California State University, Los Angeles

DATE: December 19, 2012

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: K. Baaske, H. Escobar

SUBJECT: **2012/13 FINAL BUDGET GUIDELINES**

This memorandum provides further clarification for the 2012/13 University Resource Allocation Plan (RAP) and serves as the final budget guidelines.

With the passage of Proposition 30 during the November 6, 2012 general election, the CSU final budget allocation (Chancellor's Office memorandum B 2012-03) avoids a $250 million trigger cut and incorporates the rollback of the 9.1% tuition rate adjustment. For CSULA, the restoration of the $250 million trigger cut equates to about $11.8 million, while the 9.1% fee rollback and unfunded mandatory cost increases is approximately $11.4 million. The campus budget will essentially remain flat for this fiscal year. In addition, our 2012-13 enrollment target remains 16,350 resident FTES.

CSULA FUNDING ADJUSTMENTS

Per Chancellor's Office memorandum B 2012-03, the final funding adjustments to Cal State L.A.'s 2012-13 General Fund base budget are as follows:

Base Budget Adjustment

<$4,761,100>	Prorata share of $100M Reduction
<$ 584,590>	2011/12 Retirement Adjustment
<$ 724,600>	Tuition Fee Discount (SUG)
<$ 108,800>	Campus Operating Interest Assessment
<$6,179,090>	

CSULA ALLOCATION PROCESS

The final **General Fund** net allocation is $90,695,039. Anticipated revenue and reimbursements bring the total General Fund gross expenditure budget to **$208,347,213.**

General Fund State Appropriation	$90,695,039
Tuition Fee Revenue	111,580,408
Non-Resident Tuition Revenue	4,621,000
Other Fee Revenue & Reimbursements	1,450,766
Total Estimated Gross Budget	**$208,347,213**

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

The following are the estimated 2012/13 Funding Allocations:

	Net Alloc	Benefit Alloc Est	General Fund Gross
Exec Office of the President	$5,490,314	$1,363,000	$6,853,314
Provost/VP for Acad Affairs	68,712,968	29,821,290	98,534,258
VP for Info Tech. Srvcs	8,255,014	2,618,622	10,873,636
VP for Student Affairs	51,300,840	3,287,316	54,588,156
VP for Admin and Finance	21,484,775	5,605,347	27,090,122
VP for Institutional Adv.	1,716,378	745,663	2,462,041
University Wide	7,449,822	495,864	7,945,686
Total	**164,410,111**	**$43,937,102**	**$208,347,213**

The 2012/13 **Lottery** Revenue budget for Cal State L.A. is $1,844,000. This includes the following:

California Pre-Doctoral Scholarship	$33,000
California Pre-Doctoral Admin. Support	$5,000
Campus Based Programs	1,806,000
Total	**$1,844,000**

The 2012/13 **Student Success Fee** expenditure budget is $4,349,051 which is allocated as follows:

Advising and Retention	$1,902,710
Student Development & Career Services	$1,359,078
Vital Technologies	$1,087,263
Total	**$4,349,051**

STRATEGIC PLANNING/BUDGET GUIDELINES

The 2012/13 campus budget priorities are linked to the University Strategic Plan and the proposed Governor's 2012/13 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 2012/13:

- Student Success: Emphasis will be placed on promoting the Graduation Initiative and the five themes centered around: Comprehensive and Integrated Advisement, Enhancing Academic and Social Support, Student Learning Achievement and Its Assessment, Enhancing Campus-Student Communication, and Effectiveness in academic program design and development. Student Success Fee (SSF) revenue will be allocated through the Resource Allocation Advisory Committee process. Administrative Procedure 205 outlines the policy and guidelines for the allocation and reporting of SSF funds.

- Student Recruitment/Enrollment Management: Enrollment management will be a critical element in our strategy. Cal State L.A. has been assigned a 2012/13 college year target of 16,350 Resident FTES by the Chancellor's Office. Enrollment target decisions will be reached based upon the enrollment management priorities established by the campus. Given our commitment to quality instruction, every attempt will be made to maintain a Student Faculty Ratio (SFR) that is appropriate given our funding level. Undergraduate students may be limited to 16 units and graduate students limited to 12 units per quarter with exceptions considered on a case-by-case basis. Campus policies regarding admission, remediation, and academic progress will be enforced.

- Assigned Time: Assigned time will be allocated on an exceptions basis only.

- Summer Session: The University will maintain a state-supported summer session.

- Human Resources: Vacant faculty, staff and administrative positions will be filled on a case-by-case basis.

- 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.

- 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.

- 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 planning gifts and endowments, unrestricted funds, student support and scholarships, private grants, and capital and equipment gifts.

- Instructional and Administrative Technology: Every attempt will be made to meet adequately student, faculty, and administrative needs. Baseline equipment refreshes will be adjusted to meet reduced funding levels.

- Open University Funds: Open University funds are reimbursements to the campus for support services provided by administrative and academic departments to the College of Extended Studies and International Programs. Open University funds are allocated to academic departments through the College Resource Allocation Advisory Committee process to supplement operating expenses.

- College Work-Study: Contingent upon continued approval of Title III 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.

Major Capital Projects:

- University Auxiliary Services, Inc. acquired the Latter Day Saints Building adjacent to the campus. Renovations to the 8,000 square foot facility will be completed by winter 2013. The facility will house the Television, Film, and Media Studies programs.

- The Los Angeles County High School for the Arts (LACHSA) has broken ground for a 45,000 square foot joint use facility. The facility will be completed by the end January 2013 and will be fully occupied by March 2013.

- Phase II Student Housing has been approved for a 4,900 square foot multipurpose addition. In addition to providing dining space for 150, the space will also be used for other gatherings and functions and can seat up to a maximum capacity of 285 per meeting.

- The University-Student Union is moving forward with the final phase of the original project. This project includes re-vitalization of the Union Plaza, which will include

a canopy at the exterior stage, an exterior space to accommodate flexible configurations of 300 seats, additional green space, and increased storage.

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.