



October 12, 2018

Dear Colleagues,

The beginning of the 2018-19 academic year marks the kick-off of our next planning cycle for the 2019-20 fiscal year (FY20) that will support our Strategic Initiatives (SI) activities. These strategic initiatives will serve as a foundation for the development the University FY20 budget recommendation. In addition, under the President's Planning and Policy Council, we remain committed to strengthening the link between the budget development processes and strategic planning as well as reinforcing transparency and accountability. The following information and process outlined below provides background information and describes the drivers to advance this commitment to support CSUCI.

University Strategic Initiatives and Resource Allocation

To strengthen the goal of resource allocation to strategic investments, we are working toward the alignment of the FY20 budget process with the Strategic Initiatives process underway. As outlined in Spring 2018, the campus has identified four (4) strategic initiatives:

1. Educational Excellence
2. Student Success
3. Inclusive Excellence
4. Capacity and Sustainability

These initiatives will help to identify campus investments, if necessary, for the resource allocation process for the FY20 budget requests. See more at: <https://www.csuci.edu/president/initiatives/index.htm>.

The following information provides guidance on the FY20 annual budget development process.

CI Budget Overview

The context for the FY20 operating budget is primarily set by three factors: the submission of the 2019-20 Support Budget by the CSU Chancellor's Office (CO) as presented and approved by the Board of Trustees (BoT), the actions to be taken by the State Legislature and the Governor, and the strategy and planning by the campus. Similar drivers impact the budget planning for all other non-operating funds.

The following planning process applies to the operating fund as well as all other funds (Auxiliary Organizations/Public entities, Designated Operating Funds, Auxiliary Enterprise funds, Other Trust funds). As with the prior year, this planning process is comprehensive and will include planning for reserve requirements and campus space needs.

The materials submitted should continue to support alignment with CSUCI Strategic Initiatives and the resources necessary to meet those goals. These submissions as well as forms described later in this memo are **due to Budget & Planning by February 15, 2019**.

The 2018-2023 Strategic Initiatives is a top priority for the University and divisional plans should reflect alignment with this direction. Budget discussions will take place during the month of February 2019. In addition, the Strategic Resource Planning Committee (SRPC) will again convene in early spring to receive presentations on all budget requests and provide input on the strategic initiative investment for the campus.

Goal

The goal of the budget resource planning process is to create a balanced and sustainable ongoing budget that supports the Strategic Initiatives of the University. This involves actions that reflect strategic investments to achieve the objectives of the Strategic Initiatives. Reallocation of resources within units should also support the strategic initiative priorities as well.

A campus enrollment growth target of two percent has been established for FY20.

Guidelines

In developing the FY20 budget, the following parameters are provided:

- Align resource allocations with Strategic Initiatives for the near and long-term to support sustainable operating environment;
- Incorporate on-going accountability (efficiencies, reallocation, etc.) into the resource allocation process;
- Engage in necessary planning to successfully support any new student FTE enrollment growth;
- Support budget environments decentralized by division;
- Aim for transparency;
- Adequately build necessary reserves for all funds by 2020;
- Protect resources for strategic investments even in tough times; and
- Use challenging times as a rationale for change.

Initiating the FY20 Process

The Chancellor's Office presented to the Board of Trustees a preliminary framework for the 2019-20 CSU Operating Budget request to the governor and the Department of Finance at its September 11-12, 2018 meeting. Using feedback provided by trustees at the September 2018 meeting, Chancellor's Office staff will present an updated and detailed operating budget recommendation for the board's approval in November 2018.

Over the last several years, the CSU was able to regularly invest in critical areas because of the governor's commitment to a multi-year budget plan. Beginning in January 2019, a newly-elected governor will be in place and will likely take a fresh look at funding priorities for the CSU. In the meantime, the CSU is committed to develop a multi-year budget model to help inform all stakeholders of the financial investments necessary for future success.

The final budget request will be presented to the board for review and approval in November 2018.

CSUCI Campus Planning

While the activities and actions to be finalized by the Chancellor's Office occur, our campus will begin its budget development planning cycle. Information about the components of this year's process is provided below:

- The planning schedule for the FY20 planning is included in Attachment 1. As noted above, budget submissions, for all funds, are due to Budget & Planning (B&P) by February 15, 2019. Submissions should focus on alignment with strategic initiatives.
- 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 (Attachment 2) are intended to inform the budget requests at the divisional and unit levels.
- Historical information is summarized by division in Attachment 3. This attachment includes by division, historical salary by employee category, FTE information, and the summary of all funds by division.

Finally, information on submission tools (Budget Request Workbook) is included as well as a reference listing of reporting units/departments that must submit budget information.

Please email questions about the preparation of materials to Jennifer Moss at jennifer.moss@csuci.edu.

We will share with the campus additional information unfolds on the state budget and as FY20 budget information is available. Additionally, documents, presentations, and reports can be found on the SRPC website located here <http://www.csuci.edu/strategic-resource-planning/>.

Sincerely,

Geoffrey Chase, Ph.D.
Provost

Ysabel Trinidad
VP for Business & Financial Affairs, CFO

cc: President Erika Beck

Attachments

- 1 – FY20 Summarized Budget Development Planning Schedule
- 2 – Supplemental Questions
- 3 – Divisional Data Summaries
- 4 – Divisional Report Units/Departments Listing
- 5 – Funding Requests Workbook (Excel workbook)

All Funds Budgets

Auxiliary Organizations/Public Entities are separate legal entities. The Auxiliary Organizations are Associated Students, Inc., CI Foundation, and University Auxiliary Services. These organizations are not-for-profit and perform essential functions associated with CI but are not supported by state funding (general fund appropriations). The Public Entities are the Site and Financing Authorities. These entities are legislative entities that are treated similarly to an Auxiliary Organization. Both types are governed by separate Board of Directors. **These organizations/entities should all follow the timelines included in this memo.** Budgets are to be submitted to B&P by February 15, 2019 and include FY20 budget actions as part of the appropriate board agendas for review and recommendation no later than April 2019. After budgets have been reviewed and recommended by each entity's Board of Directors and B&P, B&P will forward to the VP for Business and Financial Affairs and the President for final approval.

Designated Operating Funds are also known as Category 2 Mandatory Student Fees. The Student Fee Advisory Committee (SFAC <http://www.csuci.edu/sfc/>) oversees all student fees. Each fee has an advisory committee which reviews individual requests, historical financial information and recommends a budget to the SFAC. Each advisory committee should prepare a detailed recommendation framed around the University Strategic Initiatives based upon the estimated headcount for FY20. **These funds should all follow the timelines included in this memo.** Budgets are to be submitted to B&P by February 15, 2019. Once reviewed B&P will forward to the VP for Business & Financial Affairs and the President for final approval.

Auxiliary Enterprise Funds are self-support units but not separate legal entities. The auxiliary enterprise funds are Parking and Extended University. These entities generate revenue by various means such as through the collection of tuition for an 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, and 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 operating expenses, reserve contributions, debt service payments, and any related cost recovery charges. Additionally, if bond debt has been issued, budgets should closely align with financial proformas prepared at the time debt was issued. B&P keeps the proformas updated with prior year's actuals and workbooks are available through B&P at any time. If substantial variances exist, they must be reviewed with B&P 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 15, 2019.** Once reviewed B&P will forward to the VP for Business & Financial Affairs and the President for final approval.

Reserve Request Requirements apply to all funds and specific requirements exist for setting aside reserves to cover items such as economic uncertainty, future debt service, future construction, maintenance and repairs, and working capital. Please refer to the Policy on University and Auxiliary Operating Reserves that was approved on 10/17/2016. <http://policy.csuci.edu/fa/04/fa-04-002.htm>.

B&P will be working closely with all fund managers to ensure that appropriate reserves are set up and any reserve spending is properly accounted for. Once reviewed B&P will forward to the VP for Business & Financial Affairs and the President for final approval.

Any requests for **Increases to currently established fees** must follow this timeline and coincide with any budget requests. This includes, but is not limited to: student housing rates; parking rates; dining rates; conference & event rates; increases to operating fund generated revenue (Category IV Fees). Adjustments must be submitted to B&P by February 15, 2019. Once review B&P will forward to the VP for Business & Financial Affairs and the President for final approval.

Maintenance and Space Requests should reference the Minor Capital Outlay Policy that was approved on May 3, 2016. This will serve as a resource for next steps to ensure that additional space needs requests are included in all divisional/unit budget submissions. The policy can be found here:

<http://policy.csuci.edu/fa/04/fa-04-001.htm>.

Attachment 1
FY20 Summarized Budget Development Planning Schedule*

2018

September	Student Fee Advisory Committee begin meetings for FY20; Cost Allocation plan discussions begin; Reserve allocation discussions begin
October 3	Strategic Resource Planning Committee (SRPC) meeting; Launch of FY20 Planning and current year budget updates
October 12	FY20 Budget Instructions distributed to Campus Budget Heads and posted; FY20 Divisional/Unit Budget Preparation officially begins
October 12 – February 15	Divisions/Units prepare FY20 budget requests based on unit-divisional goals and objectives and linked to the University’s strategic plan goals
December 14	NEW: Fee Increase Requests due to Budget & Planning; Will be vetted by Cabinet with final decisions to be made in mid-January; If approved, include in budget submission

2019

January	Governor submits budget to Legislature
February 15	FY20 Budget Request Workbook due to Budget & Planning
February 15	Budget & Planning begins initial review of FY20 budget submissions
February	Cabinet budget discussions take place <ul style="list-style-type: none"> ● Campus Town Hall meetings take place to present proposals by divisions to the campus community ● SRPC convenes to provide input on FY20 budget submissions and discuss Cabinet updates
March	Final draft budget prepared based on divisional requests and SRPC and SI input
April	Vice Presidents complete plans for their respective division and share final plans with SRPC/SI
April	Final FY20 Budget recommendations to President
April	Hyperion B&P open for input for all units for FY20 budget
May	Governor’s May Revise
May	Hyperion closes for further input for all units
June	President approves FY20 final budget

** Detailed calendars are posted on the [Budget & Planning website](#)*

Attachment 2
Supplemental Questions

1. **Strategic Planning and Reporting.** Please provide an overview of your Division's progress towards the Strategic Initiatives (1-2 pages per **direct reporting unit/department; for all funds**), as appropriate, along with progress toward goals. A listing of divisional units/departments is attached to identify these units in Attachment 4.
 - a. Explain how your Division's measurable and anecdotal goals support the Strategic Initiatives of the University.
 - b. Discuss any reallocation of resources in your division to address operating needs changes that have already been addressed by your division. Please list the savings or cost avoidance as a result of reallocated resources, if applicable.

2. **New Funding Requests.** Please provide a description of new growth funds requested in the attached Funding Request Workbook (Attachment 5). One workbook for each fund. Include a summary of any operational risks that CI must work to mitigate over time. Note that new funding for strategic investment is limited, and should not include any one-time set aside funds for Strategic Initiatives, but may include any reference to how requested funds might support the separately requested one-time funds. 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.
 - a. Address how your request supports the University's Strategic Initiatives and the Trustees' Student Success and Completion initiatives.
 - b. Discuss any major budget challenges for the division in FY20.

3. **Space.** Considering your unit strategic plans please provide a short summary (1--2 pages at most per direct reporting unit/department/fund) 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? 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. **Organizational Chart.** Please include a one-page organizational chart for your division to include total FTE regular employees. Highlight any new positions that are included in this request.

**Attachment 3
Divisional Data Summaries**

CALIFORNIA STATE UNIVERSITY CHANNEL ISLANDS Historical Staffing						
	2016/17		2017/18		2018/19 CAMPUS BUDGET PLAN	
	FINAL ALLOCATION \$	FTE	FINAL ALLOCATION \$	FTE	\$	FTE
Office of the President						
SALARIES AND WAGES						
Management	545,140	3.0	573,233	3.0	491,079	3.0
Non-Represented	246,204	3.0	252,359	3.0	203,725	2.0
Represented Staff	324,147	5.9	338,343	5.9	199,475	3.9
Overtime	1,500	0.0	1,500	0.0	1,500	0.0
Stipends Bonus Allowances	60,000	0.0	60,000	0.0	60,000	0.0
Student Assistants	53,070	2.9	53,070	2.9	53,070	2.9
Salary Pool	0	0.0	2,049	0.0	4,790	0.0
Subtotal, Salaries and Wages	1,230,061	14.8	1,280,554	14.8	1,013,639	11.8
Academic Affairs						
SALARIES AND WAGES						
Tenure Track Faculty	13,788,384	156.0	14,853,805	156.0	15,655,537	162.0
Faculty Salary Pool	37,670	0.0	31,952	0.0	45,773	0.0
Lecturers	6,499,011	113.9	6,054,426	102.6	5,700,366	96.6
Release Time	2,697,240	47.3	3,296,511	54.0	3,296,511	54.0
Librarians - TT & NTT	836,698	10.8	891,336	10.8	891,336	10.8
Management	1,844,611	13.0	1,850,334	12.5	2,082,551	14.5
Non-Represented	1,693,707	18.8	1,729,599	18.8	1,984,439	21.3
Represented Staff	4,821,552	96.8	5,173,833	99.3	5,507,763	103.8
Stipends Bonus Allowances	750	0.0	750	0.0	750	0.0
Student Assistants	351,810	18.8	351,810	18.8	351,810	18.8
Special Consultants	28,850	0.0	28,850	0.0	28,850	0.0
Salary Pool	14,302	0.0	51,448	0.0	74,058	0.0
Subtotal, Salaries and Wages	32,654,858	475.4	34,322,654	472.8	35,619,744	481.8
Business and Financial Affairs						
SALARIES AND WAGES						
Management	1,309,836	8.1	1,352,394	9.1	1,962,720	14.0
Non-Represented	2,976,745	36.0	3,200,306	37.0	3,544,885	41.0
Represented Staff	6,433,464	120.0	6,750,448	120.0	10,772,120	181.0
Overtime	243,461	0.0	243,461	0.0	257,900	0.0
Stipends Bonuses Allowances	186,060	0.0	186,060	0.0	256,500	0.0
Student Assistants	206,535	10.9	206,535	10.9	428,231	21.9
Special Consultants	6,267	0.0	6,267	0.0	6,267	0.0
Shift Differential	64,000	0.0	64,000	0.0	73,620	0.0
Salary Pool	107,010	0.0	25,941	0.0	128,633	0.0
Subtotal, Salaries and Wages	11,533,378	175.0	12,035,412	177.0	17,430,876	257.9

CALIFORNIA STATE UNIVERSITY CHANNEL ISLANDS Historical Staffing						
	2016/17		2017/18		2018/19 CAMPUS BUDGET PLAN	
	FINAL ALLOCATION \$	FTE	FINAL ALLOCATION \$	FTE	\$	FTE
Student Affairs						
SALARIES AND WAGES						
Management	591,204	4.0	617,161	4.0	602,161	4.0
Non-Represented	720,246	8.5	767,523	9.0	617,318	7.0
Represented Staff	1,644,953	32.2	1,738,549	32.5	1,732,582	32.5
Student Assistants	285,543	15.1	285,543	15.1	242,319	15.1
Salary Pool	66,602	0.0	44,769	0.0	8,154	0.0
Subtotal, Salaries and Wages	3,308,548	59.8	3,453,545	60.6	3,202,534	58.6
University Advancement						
SALARIES AND WAGES						
Management	408,540	3.0	556,020	4.0	556,020	4.0
Non-Represented	773,280	9.0	707,277	8.0	869,982	10.0
Represented Staff	1,027,479	21.0	1,025,022	19.5	1,128,530	21.5
Student Assistants	63,000	3.3	63,000	3.3	63,000	3.3
Salary Pool	66,647	0.0	76,036	0.0	19,107	0.0
Subtotal, Salaries and Wages	2,338,946	36.3	2,427,355	34.8	2,636,639	38.8

Attachment 4
Divisional Report Units

Office of the President

University Ombudsman

Academic Affairs

Provost:

- › Academic Planning and Undergraduate Initiatives
- › Faculty Affairs, Faculty Recruitment, and Faculty Development
- › Student Academic Success and Equity Initiatives
- › Centers
- › Teaching and Learning Innovations and Faculty Development
- › Educational Partnerships

Academic Programs:

- › Arts & Sciences
- › Business
- › Education
- › Santa Rosa Island Research Station

Library

Academic Senate

Research and Sponsored Programs

Enrollment Management

Auxiliary Enterprise: Extended University (including Campus Partners)

Designated Operating:

- › Materials, Services, Facilities and Technology Fee
- › Instructionally Related Activities Fee

University Advancement

Advancement

Communication & Marketing

Conference & Events

Career Development Services

Commencement

Auxiliary Organization: Foundation

Business & Financial Affairs

VP Business & Financial Affairs

Administration

Facilities Services

Financial Services

Information Technology Services

Public Safety

Auxiliary Enterprise: Parking

Auxiliary Organization: University Auxiliary Services
Public Entity: Site and Financing Authority

Students Affairs

VP Student Affairs

Campus Life

Retention, Outreach, and Inclusive Student Services

Wellness & Athletics

Auxiliary Enterprise: Housing & Residential Education

Auxiliary Organization: Associated Students, Inc.

Designated Operating:

- › Recreation & Athletics Fee
- › Health Services & Facilities Fee
- › Student Body Center Fee

Attachment 5
Budget Request Workbook

Your Budget 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 Initiatives. 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.). These requests may complement the one-time set aside funds for CI's Strategic Initiatives, but should be unique to the process to request one-time funds.