California State University, Los Angeles

DATE: February 3, 2010

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FROM: James M. Rosser, President

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SUBJECT: **2009/10 FINAL BUDGET GUIDELINES**

This memorandum provides further clarification for the 2009/10 University's Resource Allocation Process (RAP) and serves as the final budget guidelines.

The 2009/10 Final Budget signed by the Governor (Chancellor's Office memorandum B 09-02) reflects a General Fund appropriation adjustment for the California State University (CSU) of approximately <$571> million.

The impact to Cal State L.A. is a reduction of <$29.5> million. Enrollment reductions, reductions in service levels, furloughs, fee increases, and perhaps lay-offs will be part of the plan to address the reduction. The plan is to administratively close the University on the 1st and 3rd Friday of each month beginning August 1, 2009.

CSULA FUNDING ADJUSTMENTS

Cal State L.A. has been assigned a 2009/10 enrollment target of 17,809 FTES (17,000 resident and 809 non-residents). Given the general fund budget reductions for 2009/10 and the reductions projected for 2010/11, the target will be reduced over the next 2 years to 16,194 FTES (15,385 Resident FTES). This lower target will be reached based upon enrollment priorities established by the campus. The University will lower its assigned Resident FTES by 6% for 2009/10 or 1,020 Resident FTES. The remainder reduction will be achieved in 2010/11.

Per Chancellor's Office memorandum B 09-02, the final funding adjustments to Cal State L.A.'s 2009/10 General Fund base budget are as follows:

Base Budget Adjustments

<$ 61,170>	08/09 Retirement Adjustment
<$ 3,062,000>	08/09 Special Session GF Reduction
<$28,997,500>	09/10 July Revise GF Base Reduction

$ 9,127,300	State University Grant
<$ 366,700>	GF Adjustment for New Space Need
<$ 6,133,000>	One-Third SUG Set Aside
<$29,493,070>	

CSULA ALLOCATION PROCESS

The final **General Fund** net allocation is $103,587,079. Anticipated revenue and reimbursements bring the total General Fund gross expenditure budget to $197,068,456.

General Fund State Appropriation	$103,587,079
State University Fees	$80,000,000
Non-Resident Tuition Revenue	$5,807,200
Net Adjusted Other Revenue	$2,330,014
Estimated Resource Allocation	$191,724,293
Reimbursed Activities	5,344,163
Total Estimated Gross Budget	$197,068,456

Campus budget allocations are based upon predefined Chancellor's Office allocations and the campus strategic initiatives. Staff benefits and Faculty/Staff compensation increases have not been allocated to the Executive areas.

The following are the estimated 2009/10 Funding Allocations:

	Net Alloc	Benefit Alloc Est	General Fund Gross
Exec Office of the President	$5,375,077	$1,467,303	$6,842,380
Provost/VP for Acad Affairs	65,227,028	28,151,919	93,378,947
VP for Info Tech. Srvcs	7,674,877	2,352,376	10,027,253
VP for Student Affairs	40,598,071	3,493,302	44,091,373
VP for Admin and Finance	19,221,400	5,871,405	25,092,805
VP for Institutional Adv.	1,661,860	846,056	2,507,916
University Wide	9,258,386	525,233	9,783,619
Total	$149,016,699	$42,707,594	$191,724,293

The 2009/10 **Lottery** Revenue budget for Cal State L.A. is $2,158,000. This includes the following:

California Pre-Doctoral Scholarship	$42,000
California Pre-Doctoral Admin. Support	$5,000
Campus Based Programs	$2,111,000
Total	$2,158,000

STRATEGIC PLANNING/BUDGET GUIDELINES

The 2009/10 campus budget priorities are linked to the University Strategic Plan and the Governor's 2009/10 final budget and the enrollment target for the 2010/11 budget. While continuing to focus upon

the strongest future for our University, consideration must be given to the long-term and short-term impacts that result from base budget reductions. The following are campus guidelines for 2009/10:

- Student Recruitment/Enrollment Management: Enrollment management is a critical element in our strategy. Cal State L.A. has been assigned a 2009/10 target of 17,809 FTES (17,000 Resident FTES). Given the general fund budget reductions for 2009/10 and the reductions projected for 2010/11, the target will be reduced over the next 2 years to 16,194 FTES (15,385 Resident FTES). This lower target will be reached based upon enrollment priorities established by the campus. The University will lower its assigned Resident FTES by 6% for 2009/10 or 1,020 Resident FTES. The remainder reduction will be achieved in 2010/11. Given our commitment to quality instruction, we will strive to ensure that Cal State L.A.'s College Year Student Faculty Ratio (SFR) does not exceed 22:1. Undergraduate students may be limited to 16 units and graduate students limited to 12 units per quarter beginning Winter Quarter, with exceptions considered on a case-by-case basis. Intrusive advisement will be utilized to insure that students are graduated in accord with degree program requirements. Campus policies regarding remediation and academic progress will be strictly enforced.

- Human Resources: Efforts will continue to retain tenure-track and tenured faculty and full-time staff. Only critical, budgeted staff and administrative positions will be filled and will require Presidential approval. Furloughs will be implemented for all bargaining units that have agreed to them, all MPP and Confidential employees and the President. For bargaining units that have not agreed to furloughs, the University will be implementing the appropriate Memorandum of Understanding (MOU).

- Academic Support and Student Services: Maximum effort will be made to sustain quality levels of academic support and student services, with priority given to the Library and the Trustees' Graduation Initiative.

- Assessment of Student Learning: Support to facilitate the assessment of student learning outcomes will continue, especially in light of the upcoming WASC Educational Effectiveness Review.

- Quality Service: Quality service, inclusive of facilities maintenance and cleanliness, will continue to be a campus priority. The University will continue to strengthen its efforts to achieve operational efficiencies and cost savings across all Divisions, including collaboration with other CSU campuses.

- University Advancement: Funding will be directed toward strategies and materials to promote the University's ability to increase non-state funding, with an emphasis on unrestricted funds, student support and scholarships, private grants, and capital and equipment gifts.

- Instructional and Administrative Technology: Funds will continue to be provided for baseline support and for faculty use of academic and academically-related technologies that support and improve teaching, learning and advisement. No new campus-based initiatives will be undertaken. The CSU Accessible Technology Initiative will be deferred, if possible.

- Equipment and Furniture: Support for essential equipment and furniture will be continued.

- Travel and Professional Development: Support will be provided for the following purposes: a) Tenured and tenure-track faculty for research, scholarly and creative activities, and faculty development; and b) Administrative travel essential to University operations will require prior Presidential approval.

- Open University Funds: Open university funds may be used by colleges, through the college-level budget development process, to supplement operating expenses, tenured and tenure-track faculty travel for research, scholarly and creative activities, and faculty development. Academic Affairs is charged with the responsibility of maintaining allocation guidelines.

- College Work-Study: Contingent upon continued approval of Title III status, College Work-Study funds, which will increase during 2009/10, will be available without a matching requirement for participating units.

- Lottery Funds: Lottery funds will be allocated consistent with Trustees' policy and campus priorities. Discretionary Lottery funds will be restricted to critical University needs.

- Assigned Time: Assigned time will be restricted to critical University needs.

- Instructionally Related Activities: Instructionally related activities requests will be processed in accordance with Administrative Procedure Number 217.

- WASC Accreditation: The University will provide the on-going funding support necessary to ensure the success of the WASC reaccreditation process.

- Honors College: The University will continue to support the development of an Honors College. Costs will be kept to a critical minimum.

- Quarter to Semester Conversion: One-time funds will be set aside to evaluate the conversion from a quarter to semester academic schedule. The first phase will be to develop a conversion plan that will address such issues as curriculum, length of semesters, summer, timing of implementation and cost.

Major Capital Projects:

- Construction of Wing B of the Wallis Annenberg Integrated Sciences Complex is underway. This project is moving slower than expected due to the cash problems of the state.

- Construction of the Corporation Yard and Public Safety Building project started in Fall 2008 with the initial excavation of the Public Safety Building site. This project is moving along slower than expected due to the cash problems of the state.

- The campus is pursuing funding alternatives to match a $2.2 million grant from the California Air Resources Board to construct a hydrogen fueling facility to meet academic and service needs of the College of Engineering, Computer Science, and Technology.

- The campus is continuing to pursue the acquisition or redeployment of the State of California Diagnostic Center located at the corner of State University Drive and Campus Road.

- The campus is in escrow to acquire the Latter Day Saints building and parking structure located at 5181 Cavanaugh Road. A detailed review of the building and parking structure is underway.

- The campus is evaluating the acquisition of the apartment complex located at 5425 Dobbs Street for student housing.

- The campus is in the process of costing out a design for a faculty/staff housing project that would consist of a total of 18 to 22 units with a mix of two and three bedroom townhomes on the west side of Paseo Rancho Castilla near the Welcome Center.

Appropriate consultation, discussion and information sharing will continue as University commitments. As in prior years, the University Reserve will be used in a prudent manner to meet campus needs.