

LUNCH -AND- LEARN

CSU/DH Funding Timeline

November 2, 2020

CSUDH

Agenda

- I. State Budget Allocation
- II. Campus Budget Allocation
- III. Q&A



STATE BUDGET ALLOCATION



- **The State Allocation makes up 54% of the CSUDH budget**
 - The state allocation also has an impact on the campus enrollment, which affects the remaining 46% of the budget
- The budgeting process from the state to the campus is lengthy and starts almost a year in advance
- Once Dominguez Hills receives funding, it undergoes a separate process to distribute funding on campus



CSU Budget Planning



- **CSU Budget Planning**
 - Trustees adopt CSU budget request to be submitted to the Governor
 - Governor's Budget submitted to Legislature
 - Legislative Analyst's budget analysis released
 - Governor's May Revision
 - State Budget Adopted
 - CSU Budget Finalized
- During the first 3-4 months of the year, the Chancellor's Office conducts an analysis of prior year expenses, and begins to formulate a request to send to the Board of Trustees
 - At this time, the campuses communicate with the Chancellor's Office and advocate for funding for the following year



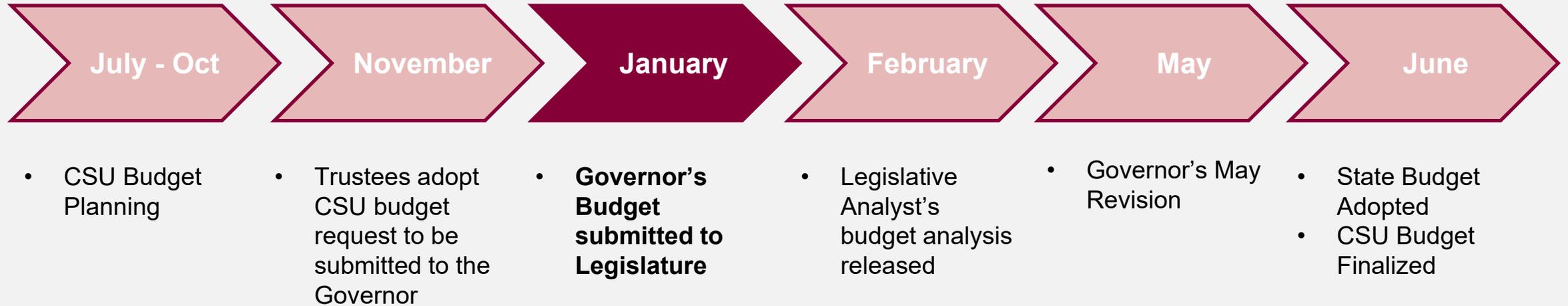
Board of Trustees Budget Request



- CSU Budget Planning
 - **Trustees adopt CSU budget request to be submitted to the Governor**
 - Governor's Budget submitted to Legislature
 - Legislative Analyst's budget analysis released
 - Governor's May Revision
 - State Budget Adopted
 - CSU Budget Finalized
- At the November meeting of the CSU Board of Trustees, the Trustees discuss the budget request for additional funding, and submit the final request to the Governor
 - The Board of Trustees request clearly outlines the reasons for the increased allocation (ex: Graduation Initiative 2025, compensation, enrollment increases, mandatory costs, deferred maintenance)



Preliminary Budget



- In January the Governor submits the preliminary budget to the CA State Legislature. It is often referred to as the “January Budget”.
- This budget is preliminary, and is subject to the priorities of legislators, but it signals where the Governor would like to invest state resources.



Legislative Analysis



- CSU Budget Planning
 - Trustees adopt CSU budget request to be submitted to the Governor
 - Governor's Budget submitted to Legislature
 - **Legislative Analyst's budget analysis released**
 - Governor's May Revision
 - State Budget Adopted
• CSU Budget Finalized
- In February, the Legislative Analyst's Office (LAO) releases its budget analysis of the January budget.
 - At this same time, the CA State Legislature is debating and amending the proposed budget. This is when the CSU would advocate to legislators to increase funding to the CSU. Lobbying efforts take place by the CO, faculty, students, and other representative groups.



May Revise



- CSU Budget Planning
 - Trustees adopt CSU budget request to be submitted to the Governor
 - Governor's Budget submitted to Legislature
 - Legislative Analyst's budget analysis released
 - **Governor's May Revision**
 - State Budget Adopted
 - CSU Budget Finalized
- Once the Governor receives feedback from the Legislature, (s)he submits the Governor's May Revision, or "May Revise"
 - The May Revise is **NOT** the final state budget, but it is close enough that we can begin planning with guesstimates for additional/reduced funding at the CSU and Campus level.



CSU Budget Finalized

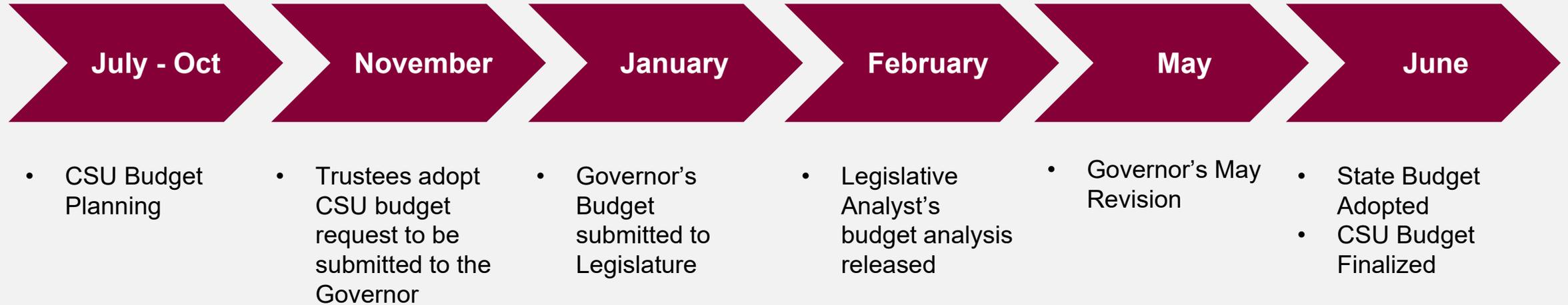


- CSU Budget Planning
- Trustees adopt CSU budget request to be submitted to the Governor
- Governor's Budget submitted to Legislature
- Legislative Analyst's budget analysis released
- Governor's May Revision
- **State Budget Adopted**
• **CSU Budget Finalized**

- The CA State Budget is adopted by June 15th, at which point the CSU can begin allocating funding to the campuses.
- The distribution methodology from the CO to the Campuses changes every year, and usually the final allocation is released in the first two weeks of July.



State Budget Cycle

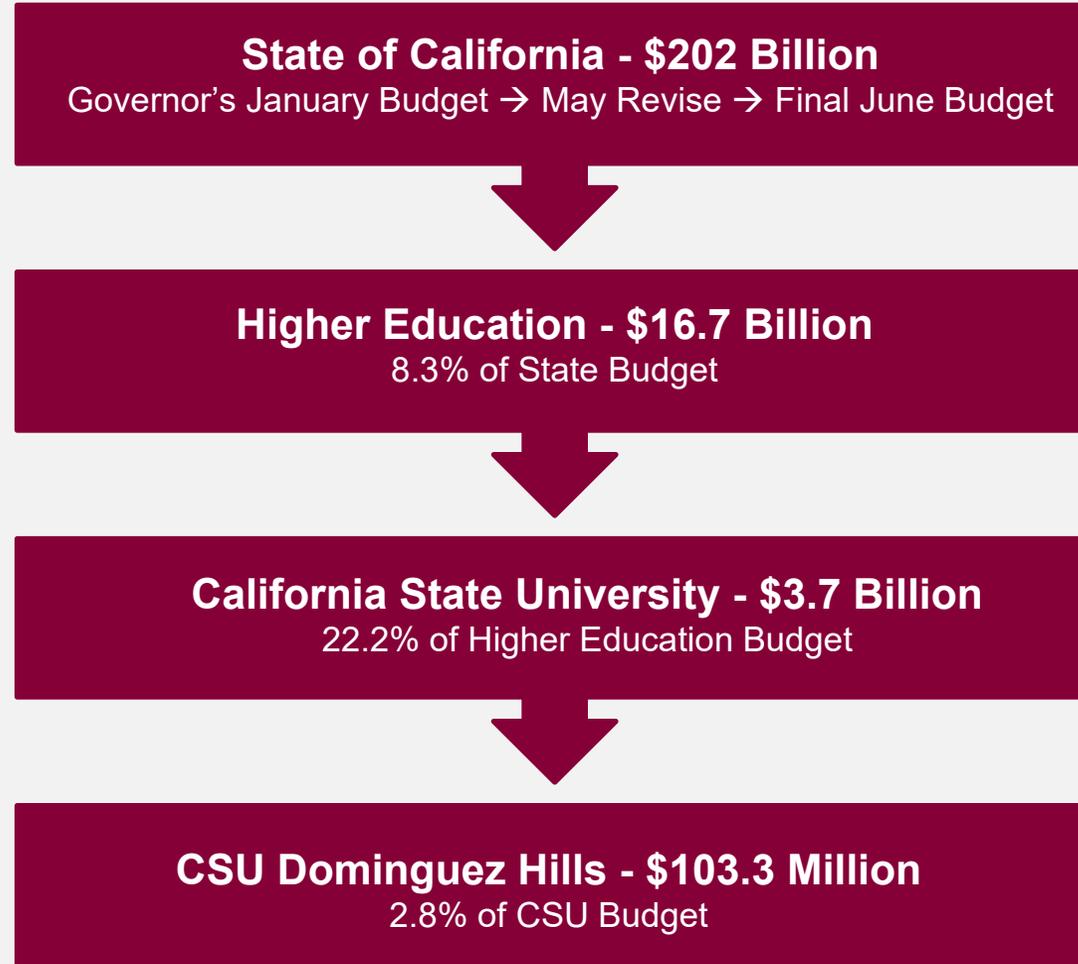


- The entire budgeting process takes about a year, but a guaranteed budget in June is a relatively recent development!
 - In 2010 a ballot measure passed that required legislators receive docked pay unless a balanced budget was passed by the June 15th deadline outlined in the California Constitution.
 - Prior to that ballot measure, it was typical to receive a state allocation in September, or sometimes even November of the funding year.



State Budget Allocation

2020-21 Amounts



State Budget Allocation

2011-12 Amounts

State of California - \$129 Billion
Governor's January Budget → May Revise → Final June Budget



Higher Education - \$11.1 Billion
8.6% of State Budget



California State University - \$2.2 Billion
23.3% of Higher Education Budget



CSU Dominguez Hills - \$59.8 Million
2.7% of CSU Budget

2020-21 Amounts

State of California - \$202 Billion
Governor's January Budget → May Revise → Final June Budget



Higher Education - \$16.7 Billion
8.3% of State Budget



California State University - \$3.7 Billion
22.2% of Higher Education Budget



CSU Dominguez Hills - \$103.3 Million
2.8% of CSU Budget



CAMPUS BUDGET ALLOCATION



Campus Budget Allocations

- **The Campus allocation process varies based on whether the allocation from the Chancellor's Office has a specified use**
- If an allocation is made for mandatory costs, a specific program, maintenance/repair, the University Budget Office will allocate the funding to the appropriate fund/department
- If an allocation is made for compensation, HR will develop a plan based on CSU guidelines, and Budget will distribute funding accordingly



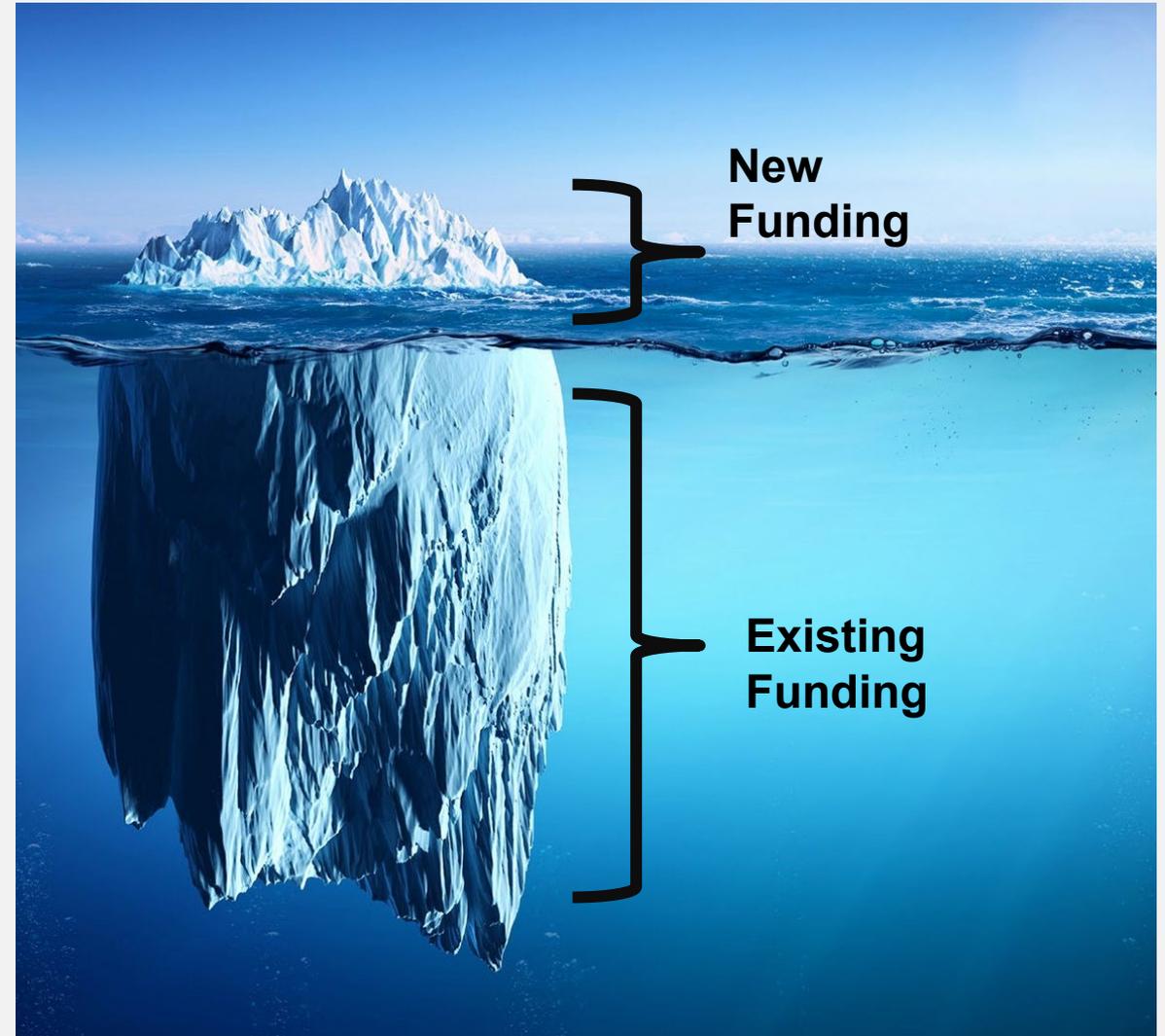
Campus Budget Allocations

- **If an allocation from the CO does not have a specific designation, the University Budget Committee (UBC) allocates additional funding to the campus**
 - 1) Divisions make requests to UBC
 - 2) UBC reviews requests, and sends a funding recommendation to the President
 - 3) The President approves the final budget allocations
 - 4) The Budget Office allocates funding to divisions
- UBC is an advisory committee, so the President may approve a different budget allocation as deemed necessary
- UBC is not reviewing any budget requests in 20/21 since there is no additional funding to distribute



Strategic Budgeting

- We focus on the change in funding from the prior year; however, it's important to remember the entire campus budget is allocated each year
- Strategic budgeting requires us to evaluate *all* services being provided on campus, and ensure the *entire* allocation is supporting the mission of the university



Q&A



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Student Fees

December 7, 2020

CSUDH