have partnered with the Educational Advisory Board (EAB) on their Student Success Collaborative, which will allow our advisors to identify students at risk and help the institution in its efforts to improve retention, progression, and graduation rates. Clayton State also launched another initiative to support students financially. The scholarship initiative *Dream Makers* will award funds raised through our foundation to students who are either high achievers, are close to completing their degree, or both. Maturing partnerships with area K-12 systems increases numbers of dual enrollment candidates over time. Faculty exploration of new learning strategies also bodes well for adaptation to change.

Another initiative in works to support recruitment, enrollment, and retention efforts is the implementation of the Banner Enrollment Management Suite, which includes Banner Relationship Management for automated communications and Recruiting and Admissions Performance for analytic capabilities. The University is also focused on its SACs successful reaffirmation and the QEP's community engagement focus. We anticipate spending 100k on this endeavor.

There is always the possibility of new programming areas in continuing education and in niche areas that could grow. Right now our Director of Continuing Education is developing a partnership in with several agencies to offer training in film related activities, lighting and other back screen vocations. We want to pursue this and assess the possibility of developing credit

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bearing courses and programs to support the burgeoning film industry in Georgia.

With several key hires of experienced development professionals last year, we were able to restructure and focus on some very ambitious fundraising goals that resulted in a 42% increase in the Annual Fund and the creation of a Corporate Partner Program which had 12 members in its inaugural year and generated nearly \$45,000 in unrestricted, new dollars for the University. We have begun to utilize development research to build our major gifts pipeline and feel that there are still many opportunities in that and the annual fund arena. These programs, in conjunction with our newly launched Dream Makers Scholarship Initiative and Annual Professorships, we have the opportunity to create an effective, integrated development program that will increase resources in support of our mission and values as outlined in our strategic plan. Being able to focus on annual, major, and planned gifts will allow the institution to address short-term needs and build for the future through endowment.

10) **If your institution has enrollment growth** and receives additional funds in FY 2015, what are the major budget priorities for your institution? How will new funds be utilized to best serve students? *Please use of the attached Excel template to provide the estimated cost associated with each priority (tab labeled New Funds).*

If we are to realize new funds for FY 2015, we want to concentrate these on four priority areas for the System and for us: completion, new models, communication and economic development.

Completion:

Student Success Collaborative (Advising)

We have just joined the Educational Advisory Board's Student Success Collaborative that has been so brilliantly pioneered by Georgia State and others and our understanding of the success of this program dictates that we invest in the advising infrastructure. As we move into this program therefore our plan is to reorganize and reallocate every we can to create, what I call a dual core advising system – one professional advisor and one faculty advisor for every student who has declared a major. We believe that we can manage a lot by doing this reorganization, but we will most likely need to hire 3-5 new advisors for this program to functional well and to make good on the investment of our dollars.

Programs (Shorten Time to Degree)

We are currently beginning an audit of all of our programs in order to seek out bottlenecks, obstacles, and inefficiencies that hold students up. Of course, some of our programs are running at or above capacity and thus we intend to invest in faculty lines for those areas. Those areas are:

- 1) Psychology (constant growth in undergraduate majors and in new graduate programs)
- 2) Critical Thinking (currently too much reliance on part-time faculty)
- 3) English (too many part-time faculty)
- 4) Communication (growing program and too many part-time and temporary)
- 5) Administrative Assistant for Department of Natural Sciences (these programs are growing and in order to avoid created separate departments, we will put funds toward more administrative support to the single chair of now chemistry, biology, and physics)

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International and New Populations: ESL

Our new efforts in increasing our internationalizing of the curriculum is showing some fruit already, and our investment in ESL support last year will doubtless be of great service. We are in the process of reorganizing our entire international programs administration and thus increasing the recruiting of international students and increasing the number of our students who participating in study abroad. In addition to the needs of the emerging ESL program, we are also restructuring our Office of International Programs to combine with the Division of Student Affairs' efforts to support international students and we are locating other special programs such as Honors and Online Programming in the same space. Therefore, an additional admin position would serve this new office complex of predominantly international activities but the other special programs as well.

New Models:

Here we are developing a new Center for Online Programming; this center will be modeled somewhat on the eCore Admin model now at University of West Georgia. Our growth in online production and been intelligent and steady; we have excellent faculty and staff who are steadily focused on quality online deliveries. And one department is piloting a self-paced set of courses. Our concern now is with advising of students who are online only and of quality control to ensure that when these new programs are developed that stay developed. We anticipate added at least one advisor to this core if we have the funds.

Communication:

Increase awareness of Clayton State University by effectively promoting the Dreams. Made Real. brand and to increase private gift revenue to support the University's strategic plan. With a recent marketing assessment done we have identified areas of need which include the hiring of an AVP in Marketing and Communications to provide expertise and vision for rolling out the brand in a strategic and effective manner. This will also allow the vice president for external relations to continue to grow the major gifts pipeline with the development team.

Economic Development:

There are a few areas right now that we work on to foster local economic development. Our SBDC is an obvious area. In process is a new Center for Business and International Negotiation. And faculty from the College of Business and elsewhere consult with local businesses. We are also developing two campus-wide initiatives that are indirectly related to economic development. The first is a campus-wide internship program, a program whose lofty goals are to ensure that every undergraduate student has an internship experience before graduation. The second is our SACS required new Quality Educational Plan (QEP) that is focused on community engagement as a means to enhanced engaged learning on campus.

We do imagine funds required to make these programs work. The funds could come in the form of administrative help or in the form of adjunct or temporary faculty in order to release faculty from other obligations to allow them the work on these community engagement activities.

11) What are your recommendations with respect to tuition increases for FY 2015? What is the rationale behind your recommendation?

The chancellor has indicated that tuition increases will be limited. We would suggest a tuition

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increase of no more than 2%. Such an increase would help provide funds to offset the \$20 million dollar enrollment decrease, limit impact on HOPE, maintain affordability and only exceed the current inflation rate by .5%.

Part V: FY 2015 Mandatory Fee Requests

12) Discuss proposed increases to mandatory fees for FY 2015 (*if applicable*). By what percent have fees increased over the last 3 years? How do increases impact affordability for students? How critical is the increase to mission of your institution? How did you engage the student body at large concerning the fee increase?

CSU is not requesting any increases to mandatory fees for FY 15. Over the past 3 years (FY12-FY14), the university's mandatory fees increased 3.56% from a total of \$702 in Fall 2011 to \$727 in Fall 2013.

13) What other "mandatory fees" are in place at your institution. (i.e. mandatory housing requirements, mandatory meal plans, etc.)

Since 2008, the University has had in place a Live-on-campus Requirement for all first-time, full-time freshman students with the exception of those who meet specific exemption criteria (zip code proximity, family obligations, etc.) Freshman students who fall under the Live-on-campus requirement are also required to have a residential meal plan.

Freshmen living in Laker Hall are required to have one of three mandatory meal plans. All three plans are priced equally and offer equal value but provide varying amounts of meals and dining dollars based on a student's eating habits. Residential freshmen meal plans are required for several reasons:

- Laker Hall residence rooms are only equipped with limited kitchen items (a sink, microwave, and apartment-sized refrigerator).
- Meal plans for use in the campus-dining hall encourage greater social interaction, enhancing the overall college and educational experience.
- Meal plans provide a high level of reassurance for parents of traditional freshmen that their student has easy access to high-quality meals on a regular basis.

Our goal is to provide a quality dining experience for our students while keeping meal plan prices affordable. Clayton State works closely with our dining contractor, Sodexo, to manage expenses and benchmark our pricing against the state of Georgia and the southeast.

The School of Nursing has had the current program fee in place since fall 2011. The fee covers standardized ATI testing, the nurse pack, malpractice Insurance, simulation/lab equipment and consumable lab supplies.

Part VI: Facility Needs

14) Discuss how your campus has been impacted by the space utilization study.

The university is communicating the results of the study, explaining its purpose and methodology and integrating the findings into the institution's operations and planning.

FY 2015 Budget Narrative

The primary lessons learned:

- 1) The study showed that available funds would be more efficiently used for renovation and repair of existing spaces than for construction of new spaces.
- 2) The study reinforced the importance of better space management and allocation practices on campus.
- 3) Renovations, better scheduling or changing the purpose of existing spaces are excellent alternatives to new construction. The primary use of facilities resources should be directed towards existing spaces.
- 4) The study also reinforced the university's need to improve its campus infrastructure to efficiently operate the campus.

The space utilization study made us focus on how we use available spaces and how we can make improvements in that use.

- 1) In the process of the study, we made a thorough inspection of existing spaces and corrected errors in facilities data. Improvements to room use coding implemented for the study helped better define spaces by their modern use, and reduced errors in categorization of spaces.
- 2) We learned that the space utilization metrics do not tell the entire story. Condition and functionality must also be considered.
- 3) We learned that centralized scheduling of classroom could address some classroom space challenges.
- 4) We found that available classroom space was not as important an issue for our growth as was believed at the start of the study.
- 5) We did find that even though office space was the largest single segment of the overall space use on campus, it presents the most significant obstacle to further growth unless major changes in expectations of faculty and staff occur. The possibilities of subdividing larger office spaces or of converting classroom spaces to offices appear to be more efficient use of resources than new construction.
- 6) That we need a more centralized method for identifying and allocating non-class usage of classroom and conference rooms.

To partially quote the final report "USG must manage its current physical space far more effectively, build fewer new buildings and invest in repurposing current facilities to serve the modern student more efficiently."

FY 2015 Budget Narrative

The space utilization study is helping us evaluate requests for more space, and leading to a more detailed consideration of what can be done with existing facilities through renovation and repair. We are starting to focus on how to implement a major campus cultural shift associated with space allocation. We must be thoughtful and thoroughly evaluate how we are using our resources.

In this context, the Clayton State University's Facilities Advisory Committee is one resource that works as a broad based team, comprised of 10 members (faculty, students, and staff) to review requests and make recommendations. The strategy broadens understanding of space utilization trade-offs, while reinforcing a culture of transparency and evidence influenced decision making.

15) Discuss the facility opportunities, needs and challenges facing your institution. *Please use of the attached Excel template to provide the estimated cost associated with each priority (tab labeled Facilities).*

Overview of Campus

Clayton State University is a public university located in Morrow, Georgia and is part of the University System of Georgia. The main campus of 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).

Capital Implementation Plan for FY 15 and FY 16:

Priority (within 2015 FY)	Project Description	FY 2015
1	New Science Building Equipment and Furnishing	\$2,900,000
2	Library System Upgrade	\$3,200,000
Priority (within 2016 FY)	Project Description	FY 2016
1	Arts & Sciences Building Renovation	\$4,921,050
2	West Loop-Utilities Planning	\$2,000,000
3	Spivey Hall Utility Infrastructure Upgrades	\$2,300,000

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4	Spivey Hall Interior Upgrades	\$200,000
5	Roof Replacements (NBS, A&S, A&F)	\$1,685,000
6	Surface parking - Rainwood side	\$275,000
7	Pedestrian/Walk between Housing and West Side of Campus	\$200,000
8	Upgrade IT for Classrooms Campus Wide	\$1,077,371
9	Upgrade IT Infrastructure Campus Wide	\$3,339,793

First and foremost the university is excited that it will have new science laboratory facilities for our students and faculty. During the past decade the University has had waiting lists of students for its science laboratory courses. The completion of the New Science Building will enable the institution to fully address those needs as well as provide much improved space for our faculty. The construction timeline for the building is on schedule. The University needs the \$2.9 M in FF&E funds to provide the laboratory equipment and other furniture and fixtures for the New Science Building in the FY 15 capital budget.

The University continues to need funds to improve its Library space. Earlier SACS reviews expressed that the University's current library space is inadequate. College library associations have indicated that an institution's library should be able to accommodate 10% of its students, even within a growing digital environment.

The university is using its internal fiscal resources to start the upgrade of the library so that we are able to show progress. Instead of carry forward a full 3% of tuition revenue dollars from FY 13 to FY14, the university used funds to begin moving other functions out of the library footprint and renovating space for those functions to move so that the 1st floor of the library could be renovated to accommodate more student study space.

The bulk of the projects on the University's capital plan are for renovation and infrastructure upgrades. The university has buildings on campus such as the Library and the Arts & Sciences building that need complete systems overhauled.

Historical Construction Overview

The campus has a deferred maintenance list of critical projects for improvement of existing buildings. While trying to handle the projects with Major Repair and Renovation funds, the actual funds allocated are not sufficient to meet the needs and complete all the projects. The top priorities for the University are Science Building equipment funding (FF&E), Library Infrastructure and interior upgrades and Arts & Sciences HVAC remediation and interior upgrades.

Over 70% of the university buildings were constructed over 30 years ago with only a few major renovations being completed since 2001.

Library:

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The Library was built in 1979 and was partially renovated in 1996 to bring restrooms to ADA compliance and to upgrade electrical fixtures in 2010. Currently, CSU is starting renovation of the existing Library building. The renovation of the library will allow us to increase seating capacity from approximately 250 to 650. **SACS has previously informed the campus of the need for more library space. The library renovation is one of the highest priorities for the campus.**

Due to the Library regaining 17,000 square feet of space for library functions, occupancy load will increase, hence, electrical and HVAC systems will require major upgrades. 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 upgrades will be needed as well.

There are many opportunities in this building to conserve energy and improve air quality. Properly reconfiguring the current space will improve the core functions of this building and ultimately save money.

Opportunities

- Improve energy efficiency by replacing curtain walls and windows with a better R value.
- Replace 6 air handlers and HVAC duct system.
- Space utilization efficiency and support Library functions.
- Plumbing valves, pipes and fittings in poor condition.
- Electrical system in poor condition.
- Upgrade from pneumatic system to DDC controlled.
- Replace ceiling system.

Needs

- **Bring Library space in accordance with SACS requirements.**
- 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.
- Reconfigure old space to be more efficient and support 100% Library functions.
- Plumbing valves, pipes and fittings in poor condition.
- Electrical system in poor condition.
- Ceiling system needs replaced.

Challenges

- Parts are unavailable for the aged equipment.
- Air handlers barely handle current occupancy loads. The air handler needs are anticipated to increase with the Library reconfiguration.

Arts & Sciences:

FY 2015 Budget Narrative

Arts & Sciences was built in 1974 and mainly dedicated to classroom space. The building is a heavily utilized classroom building and houses 52 faculty on both floors. Since its construction, a few minor upgrades occurred over the years, such as lighting upgrades, partial window replacement and partial ceiling tile replacement.

There are many opportunities in this building to improve energy conservation and air quality. Properly reconfiguration of the space that will improve its core function and ultimately will save money.

Opportunities

- Improve energy efficiency by replacing roof and windows with a better R value.
- Allow use of two air handlers at 17,500 square feet each with upgraded DDC controls, which would allow meeting ASHRAE 90.1 codes and standards on energy and efficiency.
- **Compliance with ADA standards.**
- Space utilization efficiency
- Plumbing valves, pipes and fittings in poor condition.
- Electrical system in poor condition.
- Fire Alarm system upgrade.

Needs

- Building Envelope Upgrades: Roof is in poor condition with several leaks causing moisture in building and adding to additional problems with humidity in the building. Single-pane windows with insufficient R values need to be replaced.
- HVAC system, design and controls are 40 years old and not supplying conditioned air adequately to the spaces. Received several complaints of musty smells throughout the building. Building is set up with two air handlers, one supplying 3,000 square feet theater and the main air handler supplying the remaining 35,000 square feet of the building. Parts are unavailable with aged equipment.
- **Bring building up to current ADA code standards. (Classrooms)**
- Reconfigure old space to be more efficient.
- Plumbing valves, pipes and fittings are in poor condition.
- Electrical system is in poor condition.
- Improve classroom acoustics.

Challenges

- Parts are unavailable with aged equipment.
- Acoustical problem in classrooms.
- Maintain proper building pressure.
- Even though a phased-out approach to renovation is planned to keep the building operational during renovation, partial relocation of faculty and classrooms for the construction period will be unavoidable.
- Air quality has to improve to address musty smell.

Arts & Sciences, Natural & Behavioral Sciences and Athletics Center Roof Replacement:

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The University pays attention to improving building envelope, better insulation, and moisture protection. All these measures directly affect energy savings. Roof replacements for Arts & Sciences, Natural & Behavioral Sciences, and Athletics Center are needed.

Table 6. Buildings that need roofs replaced.

Date	Location	Square Footage of Roof	Possible Year of Roof Replacement	Estimate for Replacement	Status
1974	Arts & Sciences	25,000	2016	\$ 375,000.00	CIP Planning 2016
1970	Athletics Center	43,268	2016	\$ 649,020.00	CIP Planning 2016
1969	Natural & Behavioral Sciences	44,000	1998	\$ 660,000.00	CIP Planning 2016
TOTAL S		112,268		\$ 1,685,000	

Opportunities

- Improve building envelope and moisture intrusion into buildings.
- Improve energy efficiency by replacing roof with a better R value.

Needs

- Building Envelope Upgrades: Roofs are in very poor condition causing moisture in buildings and adding to additional problems with humidity and air quality in the building.

West Utility Loop:

Individual chiller system for buildings is inefficient. A chiller's life span is 12 years and the Central Plant system is setup to have a 25 year life span. Construction of a new utility infrastructure loop on the West side of campus will assist with energy-efficiency measures for the four existing buildings in that area of campus. Hot/chilled water loop and electrical underground utility upgrade will accommodate Spivey Hall, Music Education Building, Harry S. Downs Center, and Student Activities Center and is scheduled for design funds in FY16. Preliminary studies will start in FY15 and perhaps earlier.

Opportunities

- Improve energy efficiency by replacing individual building chillers with Central Plant.
- Construction of a new loop opens opportunity to have energy efficient plant on the West side of the campus.

Needs

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- Need a Central Plant for the West side of campus.

Challenges

- Individual chiller repair and replacement is too costly.
- A new utility loop would allow more efficient operation of campus and meet the increasing load.

Surface parking - Rainwood side:

With expansion of facilities, faculty and student body growing, the campus has to provide more parking spaces. Short term plan is to build surface parking by Rainwood side to help with taken away parking for Science building construction.

Opportunities

- Provide replacement for parking taken by New Science Building.

Needs

- After the New Science Building is constructed there will be the need to replace parking due to facilities growth.

Challenges

- Limited space for new parking lots due to construction of the building on two surface lots.
- Campus preservation of green space is central to facilities master plan; this location would limit the tree cutting to allow space for parking lot.

Pedestrian walk between Residential Halls and west side of Campus:

With parking spaces becoming more limited due to science building location and increase in student body encouraging residential students to walk to their classroom and keep their cars parked at residence hall. Hence, the University needs to expand pedestrian path infrastructure and build new pedestrian walks that would connect the west side of campus and residential quarters and improve pedestrian navigation around campus.

Opportunities

- New walk paths will improve pedestrian navigation around campus.

Needs

- Need to connect west side of campus and Laker Hall / Clayton Station with pedestrian paths.

Challenges

- Campus will lose some green assets due to some tree removal.
- Campus would have to sacrifice some trees to allow pedestrian walks.

Spivey Hall:

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Spivey Hall is 100% electric and needs to be converted to a gas-fired boiler system with the ability to be connected to a future central utility loop. It requires a utility infrastructure upgrade to upkeep the performance venue and its utility systems energy efficient and well maintained. There are many opportunities in this building to convert utilities infrastructure and conserve energy in the building for long term cost controls.

Opportunities

- Convert building infrastructure from electric base to a gas-fired boiler.
- Prepare building for future compatibility with a central utility loop.
- Improve loading dock area accessibility for concert equipment.

Needs

- Main need is to migrate from electric utility system to gas.
- Loading dock lift and improvement for weather protection.

Challenges

- To complete above items, funding is needed.

Facilities Management:

As mentioned in the table above, the building was built in 1969 and was renovated in 2000. Renovations included roof replacement, ADA upgrades and adding additional workshop space. However, no major renovations were done to upgrade the building infrastructure for energy conservations, building envelope (single-pane glass windows), air quality, etc. There are a few opportunities in this building to improve as follows, that will conserve energy, improve air quality, and properly reconfiguration of the current space that will serve the core function of this building.

Opportunities

- Upgrade HVAC system due to deterioration and inefficient of 45 year old design system. Install DDC Control system to provide air side economizer, lighting controls and day/night set modes. Conserve energy and provide better air quality.
- Eliminate cost of having to move surplus to a rental facilities by building out warehouse space at Facilities Management.

Needs

- Expand warehouse in order to adequately store equipment on campus in order to meet state surplus requirements.
- Upgrade HVAC system due to deterioration and inefficient of 45 year old design system.
- Replace windows and improve building envelope for moisture control and maintaining air quality.

Challenges

- Funding

The University's facilities master plan also shows the university acquiring a parcel of land with a residential structure immediately adjacent to the campus. Because of the current economic

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landscape, this 11-acre parcel is available for acquisition for around \$225k. This is ½ of what the property appraised for 5 years ago. The acquisition of this property would provide the university with an asset that would enable the university to finally have access not potentially blocked by railroad lines.

The campus remains concerned that in the event of a railway accident, the evacuation of the campus would be hampered because we do not have this rear point of egress. The acquisition would also allow the institution to put in an actual road to its CSU-East facilities and not just have the use of the current right of way. The University's Public Safety department would be the likely occupant to the location after renovation of the structure.

Part VII: Academics

16) Discuss new academic programs under consideration for startup in FY 2015. How do the proposed programs line up with the goals of the System and the State? How were the needs for the programs and the program budgets determined?

We are discussing three categories of new programs.

Work force needs

We are working on a submission of our proposed MS in Criminal Justice. The workforce needs of this program and the intricacies of the curricular design have been worked out with exceptional deft by our program chair, Dr. Rafik Mohammed, and dean, Dr. Nasser Momayezi. They have spent many hours in conversations with the local area and surrounding area police and sheriff departments, who are anxious for this program.

Also, our nursing program has been working toward an MS in Nurse Practitioner. Our dean of the College of Health, Dr. Lisa Eichelberger has been networking with the program at Georgia Regents University for quite some time and has networked both in our area and beyond to make an absolute case for the need and the viability of Clayton State's foray into this high demand program.

Popular Major Bottleneck Relief Majors

An area of great concern for us is the so-called bottleneck created by high demand programs. Right now, I would say that our bottlenecks occur in three areas and more will doubtless emerge. Nursing is the greatest one; so many qualified students want in the program but there is not enough room. Similarly the College of Business and the major in Computer Science have trouble with students who cannot quite meet the standards of those programs. We believe that an education degree bottleneck is right around the corner.

The most demanding area is nursing as mentioned above and to a certain extent we already have a major in place for those students; it is the BS in Health Care Management, but that major is now above capacity and the College of Health want to develop a second relief major, BS in Public Health Administration. This major combines characteristics of the traditional public administration degree and some of the health care management skills to address the emerging and incredible difficult as well as necessary field of actually administering new health programs.

The new programs for BBA students and for CS students who can't seem to make either the GPA or don't quite have the skills are at this point to be developed as concentrations in other

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majors, concentrations in IT or informatics or other forms of management that will allow the student to complete the degree and make a place in the workforce.

New Emerging Needs

The Department of English is proposing an MA in writing and the Department of Natural Sciences is proposing an MS in Biology. The MA in Informational Writing and Publishing is designed to offer advanced training in writing and editing so students have marketable skills for professional contexts, including literary publishing, travel writing, memoir writing, science writing, business writing, and writing for magazines. No such program exists in the USG. The Master of Science in Biology is proposed to meet growing occupational demand. The Department of Labor and Statistics indicates 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.

17) The Office of Academic Affairs has initiated an Academic Program Inventory and Productivity Initiative. Discuss low producing programs at your institution. What are your short-term and long-term plans for addressing these programs? What are the financial implications of your plans?

The low producing programs that were identified in the recent Inventory fall into three categories: the programs are Math, Health Fitness Management, Legal Studies, Theater and Music.

Category 1: High Service program: Math.

The major at Clayton State is like most math majors at state comprehensive universities, a small major, but unlike many it is quite young (it began in 2006) and it is growing. We believe the numbers will meet our need in the next couple of years. However, even if they don't, we would argue for maintaining this major for the vast number of credit hours produced by the department for service to the Core as well as our health and science and business majors. Also, of course social science and education majors are increasingly relying on statistics instruction. We also are proud to have a very dynamic group of new math faculty who are not only providing quality instruction and energy to the program overall but who also are very active in our High Impact Practices program and urging undergraduate research and student travel to present in area conferences.

Category 2: Strong Emerging Programs: Legal Studies and Health Fitness Management

These two programs are quite new as well but are emerging very rapidly. Legal Studies only recently shifted from a certificate program to a major and is a high demand major and thus the degree numbers will meet the needs of the state likely by next year. The same can be said for Health Fitness; the majors have been climbing at a phenomenal rate, and, likewise, we are confident that the degrees issued will meet and exceed expectations.

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Category 3: Chronic Low Producing Programs: Music and Theater

These programs neither produce vast numbers of service credit hours nor are we confident that the numbers will much improve. It is hard to imagine a school with Spivey Hall on its campus not having a music program, but we are reviewing all of our plans now for both music and theater and setting some new initiatives into play, one that involves Spivey Hall. If in 18 months the programs don't show signs of growth and emerging viability they will have to be considered for removal. The university is also reviewing its facilities' plan as a result of this possibility.

18) Your institution has provided an annual report on Complete College Georgia. Provide a high level summary of this report and an update on the expenditures related to CCG and budget plans related to CCG for FY 2015.

In our update, Clayton State summarized progress to date on four original goals: (1) improving retention of first-time, full-time freshmen, (2) maintaining sustainable dual enrollment growth, (3) increasing undergraduate degrees awarded, and (4) increasing the success of math learning support students. Significant improvement has been made on the first two goals. Retention of first-time, full-time freshmen increased from 67.84% in fall 2012 to 72.15% in fall 2013. Dual enrollment increased from 270 in fall 2012 to 431 in fall 2013, a 59.6% increase over the previous year. Undergraduate degrees awarded decreased slightly from 1103 in fiscal year 2012 to 1059 in fiscal year 2013. Strategies to meet the fourth goal, improving math learning support, were not piloted until spring 2013.

Strategies to meet completion goals are occurring in the following main areas: program review (shorten time to degree), course redesign, financial support, and advisement. We began an audit of all our programs to seek out bottlenecks, obstacles, and inefficiencies that may lengthen a student's time to degree. Course redesign initiatives include adding recitation sections to 1000 level or lower math and science courses; awarding mini-grants for instructional redesign with priority given to courses with high DWF rates; restructuring math remediation; and opening a new, centralized writing support center (Writers' Studio). To support unmet need, the scholarship initiative Dream Makers was launched in August 2013 to help students who are achievers, are close to achievement, or both. Fundraising will occur in fiscal year 2014 and scholarships will be awarded starting fiscal year 2015. Clayton State will implement two key programs over the next year to enhance advising including DegreeWorks and the Educational Advisory Board's Student Success Collaborative, which provides analytics to predict student success in courses and majors.

Current FY 2014 expenditures including supporting the Student Success Collaborative, 21 sections of supplemental instruction, Writers' Studio services, faculty mini-grants to develop high impact practices, and staff to support Complete College Georgia. Right now, FY 2015 expenditures will be in similar areas. However, we will re-evaluate budget priorities based effective strategies for college completion.

19) 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?

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The preliminary one-year institutional retention rate of the Fall 2012 first-time, full-time, freshman cohort is 72.15%. This rate is 4.3% higher than Clayton State's Fall 2011 cohort retention, previously the highest rate in ten years, and is above the average Fall 2011 cohort retention of 71.6% for state universities. When comparing Clayton State to its peers for the Fall 2011 cohort, the most recent year of comparable data, Clayton State ranked 8 out of 13 for institutional retention and 7 out of 13 for system-wide retention. The improvements in retention correspond to the significant expansion of freshmen retention and advising efforts for the last two cohorts (2011 and 2012). The goal for Fall 2014 is to increase the first to second year retention rate by 2% from the previous year.

The six-year graduation rate for the Fall 2006 cohort is 27.63%, which is lower than the average graduation rate of 38.25% for state universities. However, for the past two cohorts (Fall 2011 and Fall 2012), Clayton State has made significant strides in improving retention through expanded advising and hopes that these higher retention rates will translate to higher graduation rates. The short-term graduation target is to increase the rate an average of 1-2% each year for the next five years and to 35% by 2017 for the 2011 cohort, the first cohort to experience the expanded retention and advising efforts.

The number of bachelor's degrees conferred has increased incrementally since 2002-2003 (From 506 in 2002-03 up to 1042 in 2011-12). Although the number of degrees awarded is not directly linked to a specific cohort group, this large number is an important indicator for an institution like Clayton State with a significant population of transfer students.

Part VIII: Audit Update

20) Discuss significant audit findings and materials weaknesses as noted by internal and external auditors. What plans are underway to address and correct these findings? Be specific.

A. State Audit Report:

Clayton State University's FY 2012 Agreed Upon Procedures/State audit was clean and resulted in no findings. **The University has not received its audit for 2013 at the time of this writing. This will be supplemented when the institution receives the report.**

B. CSU Internal Audit Department:

The University's internal auditor conducted audits as well over the course of FY 2013. Below is a list of the items. Each area has been or is being addressed as outlined below.

1. IT Disaster Recovery Plan Audit

- Lack of testing and results

OITS and the LakerCard office does not conduct **scheduled** annual testing of the DRP.

Response and Plans:

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During August of 2012, a complete power outage occurred for the main campus. This was a major and serious outage that was far more stringent and stressful to Clayton State's mission critical systems than a simulated outage. All of Clayton State's mission-critical systems continued to function, and OITS submitted monitor logs on CSU's systems during the August failure. Because of the severity of the August 2012 failure, management did not see a need for another DRP test during FY13.

OITS has established a formal, annual DRP testing schedule for late July/early August prior to the start of the Fall semester.

- Insecure server location

Response and Plans:

The server for Spivey Hall is located in the box office, under a desk, secured with a mechanical lock.

Spivey Servers are being taken offline as they are switching to the cloud-based ChoiceCRM ticketing system.

2. Reserves Fund Balances Audit

- Deficit Spending

Athletics fund ended the year with a net loss of (\$431,498) including end of the year encumbrances. With a combined beginning of the year net asset balance of \$307,537 and a transfer from the bookstore of \$90,000; to offset renovation expenses the net asset end of the year balance was (\$33,960).

Technology fund ended the year with a net loss of (\$88,679). With a combined beginning of the year net asset balance of \$62,400 the net asset end of the year balance was (\$26,289).

Response and Plans:

At the annual Year-End Training Workshop held in Macon we were informed by State Audit that we need to split all summer fee revenue including student fees. Since Clayton State already split tuition from summer revenue and not student fees we were required to adjust our procedures in order to comply. The university management was well aware that the fee holders would experience financial challenges for one fiscal year due to this change. This change would require utilizing reserves for several of our auxiliary holders. Changes in fee budgeting occurred too late in the year to change spending that one time.

Absent the split fund balances Technology fee managers would not have been in deficit mode. And for the others-significant planning for the expenditure of the funds had occurred

- Separation of Duties
Sampled budget amendments did not have signed authorization.

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The amendments without signed authorization were authorized, executed, and stored by the same person.

Response and Plans:

Clayton State University budget managers do not “own” personal services dollars and therefore the budget office does not require authorization to move salary and benefit savings budget out of a department. Another example of approval from each budget manager not being needed is if the University’s budget is cut and all offices OS&E are cut by 10% obtaining authorization from the budget managers is unnecessary. The Budget department has changed its procedures to notify the budget managers via email that their budget was amended in these instances. They are notified of the amount and reason for the amendment.

- Lack of Backup Documentation for Overrides

No backup documentation was maintained for Budget Overrides. The budget override process could be initiated by phone or email but approval was not documented.

Response and Plans:

There are several different types of budget overrides, many of which are tied to the business process. The Budget department is responsible for reviewing overrides as to their validity and to work with the budget managers to determine why the override was necessary and to move budget dollars as needed. Budget overrides are done on an as needed basis in order to complete an accounts payable/check cycle. When it comes to a revenue account needing an override, it is an automatic decision to make the override in order to post additional revenue. After the budget override is processed, the budget manager is contacted via email and notified of the situation. The budget manager is then required to sign a notification letter certifying that they were made aware of the situation. The budget manager is then required to submit a budget amendment to rectify the situation within 3 business days.

Part IX: Affordability

21) Discuss implemented affordability measures at your institution.

In August this year we launched Dream Makers: A scholarship initiative for Clayton State University to attack the ongoing challenge our students face with increasing educational costs and the need to “make ends meet.” *Dream Makers* is a multi-faceted approach to helping those students who are either high achievers, are close to completing their degree, or both. Dollars raised during FY14 will be awarded during FY15. Our goal is to raise \$100,000 to be spent in FY15 for these scholarships and an additional \$100,000 for endowment for the same purposes.

The University uses a fee committee to study the feasibility of waiving mandatory fees for certain categories of students. After doing extensive research, projections, assessing impacts on fee holders and developing business plans the university adopted mandatory fee waivers for students taking 6 hours or less and 3 hours or less or those who are enrolled at our Fayette location. The university also adopted a fee waiver program for dual enrolled students with an option to pay fees if they wish to have access to certain services such as the Student Activity Center’s workout facilities).

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Students that live in certain zip codes within our geographic area are allowed to request an exemption from our freshmen residence hall. This enables those students that live in Clayton county to live at home and save money.

The bookstore provides several options for students to lessen costs including renting new and used books and purchasing e-Books.

Clayton State currently offers around 20% of its courses as fully online, hybrid, or partially on-line. This move has provided efficiencies in demand from the physical plant as well as allowing greater scheduling flexibility for our students and faculty. Also, we have been a member of the WebBSIT consortium, but in the past three years we have become an eCore Affiliate and thus have the efficiency of offering general education classes fully online for no instructional cost to Clayton State. (There is of course an opportunity loss as the majority of the tuition flows to eCore rather than Clayton State; however, we do not have to pay for any of the instructional costs for those same classes.)

To help our students develop job skills as well as support them financially, the university has taken a focused approach to employ more students on campus. The Student Assistant Funding Initiative allocated \$75,000 in 2011-2012; \$150,000 in 2012-2013; and has allocated \$150,000 for 2013-2014 to fund part-time student assistant positions on campus. For 2011-2012, a total of 39 students were employed and, for 2012-2013, a total of 48 students were hired for either for one or multiple semesters of employment. Students are given an opportunity to work in every division on campus and acquire real world experience. The university plans to devote more resources to this effort as funding permits.

As part of its QEP and CCG plans the university is engaged in creating a massive internship program that should allow our students to obtain real world experience, establish relationships with perspective future employers, and incentivize our students to complete college in 4 years thereby saving future semesters cost of attendance.

22) Does the Foundation provide scholarships for students? If so, provide number of students and amount awarded in FY2014.

In FY13, \$207,551 in scholarships was awarded to 130 students. To date, for FY14, 95 students have been awarded at total of \$147,816. These numbers are expected to grow as we award for spring semester.

NOTE: In addition to the FY 2015 Budget Narrative, please complete (as applicable) all four tabs included in the attached Excel file regarding the fiscal year 2015 operating budget request. The tabs are labeled (1) Data Sheet, (2) Reduction Actions, (3) New Funds and (4) Facility Needs.

FY 2015 Budget Hearing Data Sheet

Institution Name: Clayton State University

Enrollment Trends					
	Fall 2011	Fall 2012	Fall 2013	Fall 2014 (Projected)	Fall 2015 (Projected)
Headcount	6860	7140	7261	7300	7400
FTE	5730	5920	5994	6010	6065
% Change in FTE over prior Fall		3%	1%	0%	1%
State funding per Student FTE	\$ 3,952	\$ 3,639	\$ 3,654		
Undergraduate Headcount	6561	6808	6894	6930	7015
Graduate Headcount	299	332	367	370	385
<i>The sum of graduate and undergraduate headcount must agree to the total headcount reported on row 7.</i>					
				Carl Vision Projections	
				Fall 2014	Fall 2015
Headcount					
FTE					

Funding				
	FY 2011	FY 2012	FY 2013	Percent Change from 6/30/11 to 6/30/13
<i>Source: Budget Compliance Report</i>				
State Appropriations	\$ 22,647,700	\$ 21,540,947	\$ 21,899,158	-3%
Tuition Revenue	\$ 24,539,453	\$ 25,054,370	\$ 26,611,286	8%
Special Institutional Fee	\$ 2,548,800	\$ 4,040,162	\$ 4,085,165	60%
Sponsored Revenue	\$ 21,586,244	\$ 20,457,245	\$ 20,151,216	-7%
<i>Tuition Revenue Analysis (Fund 10500)</i>				
	FY 2011	FY 2012	FY 2013	Percent Change from 6/30/11 to 6/30/13
In-State Tuition Revenue	\$ 22,711,076	\$ 23,691,084	\$ 24,670,033	9%
Out of-State Tuition Revenue	\$ 1,828,377	\$ 1,363,286	\$ 1,941,253	6%
<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	\$ 23,310,955	\$ 23,529,885	\$ 24,673,157	6%
Graduate Tuition	\$ 1,228,498	\$ 1,524,485	\$ 1,938,129	58%
<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	\$ 637,655	\$ 643,694	\$ 514,502	
Percent of Tuition Carried Forward	2.60%	2.57%	1.93%	

Financial Trends				
	6/30/2011	6/30/2012	6/30/2013	Percent Change from 6/30/11 to 6/30/13
<i>Source: Audited Financial Statements</i>				
Cash and Equivalents	\$ 11,368,627	\$ 10,562,768	\$ 9,746,452	-14%
S-T Investments	\$ -	\$ -	\$ -	#DIV/0!
Receivables	\$ 2,284,179	\$ 2,051,217	\$ 2,407,707	5%
Current Liabilities	\$ 6,862,335	\$ 7,060,591	\$ 6,570,560	-4%
Lease Purchase Obligations (L-T)	\$ 75,587,514	\$ 77,141,883	\$ 76,845,088	2%
Net Assets - Unrestricted	\$ 9,408,010	\$ 6,435,426	\$ 6,880,114	-27%
Debt Burden Ratio	5.33%	6.93%	6.66%	25%
<i>Debt 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>				

Financial Trends - Auxiliary Operations				
	FY 2011	FY 2012	FY 2013	Percent Change from 6/30/11 to 6/30/13
Auxiliary Reserve Balance:				
Unrestricted	\$ 2,608,019	\$ 2,371,757	\$ 3,406,250	31%
Reserved for Encumbrances	\$ 1,100	\$ 500,616	\$ 354,463	32124%
R&R Reserve	\$ 1,085,939	\$ 1,642,457	\$ 1,599,882	47%
Total Auxiliary Reserve Balance	\$ 3,695,058	\$ 4,514,830	\$ 5,360,595	45%

Position Trends				
	Fall 2011	Fall 2012	Fall 2013	Percent Change from Fall 11 to Fall 13
Full-Time Faculty	243	247	255	5%
Full-Time Staff	355	375	382	8%
Total Full-Time Employees	598	622	637	7%
Part-Time Faculty	249	245	187	-25%
Part-Time Staff	136	140	147	8%
Total Part-Time Employees	385	385	334	-13%
Student Workers	327	323	370	13%

Fiscal Year 2015 Budget Hearing
Part IV - What Actions Would You Take if State Funding Declined in FY15?

INSTITUTION NAME: _____

FY 2015
Reduction Target \$ _____ *(5% of FY14 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 2015	FY 2016	FY 2017
1	Clayton State University experienced only a slight decline in credit hours and is not required to respond to this question.				
2					
3					
4					
5					
6					
7					
8					
9					
10					
Total			\$ -	\$ -	\$ -

Fiscal Year 2015 Budget Hearing
Part IV - How Would You Use New Money in FY15?
Priority Items

INSTITUTION NAME: Clayton State University

Only complete this form if your institution experienced enrollment growth in the 2012-2013 academic year.

	NARRATIVE (As In Part III of the Budget Narrative)	# of Positions (if applicable)	Requested Amount
1	Psychology - Lecturer: This position is needed due to enrollment growth. The B.S. degree in Psychology has the largest number of majors of any discipline within the College of Arts and Sciences. The number of declared Psychology majors in the Fall 2013 term is currently 524. The University emphasizes retention and graduation rate as indexes of success, and the Department of Psychology produces a large number of graduates annually – currently at the rate of almost 1/5 of all graduates in the College of Arts and Sciences. In FY 2013, Psychology produced 132 graduates (the next largest numbers of graduates were produced by Administrative Technology Management and Integrative Studies at 67 and 66 respectively); the entire College of Arts and Sciences produced 550. The Department of Psychology’s 3 year average graduation rate for FY11-13 is 124.	1	\$ 60,000.00
2	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 two advisor lines requested here are a minimum to achieve this full goal.	2	\$ 107,000.00
3	Associate Vice President for Marketing and Communications to allow us to increase awareness of Clayton State and effectively and strategically market our strengths to our target audiences.	1	\$ 150,000
4	Critical Thinking -- Lecturer: This position is needed to offset the excessive number of sections staffed by part-time faculty. This pattern is most evident in CRIT 1101 (Area B1), a class that nearly all CSU students must take. For instance, in fall 2013, 58% of the 2265 credit hours generated by CRIT 1101 were taught by PT faculty members. All of the full-time Philosophy faculty teach sections of CRIT 1101, but are also responsible for staffing the Area C, lower-division Philosophy courses, as well as the upper-division offerings.	1	\$ 58,500.00
5	Visual & Performing Arts (Communications) - Lecturer: The addition of this faculty position will allow the VPA Department to strengthen its support of the USG’s Strategic Imperative to commit to academic excellence and the University’s commitment to active learning and student success by increasing the proportion of core curriculum courses in Spoken Communication (particularly COMM 1110) taught by full-time faculty. (This will also support the University’s efforts to meet the SACS standard regarding proportion of full-time/part-time teaching in the Core Curriculum.) The VPA Department typically averages significantly above the recommended 40% threshold of part-time instruction in the core Communication courses. The addition of a faculty member whose teaching load will be 1/2 to 2/3 in the core will help the Department come closer to or meet the 40% limit for adjunct teaching.	1	\$ 67,000.00
6	English (Rhetoric and Composition) - Assistant Professor: This position will develop the writing programs for the English Department and for the entire campus. Clayton State University is actively expanding its offerings in dual enrollment through partnership in both Fayette County and Henry County. Dual enrollment is a major part of our university’s increased enrollment this academic year, and it is the ENGL 1101 and 1102 courses that are in highest demand. Indeed, at Fayette County/Peachtree City, in the core classes, 750 of the 2155 credit hours (over 1/3) are English Core courses. The remaining 2/3 of the credit hours are made of by 10 other programs, but a single program, English, generates 1/3 of the credit hours. We also generate 1/3 of the credit hours offered at the Henry County site.	1	\$ 67,000.00
7	Administrative Assistant for Department of Natural Sciences: The Department of Natural Sciences (NS) is seeking funding to support a full time administrative assistant. The individual in this new position will share the office management duties of the current administrative assistant. Some specific duties include but are not limited to managing waiting lists for laboratory courses, submitting work orders for facility and copier repairs, making copies for faculty and staff, assisting the department chair with overrides and setting up the schedule in Banner, assisting faculty with expense reports for reimbursement for travel and supplies, sorting mail and delivering to faculty and staff, maintaining inventory and stock of supplies located in Clayton Hall, Faculty Hall, Lab Annex and the Natural and Behavioral Sciences building (the 4 locations where NS faculty and staff have offices), filing, reception, purchasing, coordinating the management of our expenditures database for several different budgets (lab fee, department, 3-4 grant budgets) and maintaining organized and tidy office suites.	1	\$ 35,000.00
8	Administrative Assistant for Special Programs (Honors, International, Online) supporting offices in both Academic Affairs and Student Affairs. We do not have adequate administrative support for offices with minimal staffing: Dual-Enrollment, The Office of International Education, and the Honors Program have only one full-time staff member so there is no one to assist with adequately covering the office hours and assisting with the flow of information. The Office of Distance Learning has only 2 full-time staff. All of these programs are experiencing significant growth and the professional staff need assistance with clerical tasks so that they can focus on meeting the needs of their students.	1	\$ 40,000.00
9	Virtual Services Librarian - Library With the anticipated renovation of the library and restructuring of the staff, the library will play an instrumental role in the continual development of assessment for SACs accreditation. This position will increase the librarians’ ability to embed into instruction and provide interactive assistance. Additional functions for these positions include liaisoning, reference, and collection development. These positions are essential for public services to maintain the current services we offer.	1	\$ 56,000.00
10	Economic Development Coordinator (Release time for a full-time faculty member)There are a few areas right now that we work on to foster local economic development. Our SBDC is an obvious area. In process is a new Center for Business and International Negotiation. And faculty from the College of Business and elsewhere consult with local businesses. We are also developing two campus-wide initiatives that are indirectly related to economic development. The first is a campus-wide internship program, a program whose lofty goals are to ensure that every undergraduate student has an internship experience before graduation. The second is our SACS required new Quality Educational Plan (QEP) that is focused on community engagement as a means to enhanced engaged learning on campus. We do imagine funds required to make these programs work. The funds could come in the form of administrative help or in the form of adjunct or temporary faculty in order to release faculty from other obligations to allow them the work on these community engagement activities.		\$ 10,000.00
List in Order of Priority			
Total			\$ 590,500.00

Fiscal Year 2015 Budget Hearing
Part VI - Facility Needs
Priority Items

INSTITUTION NAME: Clayton State University

	NARRATIVE (As In Part IV of the Budget Narrative)	# of Spaces, Rooms, SQ FT (if applicable)	Proposed Funding Source (i.e. GO Bonds, Private, PPV, etc.)	Estimated Cost	When would facility be needed?
List in Order of Priority					
1	Science Building Furnishing and Equipment	62,400 gsf		\$ 2,900,000.00	
2	Library HVAC and Building System Upgrade	56,400 gsf		\$ 3,200,000.00	FY2015
3	Arts & Sciences HVAC system remediation and building system upgrade	38,908 gsf		\$ 4,921,050.00	FY2015-2016
4	Roof Replacement (NBS, A&S, Athletics Center)	112,000 sq.ft.		\$ 1,685,000.00	FY2015-2016
5	West Loop Utility Infrastructure - Planning	2,000 l.f.		\$ 2,300,000.00	FY2015
6	Rainwood site Parking	60,000 sq.ft.		\$ 275,000.00	FY2015
7	Pedestrian Path Infrastructure Expansion	1,300 l.f.		\$ 200,000.00	FY2015
8	Spivey Hall Utility Infrastructure Upgrade			\$ 2,300,000.00	FY2015
9	Classrooms and Campus IT Infrastructure Upgrade			\$ 4,500,000.00	FY2016
Total				\$ 22,281,050.00	\$ -