



**California State University**  
**DOMINGUEZ HILLS**

**TOWN HALL**  
**UNIVERSITY BUDGET FOR**  
**2014/15**

**Presenters**

**Robert Fenning, VP Administration and Finance**

**Stephen Mastro, AVP Administration and Finance**

**January 26, 2015**

**“More Effectively Linking Existing &  
New Resources with the Goals/Objectives  
of the  
2014-2020 University Strategic Plan”**

# AGENDA

January 26, 2015

2:00-4:00

Loker Student Union – Ballroom C

- **INTRODUCTIONS**
  - The President’s Charge
  - The Need For Collaboration To Respond Effectively To The Charge
  
- **REVIEW OF FINANCIAL INFORMATION**
  - FY2014/15 Budget (All Funds)
  - FY2014/15 Operating Fund Revenue Sources
  - FY2014/15 Projected Operating Fund Total Budget
  - FY 2014/15 Operating Fund Centrally Monitored Budget
  - FY2014/15 Operating Fund Budget Current Status (12/31/2014)
  - CSU Board Of Trustees Budget Request vs. Governor’s Proposed FY2015/16 Budget
  - Preliminary FY2015/16 Operating Fund Projected Budget
  
- **WHAT DOES THIS FINANCIAL INFORMATION TELL US?**
  
- **WHAT ARE WE DOING IN-LIGHT OF WHAT THE FINANICAL INFORMATION IS TELLING US?**
  
- **QUESTIONS AND ANSWERS**

## **The President's Charge**

(UBC & Cabinet)

- Implementing What The University Has Collectively Identified As Our Strategic Goals & Objectives as Contained In The 2014-2020 University Strategic Plan
- The Need To Coordinate/Link All Institutional Resources On Our Strategic Goals & Critical Needs
- Assure That New Student Success Fee Revenues Are Allocated To Appropriate Student Success Needs (Separately Budgeted & Reported)
- Allocate Initial Student Success Fee Revenues To Student Success Initiatives With Important, Immediate Impacts

## Review of Financial Information

### 2014/15 TOTAL UNIVERSITY BUDGET - ALL FUNDS

		<b>% of Total University Budget</b>
General Fund Appropriation	\$65,742,152	35.1%
Fee Revenue and Reimbursements	71,798,416	38.3%
Student Success Fee	\$464,000	0.2%
Lottery Education Fund - Campus-Based Program	973,000	0.5%
Investment Fund	200,000	0.1%
Continuing Education Revenue Fund	17,088,500	9.1%
Housing - Operation and Revenue Fund	4,201,696	2.2%
Parking Revenue Fund - Parking Fees	1,900,000	1.0%
Parking Revenue Fund - Fines and Forfeitures	305,240	0.2%
Stub Hub Center Fund	397,000	0.2%
Foundation	17,928,800	9.6%
Student Union	4,598,600	2.5%
Associated Students	1,698,026	0.9%
<b>Total University Budget</b>	<b>\$187,295,430</b>	<b>100.0%</b>
	<b>Operating Trust</b>	<b>74.20%</b>
	<b>Enterprise &amp; Auxiliaries</b>	<b>25.90%</b>

## Review of Financial Information

### 2014/15 PROJECTED OPERATING FUND REVENUE

		<b>% of Total Revenue Budget</b>
General Fund Appropriation	\$65,742,152	47.3% State Funding
Tuition Fee	67,141,578	48.3%
Non-Resident Tuition Fee	650,000	0.5%
Application Fee	700,000	0.5%
Student Health Services Fees	1,700,000	1.2%
Graduate Business Fee	10,000	0.0%
Miscellaneous Revenues	175,000	0.1%
College Work Study	594,035	0.4% Federal Funding
Enterprise Funds and Auxiliary Organization Cost Recovery	827,803	0.6%
Student Success Fee	464,000	0.3%
Lottery Education Fund - Campus Based Program	973,000	0.7% State Funding
<b>Total Projected Operating Fund Revenue</b>	<b>\$138,977,568</b>	<b>100.0%</b>

## Review of Financial Information

### 2014/15 PROJECTED OPERATING FUND EXPENDITURE BUDGET

<b>BASELINE BUDGET</b>	<b>2013/14 ENDING BASELINE BUDGET</b>	<b>2014/15 ADDITIONAL BASELINE BUDGET ALLOCATION</b>	<b>2014/15 TOTAL BASELINE BUDGET</b>	<b>2013/14 ONE TIME CARRY FORWARD FUNDS BROUGHT FORWARD</b>	<b>2014/15 TOTAL BASE AND ONE- TIME CARRY FORWARD BUDGET</b>	<b>% OF TOTAL BASE/CF BUDGET</b>
Academic Affairs	\$39,478,404	\$1,204,272	\$40,682,676	\$6,142,969	\$46,825,645	28.1%
Administration and Finance	10,291,141	525,870	10,817,011	2,171,447	\$12,988,458	7.8%
Enrollment Management and Student Affairs	8,109,431	284,204	8,393,635	1,366,497	\$9,760,132	5.9%
Information Technology	5,135,000	142,625	5,277,625	2,139,966	\$7,417,591	4.5%
President's Office	1,080,382	(7,312)	1,073,070	122,884	\$1,195,954	0.7%
University Advancement	1,760,729	271,000	2,031,729	1,493,189	\$3,524,918	2.1%
Centrally Monitored Funds	68,114,288	3,033,920	71,148,208	4,342,240	\$75,490,448	45.3%
Unallocated Reserves	-	(446,386)	(446,386)	3,944,245	\$3,497,859	2.1%
One-Time Reserves				5,842,295	\$5,842,295	3.5%
<b>Total Operating Baseline Budget Allocation</b>	<b>\$133,969,375</b>	<b>\$5,008,193</b>	<b>\$138,977,568</b>	<b>\$27,565,732</b>	<b>\$166,543,300</b>	<b>100.0%</b>

# Review of Financial Information

## FY 2014/15 OPERATING FUND CENTRALLY MONITORED BUDGET

MANDATORY		% of Total CM
Employee Benefits	\$29,516,073	41.5%
Utilities	\$3,134,190	4.4%
Risk Management Pool	\$2,349,451	3.3%
Property Insurance Premium Costs	\$203,432	0.3%
Risk Pool - Ergo	\$329,509	0.5%
Student Financial Aid	\$28,541,201	40.1%
Student Health Services	\$1,700,000	2.4%
Work Study	\$594,035	0.8%
Employee Salary Adjustment Per CBA	\$84,474	0.1%
Employee 3% Compensation Pool	\$2,610,673	3.7%
<b>Total Mandatory Costs:</b>	<b>\$69,063,038</b>	<b>97.1%</b>
<b>SERVICE COMMITMENT</b>		
CSU Financial Audit	\$25,500	0.0%
CSU Financial Records & State Budget Report	\$110,000	0.2%
Future Scholar	\$30,000	0.0%
Scholarship for MWD Intern	\$10,800	0.0%
Instructionally Related Activities	\$17,648	0.0%
Student Union Rental	\$90,000	0.1%
Academic Technology (ITS-BATS)	\$77,557	0.1%
Commencement	\$82,996	0.1%
University Events	\$40,000	0.1%
CCAA Membership Dues	\$41,393	0.1%
Student Success Initiatives	\$464,000	0.7%
<b>Total Service Commitment</b>	<b>\$989,894</b>	<b>1.4%</b>
<b>President's Salary Equity Pool</b>	<b>\$1,095,277</b>	<b>1.5%</b>
<b>TOTAL CENTRALLY MONITORED BUDGET</b>	<b>\$71,148,209</b>	<b>100.0%</b>



## Review of Financial Information

**DIVISIONAL BUDGET BALANCE AVAILABLE (BBA)  
AS OF DECEMBER 31, 2015**

Division/Central	Base Budget	Revised Budget	Expenditure	Encumbrance	Division Budget	% of Total
					Balance Available (BBA)	Division Budget Balance
Academic Affairs	\$40,682,676	\$47,352,907	\$23,154,648	\$954,681	\$23,243,578	49%
Administration & Finance	10,817,011	12,991,826	5,274,374	1,214,095	6,503,357	50%
Enrollment Management & Student Affairs	8,393,635	10,536,410	5,527,877	428,238	4,580,295	43%
Information Technology	4,570,038	7,342,004	3,036,883	1,122,984	3,182,137	43%
President's Office	1,073,070	1,310,949	579,591	36,243	695,115	53%
University Advancement	2,031,729	3,630,852	1,283,646	129,653	2,217,553	61%
<b>Total DIVISIONAL BBA</b>	<b>\$67,568,159</b>	<b>\$83,164,948</b>	<b>\$38,857,019</b>	<b>\$3,885,894</b>	<b>\$40,422,035</b>	<b>49%</b>

## Review of Financial Information

### CSUDH Operating Fund Projected 2015/16 Budget

#### CSU Board of Governors Budget Request: November 2014

23.1 Million	Mandatory cost increases for health & retirement benefits and new space
65.5 Million	2 percent compensation pool
38.0 Million	Student success and completion initiatives
103.2 Million	3 percent increase in funded enrollment
14.0 Million	Information technology infrastructure upgrades and renewal
0.2 Million	Center for California Studies
25.0 Million	Maintenance and infrastructure needs.
<b>269.0 Million</b>	

#### Governors Budget Proposal: January 2015

119.5 Million	General Fund Increase of 4% to "meet its most pressing needs"
25.0 Million	Innovation Awards to encourage 4 year completion of degree
<b>144.5 Million</b>	

# Review of Financial Information

## CSUDH Operating Fund Projected 2015/16 Budget

	<b>Baseline</b>	<b>Contingent Reserves</b>	<b>One-time</b>
<b><u>Carry Over Funds</u></b>			
Operating Reserve (Central) Carryforward	(671,000)	-	868,026
Student Success Fee <sup>1</sup>	2,005,000	-	-
Contingent Reserve 3% of Operating Budget Carryforward	-	2,945,507	-
<b>Total July 1, 2015</b>	<b>1,334,000</b>	<b>2,945,507</b>	<b>868,026</b>
<b><u>Funding Sources</u></b>			
Tuition Revenue with CSUDH FTES <sup>1</sup>	1,336,773	-	-
Other Fee Revenue Adjustment	850,000	-	-
2% Compensation Increase Allocation	1,792,662	-	-
Mandatory Cost Base Increase	1,889,800	-	-
Marginal Cost for Enrollment Growth	854,048	-	-
Cost Recovery (EO1000) & Additional Extended Ed Summer	200,000	-	-
Deferred Maintenance	-	-	(491,000)
<b>Total Funding Sources</b>	<b>6,923,283</b>	<b>-</b>	<b>(491,000)</b>
<b><u>Uses</u></b>			
Faculty Hires (New Faculty (10)/Enrollment Groth (12) Faculty in 15/16)	(1,498,000)	-	-
New Position Needs	(264,381)	-	-
Mandatory Cost - Health/Retirement	(2,105,330)	-	-
Cost Recovery (EO1000) Allocated to Divisions	(200,000)	-	-
Risk Management (Increase) Decrease	44,029	-	-
Various Central Costs	(12,070)	-	(527,260)
2% Compensation (GSI) Pool	(1,792,662)	-	-
Salary Equity Pool	(791,580)	-	-
Business Accreditation	(475,000)	-	-
President's Office Consultant	-	-	(80,000)
GF Expense Offset (Revenue/Fee Increases of \$25)	135,000	-	-
Divisional Additional Baseline Needs	(2,065,833)	-	-
Student Success Initiatives	(2,005,000)	-	-
<b>Total Uses</b>	<b>(11,030,827)</b>	<b>-</b>	<b>(607,260)</b>
<b>Surplus/(Deficit)</b>	<b>(2,773,544)</b>	<b>2,945,507</b>	<b>(230,234)</b>

<sup>1</sup> Fee Revenue Based on CO Approved Additional 199 FTES Plus Additional Campus FTES Growth (10,481 FTES)

## What Does This Financial Information Tell Us?

- **State Appropriations Are Only 35% Of The Campus Funding**
  - Enrollment Growth Is How We Achieve More State Funding.
  - Student Fee Revenue Supports Roughly 45% Of Campus Funding.
- **Currently The Campus is Relying Heavily On One-Time Carry Forward Funding**
  - Every Division Is Using One-Time Carry Forward To Fund Base Expenses.
  - As Carry Forward Is Reduced By Increased Efficiency It Must Be Replaced By Base Funding.
- **Enterprise, Auxiliary, And Foundation Resources Are Crucial To Achieving Campus Strategic Goals**
  - Partnerships Between Campus And Auxiliaries/Enterprise Will Provide Opportunity.
  - Effective Utilization Of Non-Operating Trust Resources Will Make A Positive Impact On The Achievement Of Strategic Goals.
  - Opportunity For Construction of Instructional Space, Housing, Wellness Center, And Dining.
  - Development Of New Revenue Sources.

## What Are We Doing In-Light Of What The Financial Information Is Telling Us?

- **Initiate An Operating Budget Alignment Process**
  - Establishing Base & One-Time Budgets At The Division, College & Department Levels Across The University
  - Improving Utilization Of Financial Reporting Tools At All Levels Of The University
- **Identify One-Time Resources To Address Resource Needs**
  - Identifying Operating And Non-Operating Trust Resources For Allocation
  - Creating One-Time Resources Through Policy Changes (e.g. Carry Forward, Lapsed Salary, etc.)
- **Link Strategic Plan Goals/Objectives To Current & New Resources**
  - Developing More Detailed Strategies For The Strategic Plan's Goals & Objectives (What, How, Who, & When)
  - Projecting Available Resources Over The 2014-2020 Time Period
  - Formulating & Maintaining A Multi-Year Strategy Linking How Annual Strategic Initiatives Are Tied To Projected New, One-Time, & Reallocated Resources

# QUESTIONS And ANSWERS

Presentation prepared by:

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