

November 3, 2014

To: Campus Unit Heads

RE: Operating Budget Resource Planning: 2015-16 Fiscal Year

Dear Colleagues,

This correspondence opens the Fiscal Year 2016 (FY16) budget discussions and becomes the starting point for developing the 2015-16 budget. Under the President's Planning and Policy Council, we remain committed to strengthening the link between the budget development process and strategic planning as well as reinforcing transparency and accountability. The process outlined below intends to advance this commitment.

### **Budget Process Overview**

The context for the FY 2016 operating budget is primarily set by three factors: the submission of the 2015-16 Support Budget by the CSU Chancellor's Office (CO) as approved by the Board of Trustees, the actions to be taken by the State Legislature and the Governor, and the strategy and planning for the campus. The following information provides a context for the development of the FY16 budget.

Last year during the FY15 budget conversations, divisions produced materials to inform discussions based on strategic goals and the resources necessary to meet those goals. We will continue to build on this process and units will be asked to respond to several questions about growth needs, space requirements and new initiatives. These submissions, as well as forms described later, are **due to Budget and Planning by February 9, 2015.**

In early December, the Strategic Resource Planning Task Force (or similar body) will meet with Cabinet to discuss CI's Strategic Plan alignment with campus and divisional plans. Budget conversations will take place during the month of February 2015. In addition, the Task Force (or similar body) will convene in early spring to receive presentations on divisional base budget requests and provide input on strategic initiative investment for the campus. At the same time, divisions will also provide updates on prior year investments allocations.

### **Guidelines**

In developing the FY16 budget, the President has provided the following parameters:

- Align budget resource allocations with strategic planning for the short- and long-term including careful planning to support a sustainable operating environment.
- Introduce additional accountability into the resource allocation process.
- Engage in new student FTE enrollment growth.
- Support budget environments decentralized by division.
- Aim for transparency.
- Improve accountability.

The goal of the budget resource planning process is to create a balanced and sustainable on-going budget. This will involve actions that reflect strategic investments to achieve the goals of the campus strategic plan. Any reallocation of resources within units should also support these guidelines.

Enrollments: The Chancellor's Office adjusted funded regular enrollments for the current fiscal year to 5,000 FTES. The CSU system is in the process of beginning to evaluate its budget model that in the past has been the basis of campus enrollment allocations each year. That work will continue through mid-spring. For now and for planning purposes, we will develop models that include planning assumptions of eight percent growth as well as a more conservative pending actions of the Board of Trustees.

### **Initiating the FY16 Process**

The annual budget process continues to evolve and improve. Information about the initial components of the process is provided below:

- › As we experienced last year, meetings with the Strategic Resource Planning Task Force (SRPTF) provided an excellent opportunity for us to share information about divisional resource plans and receive feedback. In addition, the goal for this next planning cycle will also be to receive input from the SRPTF (or similar body) on the investments we make to advance CI's strategic goals. The Task Force will hold its first meeting in early December and notes from that meeting will be posted on the current SRPTF website.
- › The planning schedule for the FY16 planning is included as Attachment 1. As noted, budget submissions are due to Budget & Planning office by February 9, 2015. Submissions should focus on alignment with strategic goals.
- › To support CI's commitment to transparency and accountability, budget requests again include a set of questions for response by all areas. These supplemental questions are intended further to inform budget requests at the divisional and unit levels. Key program indicators are included to help inform the campus about efforts at various levels to reach strategic goals.

Finally, information on the submission tools (Excel workbook sheets) is included as well as a reference listing of reporting units/departments.

**Please email materials to Jay Chapman at [janson.chapman@cusci.edu](mailto:janson.chapman@cusci.edu). Questions about the preparation of schedules may be directed to Missy Jarnagin at [missy.jarnagin@csuci.edu](mailto:missy.jarnagin@csuci.edu).**

Please let us know if you have any questions or concerns. We will continue to communicate with units as additional information unfolds on the state budget and as FY 2016 budget information is available.

Sincerely,

Gayle Hutchinson, Provost & VP for Academic Affairs  
Ysabel Trinidad, VP for Business & Financial Affairs

cc: President Rush

## **Attachments**

- 1 - Budget Development Planning Schedule 2015-16
- 2 - Supplemental Questions and Key Program Indicators
- 3 - Divisional Reporting Units/Departments Listing
- 4 - Funding Requests Workbook (excel sheet)

## **Non-State Support Operating Budgets**

**Auxiliary Organizations/Public Entities** – Separate legal entities that are not for profit organizations. Auxiliaries perform essential functions associated with California State University Channel Islands, which are not support by state funding (general fund appropriations). See attachment 3 for a listing of Channel Islands 3 Auxiliary organizations and 2 public entities. **These organizations should all follow the timelines included in this memo.** Budgets should be submitted to Channel Islands Budget & Planning (B&P) by February 9, 2015, and include FY16 budget actions as part of the appropriate Board agendas for review and recommendation no later than April 2015. After budgets have been reviewed and recommended by each entity's Board of Directors and B&P, budgets will be forwarded to the VP for Business & Financial Affairs and the President for final approval.

**Designated Operating Funds** – Also known as Category 2 Mandatory Student Fees. The Student Fee Advisory Committee ([www.csuci.edu/sfc/sfacc.htm](http://www.csuci.edu/sfc/sfacc.htm)) oversees all student fees. Each fee has an advisory committee which reviews individual requests; each advisory committee should prepare a detailed recommendation based upon the estimated headcount for FY16. This headcount is posted to the Budget & Planning website. Budgets should be submitted to B&P by February 9, 2015. Once reviewed, budgets will be forwarded by B&P to the VP for Business & Financial Affairs and to the President for final approval.

**Auxiliary Enterprise Funds** – Are self-support units but not separate legal entities. These entities generate revenue by various means such as through the collection of tuition for Extended University course, the collection of parking fees from Faculty, Staff and Students and finally housing fees for students who reside in campus managed student housing. If bond debt has been issued to support facilities, each of these entities must ensure that bond debt is covered first, then operations with funding set aside for reserves. Funds cannot be transferred from state appropriations to cover the expenses for these units. Therefore, these enterprises must ensure that enough revenue is collected to cover estimated expenses. Additionally, if bond debt has been issued, budgets should closely align with financial proformas prepared at the time debt was issued. If substantial variances exist, they must be reviewed and explained in detail to ensure that the campus will comply with the Debt Service Coverage Ratio requirements mandated by the Chancellor's Office. As with other non-operating funds, budgets should be submitted to B&P by February 9, 2015. Once reviewed individual budgets will be forwarded by B&P and the VP for Business & Financial Affairs to the President for final approval.

Attachment 1  
**CI Budget Development Planning Schedule**  
**2015-16**

**2014**

- October Student Fee Advisory Committee begin meetings for FY16 budget preparation;  
Cost Allocation plan discussions begin
- Nov 3 Launch of FY16 planning and current year budget updates  
FY16 Budget Instructions released
- October 22 -  
Nov 3 Divisions begin to prepare FY16 budget requests based on goals and objectives  
from unit strategic planning and linked to the University's strategic plan goals.
- November 12/13 CSU Support Budget presented to Board of Trustees for approval
- December (early) Strategic Resource Planning Task Force (or similar body) meeting with  
divisional areas to discuss CI's Strategic Plan alignment with campus and  
divisional plans

**2015**

- January 9 Governor submits budget to Legislature
- February 9 First round of FY16 **divisional** budgets due to Budget & Planning; B&P begin  
review of FY16 budget submissions;  
Divisions to coordinate with appropriate units for submission to B&P
- Late February –  
March Cabinet budget discussions; Strategic Resource Planning Task Force (or similar  
body) convenes, provides input on strategic initiative investments and receive  
presentations on divisional base budget requests
- April Divisions finalize plans for their respective division and share final plans with  
SRPTF (or similar body) based on feedback
- May Final Budget FY16 recommendations to President  
Hyperion B&P open for input for all units for FY16 budget  
CO budget allocation released
- May 14 Governor's May Revise
- May 22 Hyperion closes for further input for all units
- June President approves FY15 final budget

## Attachment 2

### **Supplemental Questions**

1. Strategic Planning and Reporting. Please provide an overview of your current strategic plan (1-2 pages per **direct reporting unit/department**), as appropriate, along with progress toward goals. A listing of divisional units/departments is attached to identify these units in Attachment 3.
2. Please provide a description of new growth funds requested in the attached Funding Request Workbook (Attachment 4). Include a summary of any operational risks that the CI must work to mitigate over time. Note that new funding for strategic investment is limited, so your summary should provide a clear sense of how your unit intends to minimize risk, maximize service, and if necessary, repurpose existing funds to do so.
3. Considering your strategic plans (particularly if they assume growth) please provide a short summary (1-2 pages at most per direct reporting unit/department) that relates these plans to your current space assignment. You may wish to consider the following questions in your response:
  - a. Does your current space inventory meet current programmatic requirements? Or, does the type or quality of the space place any constraints on your ability to meet program requirements? If not, please provide specific quality or space type concerns (location, specific quality concern, etc.).
  - b. Will your unit be able to accommodate your growth plans within existing inventory of space? If additional space will be necessary, please describe the amount, type, or quality of additional space you may need to meet programmatic objectives and growth plans.
4. Your Funding Request Workbook (question 2 above) may have identified growth plans and, if so, as part of question 1 your unit should have included a description of the funds necessary, to support such growth. For this section, please provide specific requests for new initiatives in support of CI's Strategic Plan. Please provide a one-page summary to describe the request, identify how much funding is requested by an initiative, whether temporary or permanent funds are requested, and how the funds would be spent (new positions, systems, etc.).

## Key Program Indicators

To assess progress toward strategic goals at the divisional or unit level, key program indicators will be used to inform the campus community of our progress. Key program indicators may vary by division and unit, but all should align with our strategic goals. In academic program areas, the Office of Institutional Effectiveness will provide the following data:

Reported FTES	
	01 Undergrad - Lower Div.
	02 Undergrad - Upper Div.
	03 PostBac/Graduate
	Total
Degrees Awarded	
	1 Bachelor's
	2 Master's
Total Enrollments (HC)	
	1 Full-time
	2 Part-time

“Non-Academic and Administrative Areas” – Please provide key program indicators by unit/department. The program indicators should inform the campus what tools and methods are used by a unit/department to assess progress toward goals.

**Attachment 3**  
**Operating Fund Budget**  
**Divisional Reporting Units/Departments**

<u>UNIT</u>	<u>DISTRIBUTION</u>
• Office of the President	Rush/Evans-Taylor/Remotti
• Academic Affairs	
Provost & VPAA	Hutchinson/Wakelee/Hartung/Harrington
Academic Programs	
> Arts & Sciences	Carey
> Business	Cordeiro
> Centers	
> Education	Kinsey
> Library	Stratton
Enrollment Management	Dang
Fee Supported: Extended University <sup>1</sup>	Berg
• Advancement	Ipach/Oberst
• Business & Financial Affairs	
VP B&FA	Trinidad
Administrative Services	Blaine
Facilities Services	Gormley/Cooper
Financial Services	Jarnagin
Human Resources	Pavin
Public Safety	Reid
Fee Supported: Parking <sup>2</sup>	Porras
• Students Affairs	
VPSA	Sawyer/Rice
Student Life	Pena
Wellness & Athletics	Lebioda
Fee Supported:	
Housing & Residential Education <sup>3</sup>	Derrico
• Technology & Communications	
VP T&C	Berman/Frazier
Technology	
Communications & Marketing	

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<sup>1, 2, 3</sup> Auxiliary Enterprises

**Auxiliary Organizations:**

<u>UNIT</u>	<u>DISTRIBUTION</u>
<ul style="list-style-type: none"><li>Associated Students</li><li>Associated Student Body Fee</li><li>Student Body Center Fee</li></ul>	Rice, Thompson Rice/Thompson
<ul style="list-style-type: none"><li>Foundation</li></ul>	Ipach/Oberst
<ul style="list-style-type: none"><li>University Glen Corporation</li></ul>	Blaine
<ul style="list-style-type: none"><li>CSUCI Site and Finance Authority</li></ul>	Blaine

**Designated Operating Funds:**

<ul style="list-style-type: none"><li>Instructionally Related Activities</li></ul>	Wakelee
<ul style="list-style-type: none"><li>Recreation &amp; Athletics</li></ul>	Lebioda
<ul style="list-style-type: none"><li>Materials, Service, Facility, Technology</li></ul>	Berman, Wakelee
<ul style="list-style-type: none"><li>Health Services Fee/Health Facility Fee</li></ul>	Lebioda

**Auxiliary Enterprise Budgets:**

<ul style="list-style-type: none"><li>Extended University<sup>1</sup></li></ul>	Berg
<ul style="list-style-type: none"><li>Parking<sup>2</sup></li></ul>	Porras
<ul style="list-style-type: none"><li>Housing &amp; Residential Education<sup>3</sup></li></ul>	Derrico



Fiscal Year 2015/2016 Budget Request Form

PERMANENT REQUEST

Division/Unit Name: \_\_\_\_\_  
 Primary Contact Person: \_\_\_\_\_

Request Summary

Grand Total Requested	\$ -
Total Number of Positions Requested	-

Notes:

- 1) Complete only one form per division
- 2) Do not remove formulas

Priority	Amount Requested	Number of Positions Needed (if applicable)	Space Needed?	Narrative	Link to Strategic Plan
0	-	-			

Priority	Amount Requested	Number of Positions Needed (if applicable)	Space Needed?	Narrative	Link to Strategic Plan
0	-	-			

Priority	Amount Requested	Number of Positions Needed (if applicable)	Space Needed?	Narrative	Link to Strategic Plan
0	-	-			

Priority	Amount Requested	Number of Positions Needed (if applicable)	Space Needed?	Narrative	Link to Strategic Plan
0	-	-			

Detail of Request (staffing, operations, etc)

Priority		Request Type	Classification	Job Code	Anticipated Hiring Date	Annual Salary	FTE	FY15/16 Salary Requested
Staffing Requests								-
								-
								-
								-
Staffing Requests: Non-Benefitted								-
								-
								-
								-
								-
<b>Total Staffing Requested</b>						\$ -	-	\$ -
Non-Staffing Requests								
<b>Total Non-Staffing Requested</b>							\$	-

Priority		Request Type	Classification	Job Code	Anticipated Hiring Date	Annual Salary	FTE	FY15/16 Salary Requested
Staffing Requests								-
								-
								-
								-
Staffing Requests: Non-Benefitted								-
								-
								-
								-
								-
<b>Total Staffing Requested</b>						\$ -	-	\$ -
Non-Staffing Requests								
<b>Total Non-Staffing Requested</b>							\$	-

Priority		Request Type	Classification	Job Code	Anticipated Hiring Date	Annual Salary	FTE	FY15/16 Salary Requested
Staffing Requests								-
								-
								-
								-
Staffing Requests: Non-Benefitted								-
								-
								-
								-
								-
<b>Total Staffing Requested</b>						\$ -	-	\$ -
Non-Staffing Requests								
<b>Total Non-Staffing Requested</b>							\$	-

Priority		Request Type	Classification	Job Code	Anticipated Hiring Date	Annual Salary	FTE	FY15/16 Salary Requested
Staffing Requests								-
								-
								-
								-
Staffing Requests: Non-Benefitted								-
								-
								-
								-
								-
<b>Total Staffing Requested</b>						\$ -	-	\$ -
Non-Staffing Requests								
<b>Total Non-Staffing Requested</b>							\$	-