California State University, Los Angeles

DATE: January 3, 2011

TO: Kyle Button, Vice President for Institutional Advancement
Ashish Vaidya, Provost and Vice President for Academic Affairs
Lisa Chavez, Vice President for Administration and Chief Financial Officer
Peter Quan, Vice President for Information Technology Services and Chief Technology Officer
Anthony Ross, Vice President for Student Affairs

FROM: James M. Rosser, President

COPIES TO: N. Hunt, J. Nielsen

SUBJECT: **2010/11 FINAL BUDGET GUIDELINES**

This memorandum provides further clarification for the 2010/11 University's Resource Allocation Process (RAP) and serves as the final budget guidelines.

The 2010/11 Final Budget signed by the Governor (Chancellor's Office memorandum B 10-04) reflects a General Fund appropriation adjustment for the California State University (CSU) of approximately $366.1 million. The CSU 2010/11 Budget Act GF appropriation includes $199 million for budget restoration and $60.6 million to fund 2.5 percent enrollment growth equivalent to 8,290 full-time equivalent students (FTES). The state shifted $106 million of costs to the federal American Recovery and Reinvestment Act State Fiscal Stabilization Fund on a one-time basis. The impact to Cal State L.A. is an increase of $14.6 million.

CSULA FUNDING ADJUSTMENTS

Cal State L.A. has been assigned a 2010/11 target of 16,131 resident FTES.

Per Chancellor's Office memorandum B 10-04, the final funding adjustments to Cal State L.A.'s 2010-11 General Fund base budget are as follows:

Base Budget Adjustments

$	344,400	Retirement Adjustment
$	532,800	CO Change in $571M distribution
$	5,976,710	Operating Support Restoration
$	408,000	Health Benefits
$	405,000	Energy
$	1,190,000	New Space

$ 2,576,600	State University Grant
<$ 2,257,000>	Financial Aid Adjustment
$ 5,449,500	Enrollment Funding
$ 14,626,010	

CSULA ALLOCATION PROCESS

The final **General Fund** net allocation is $118,213,089. Anticipated revenue and reimbursements bring the total General Fund gross expenditure budget to $213,959,535.

General Fund State Appropriation	$118,213,089
State University Fees	82,265,069
Non-Resident Tuition Revenue	5,807,200
Net Adjusted Other Revenue	2,330,014
Estimated Resource Allocation	$208,615,372
Reimbursed Activities	5,344,163
Total Estimated Gross Budget	$213,959,535

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 2010/11 Funding Allocations:

	Net Alloc	Benefit Alloc Est	General Fund Gross
Exec Office of the President	$5,831,061	$1,279,127	$7,110,188
Provost/VP for Acad Affairs	74,628,346	30,086,294	104,714,640
VP for Info Tech. Srvcs	9,107,020	2,235,295	11,342,315
VP for Student Affairs	44,238,504	3,460,090	47,698,594
VP for Admin and Finance	21,415,048	5,205,818	26,620,866
VP for Institutional Adv.	1,889,823	756,321	2,646,144
University Wide	7,988,576	494,049	8,482,625
Total	$165,098,378	$43,516,994	$208,615,372

The 2010/11 **Lottery** Revenue budget for Cal State L.A. is $2,146,000. This includes the following:

California Pre-Doctoral Scholarship	$30,000
California Pre-Doctoral Admin. Support	$5,000
Campus Based Programs	2,111,000
Total	$2,146,000

STRATEGIC PLANNING/BUDGET GUIDELINES

The 2010/11 campus budget priorities are linked to the University Strategic Plan and the Governor's 2010/11 final budget. Consideration will continue to be given to the long-term and short-term campus impacts resulting from base budget reductions, while continuing to position the University for the future. The following are campus guidelines for 2010/11:

- Student Recruitment/Enrollment Management: Enrollment management is a critical element in our strategy. Cal State L.A. has been assigned a 2010/11 target of 16,131 Resident FTES by the Chancellor's Office. The enrollment target decisions will be reached based upon the enrollment priorities established by the campus. Due to severe budget cuts, Cal State L.A.'s College Year Student Faculty Ratio (SFR) may exceed 22:1. Additionally, allocation of assigned time will be limited. 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. Campus policies regarding admission, remediation, and academic progress will be strictly enforced.

- Graduation Initiative: Timely degree completion for our students will continue to be a campus priority. We will continue to carefully manage full-time-equivalent enrollment while assuring as much as possible access to the courses that students need to graduate.

- Library: Consideration will be given to addressing the funding needs of the Library, within the Division of Academic Affairs, and on an all University basis.

- Human Resources: Efforts will continue to try 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.

- Assessment of Student Learning: The assessment of student learning outcomes will continue.

- 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: Diminished funding will result in decreased staff coverage, service reductions, and delays in completion of current initiatives. Baseline equipment refreshes will be adjusted to meet the reduced funding levels. Under-utilized computer labs will be closed.

- Equipment and Furniture: Support for essential equipment and furniture, inclusive of classrooms, laboratories, and the Library will continue.

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

- Open University Funds: Open University Funds are reimbursements to the campus for support services provided by administrative and academic departments to Extended Education. Open University Funds revenue allocated to academic departments may be used by colleges through the college-level budget development process to supplement operating expenses, for 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 II status, College Work-Study funds 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.

- 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 accreditation 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: The Semester Conversion Task Force submitted a report on the feasibility of semester conversion. It is expected that a decision will be made by the end of January 2011.

Major Capital Projects:

- Construction of Wing B of the Wallis Annenberg Integrated Sciences Complex is underway. Anticipated completion is March 2011.

- Construction of the Corporation Yard and Public Safety Building project was started in fall 2008. The Public Safety Building has been completed. The Corporation yard project is expected to be completed by July 2011.

- Planning for the construction of a hydrogen fueling facility on Circle Drive is underway. The campus received a $2.7 million grant from the California Air Resources Board. The project is designed to meet academic and service needs of the College of Engineering, Computer Science, and Technology.

- Housing Services acquired the apartment complex located at 5425 Dobbs Street for student housing. Plans for renovation of the complex are underway.

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.