

The background image is a grayscale photograph of a modern, two-story building with large windows and a tiled roof. In the foreground, there is a large, circular fountain with a central sculpture of a dolphin leaping out of the water. The dolphin is positioned vertically, with its head pointing upwards and its tail curved. The fountain's base is a large, dark, circular structure with some decorative elements. The overall scene is bright and clear.

SPRING MEETING

DIVISION OF BUSINESS & FINANCIAL AFFAIRS

Grand Salon
April 25, 2018

AGENDA

Welcome and Staff Introductions

Budget Update and Q&A

Ice Breaker

Strategic Initiatives

Introduction to Risk Management

Area Reports

WELCOME & INTRODUCTIONS

Ysabel Trinidad

Vice President for Business & Financial Affairs



RECOGNITION OF GREEN BELTS

BUDGET UPDATE

Diane Mandrafina

Assistant Vice President and University Controller

Business and Financial Affairs

AGENDA

- I. Five-Year Operating Budget Projection
- II. Update on CSU System Information
- III. DBFA Budget Requests
- IV. Schedule and Timeline
- V. Discussions / Comments / Questions



FIVE-YEAR OPERATING BUDGET PROJECTION

Five-Year Operating Budget Projection

Summary

	2018/19 Prelim	2019/20 Projected	2020/21 Projected	2021/22 Projected	2022/23 Projected
Total Revenue	1,209,333	738,628	753,401	769,928	781,722
Total Expenditures *	(3,667,000)	(1,575,000)	(1,575,000)	(1,575,000)	(1,575,000)
Total Permanent Uncommitted for FY	(2,457,667)	(836,372)	(821,599)	(805,072)	(793,278)
Cumulative Permanent Budget Change**	32,033	(804,339)	(1,625,938)	(2,431,010)	(3,224,288)

NOTES: * CO reduction of \$1,161,000 is fully absorbed in FY 2018/19

** FY 2016/17 permanent budget unallocated of \$2.5 million applied to shortfall balance



CSU SYSTEM INFORMATION

CSU System Direction

- The CSU Board of Trustees has requested \$283 million in funding
- The CSU will not be taking proposal for tuition increase to BOT in May
- Systemwide shortfall of \$61 million for Compensation and Mandatory Costs
 - Compensation - \$122 million
 - Mandatory Costs - \$31 million
 - Total currently allocated to these items by the Governor is \$92 million
- Currently, Channel Islands' share of the potential budget shortfall of \$61 million for FY 2018/19 is \$1.161 million (or 1% of FY 2017/18 Operating Budget)
 - This will be covered by Campus permanent uncommitted funds
 - No structural deficit for FY 2018/19

DBFA Budget Requests

Given the forecasted budget shortfall, the Division of Business & Financial Affairs is making no new permanent requests.

However, the division continues to carry mandated obligations identified in the prior budget request cycle.

The Division is redirecting funds to support these mandated costs and we will continue to reallocate resources to meet strategic priorities.

Department Requests as Presented to VP

- Permanent Requests totaling \$923,421:
 - \$657,870 will be funded as follows:
 - \$242,701 will be funded with Division temporary funds (permanent recurring request from prior year; mandated costs)
 - Chemical Hygiene Officer and Lab Safety Specialist (\$92,500)
 - Professional Services, The Coalition-Victim Advocate (\$45,000)
 - O&M for Boating Center and Santa Rosa Island (\$105,201)
 - \$36,400 will be funded by auxiliaries
 - \$106,300 will be funded with FY 17/18 funds
 - \$11,425 will be funded by the VP Office
 - \$261,044 will be funded by reallocation of existing funds within the Division

Department Requests as Presented to VP (cont'd)

- \$265,551 has been deferred to a future year(s) or will be funded through existing Department funds
- Temporary Requests totaling \$71,800 will be covered by existing Department funds
- Withdrawn Requests totaling \$50,990:
 - Requests were made to fund certain items but those requests were withdrawn by Department managers. They will be covered with existing Department funds and/or the initiative will not move forward.

BUDGET TIMELINE KEY DATES - UPDATED

Budget Timeline Key Dates

Wed, May 2	Budget Forum/Town Hall	Present divisional budget requests and general budget updates
Thurs, May 3	SRPC Meeting	Present Auxiliary Enterprise and Auxiliary Organization budget requests and general budget updates
Fri, May 11 (T)	Governor's May Revise	<i>Tentative release date only</i>
Tue/Wed, May 15-16	CSU Board of Trustees Meeting	Final budget approval may occur pending release date of Governor's May Revise
Fri, May 18	SRPC Meeting	Present Category II Student Fee budget requests and general budget updates
Fri, June 8	Campus Deadline	Final budgets, with budget reductions (if necessary), must be entered into Hyperion



DISCUSSIONS / COMMENTS / QUESTIONS

TABLE EXERCISE

STRATEGIC INITIATIVES WORLD CAFÉ FOLLOW-UP

Reports by:

Ray Porras

Terry Tarr

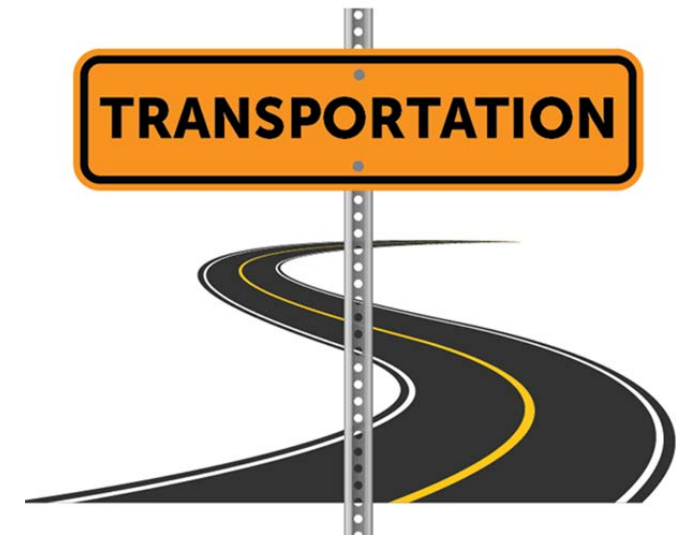
Wendy Olsen

STRATEGIC INITIATIVES

Comprehensive Transportation Strategic Plan

Ray Porras, Director of Transportation and Parking Services

- Parking & Transportation Demand Management Plan (PTDM) (June 2017)
 - Identified alternative transportation program options
 - Examined utilization of campus parking spaces in correlation with the University Strategic Plan
- Recent Progress:
 - Established a transportation working group
 - Currently developing a Comprehensive 5-Year Strategic Plan incorporating strategies outlined in the PTDM
 - Carpool Program Enhancement
- Questions or feedback?



STRATEGIC INITIATIVES

Infrastructure Investment

Terry Tarr, Associate Architect

Infrastructure investment to provide an outstanding environment for learning and innovation

- Recreation Field Expansion:
 - Meet growing demand for recreation space, and support student retention and peer connection
 - Add to North Playfields and install lighting to Potrero Field

Expansion of public-private partnerships & sustainability

- Mixed-Use Project:
 - Add instructional space, and student housing
 - Consultant hired to conduct Feasibility & Planning study
 - Using enrollment and financial data projections to inform plans
- Questions or feedback?



STRATEGIC INITIATIVES

Enhancing Staff Development Programs and Support

Wendy Olson, Human Resources Manager, OE & Talent Management

- **Internal Review of Professional Development Program**
 - To align with emerging staff needs and campus direction
- **Current Focus:**
 - Metrics-driven
 - Change adaptation
 - Constructive communication, collaboration, inclusivity, and respect
 - Encourage leadership support for staff development at all levels
- **Recent Developments:**
 - Management Certificate Program
 - Expansion of low-cost partnerships with faculty and staff to conduct trainings
 - Growing online courses through Skillport
 - Lean Six Sigma training
 - Personal enrichment courses

STRATEGIC INITIATIVES

Additional Capacity and Sustainability Efforts

- Building Extended University programs and initiatives aligned with business, industry and community needs.

Joe Shapiro (*Associate Vice President & Dean of Extended University*)

joe.shapiro@csuci.edu Ext. 8580

- Leveraging technology to improve processes and free people to focus on things only people can do.

Herbert Aquino (*Interim AVP of IT Strategy/Deputy CIO*)

herb.aquino@csuci.edu Ext 8550

- Expanding strategic use of online and blended learning to provide students with increased instruction choices, and to meet growing course demand more quickly.

Jill Leafstedt (*Executive Director, Teaching & Learning*)

jill.leafstedt@csuci.edu Ext. 2792

INTRODUCTION TO RISK MANAGEMENT

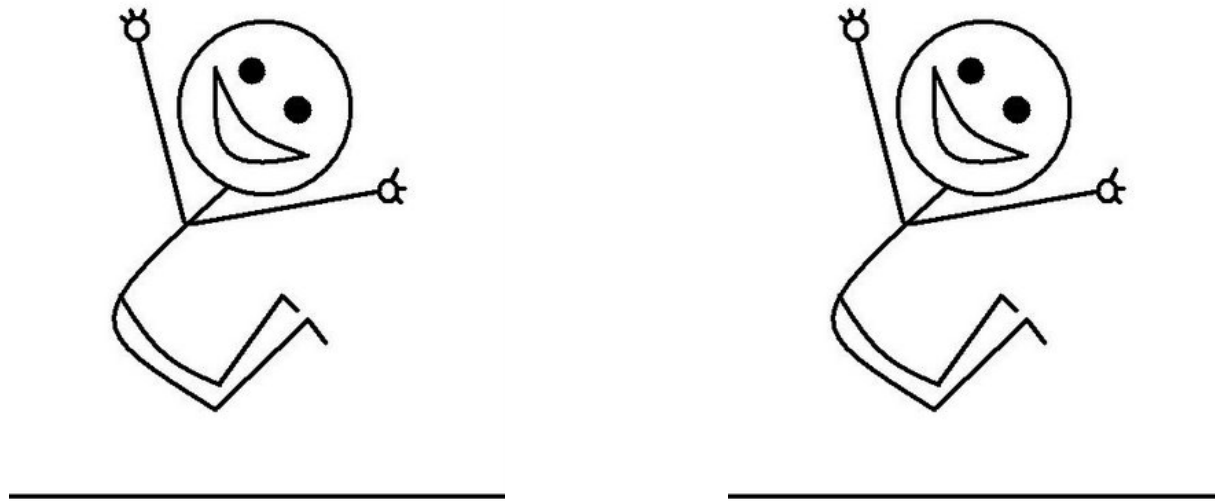
Sonja Howe

University Internal Auditor

Katharine Hullinger

Risk Manager

Internal Controls and Strategic Risk Management



Sonja Howe, Internal Auditor
Katharine Hullinger, Risk Manager
April 25, 2018

What is Risk?

Risk is the possibility of harm or loss. It's usually thought of as the negative impact, or the “what can go wrong” in any situation.



Airline Industry Risks

- ❖ Terrorism
- ❖ Debt Funding
- ❖ Negative Media/Brand Reputation
- ❖ Fuel supply and price
- ❖ Changing Regulations

What is a Control?

A **control** is an predetermined **activity** that **prevents** or **detects** errors or dangers. *Controls mitigate risks.*

For Example



Airline Industry Risks

- ❖ **Terrorism**
- ❖ Debt Funding
- ❖ Negative Media/Brand Reputation
- ❖ Fuel supply and price
- ❖ Changing Regulations

Airline Industry Controls

- ❖ Airport security
- ❖ Reconfiguration of airports and public access
- ❖ Use of behavior analysis techniques
- ❖ Increased training of airport staff
- ❖ Increase awareness of passengers so that they can identify possible threats

Two Basic Types of Controls

Preventative

Prevent or reduce undesirable events through:

- System Controls
- Risk Mitigation Methods



Detective

Identify/Detect undesirable events through

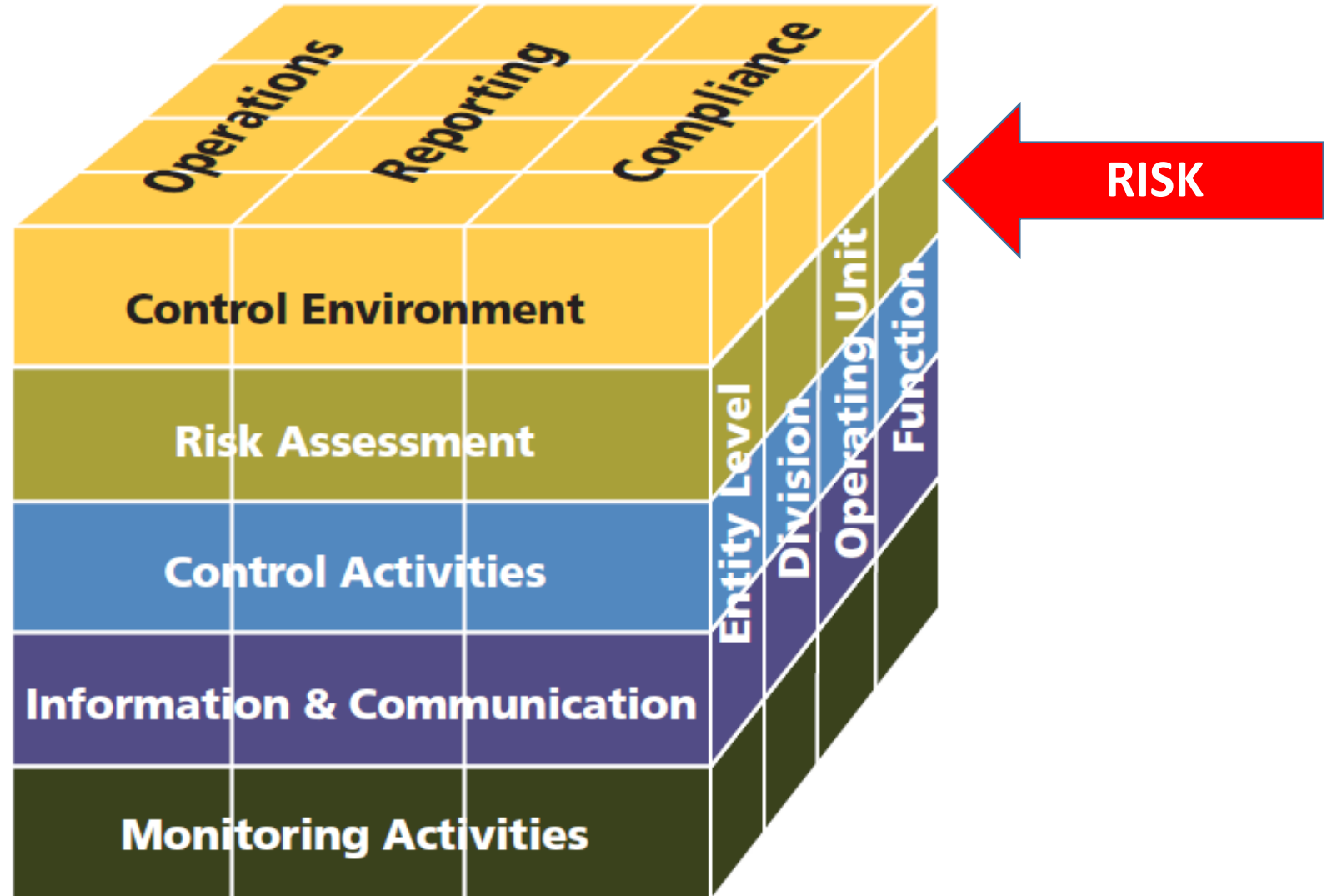
- Internal Audits
- Risk Assessments



COSO Cube

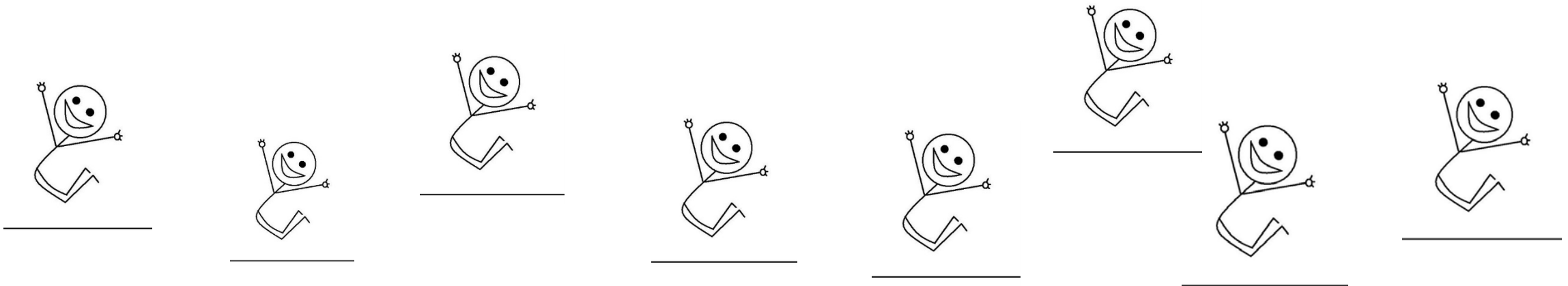
The integrated framework for Internal Control

Five
Components
of
Internal
Control



Strategic (or Enterprise) Risk Management

- Takes a ***campus-wide*** approach to managing risk at the strategic, operational and project levels, continuously, proactively and systematically.
- Fosters a working culture that values ***responsible*** risk-taking as we strive to meet our strategic objectives.
- Removes silo-based decision making



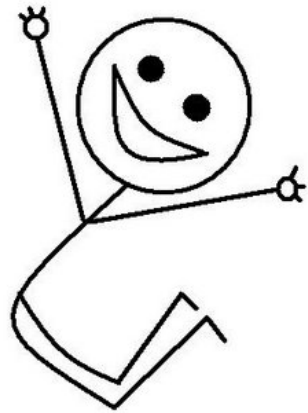
Which of the following is NOT considered one of the five major components of Internal Control?

- A) Risk Assessment
 - B) Segregation of Duties
 - C) Control Activities
 - D) Monitoring
- B) Segregation of Duties

Which of the following is NOT built into the theory of Strategic Risk Management?

- A) SRM is embedded in key processes such as strategic planning, budgeting and project planning
 - B) SRM is a continuous and proactive process
 - C) SRM places all risk management decisions and accountability with the Risk Management office
 - D) SRM increases risk awareness throughout the organization
- C) SRM places all risk management decisions and accountability with the Risk Management office

Contact us for assistance with assessing risks
and ensuring proper controls are in place
for your new or existing endeavors.



Sonja Howe 805/437-8484



Katharine Hullinger 805/437-8846

AREA REPORTS

Administration – Elaine Crandall

Facilities Services – John Gormley

Financial Services – Diane Mandrafina

ADMINISTRATION

Elaine Crandall

Associate Vice President Administration

FACILITIES SERVICES

John Gormley

Assistant Vice President for Facilities Services

FINANCIAL SERVICES

Diane Mandrafina

*Assistant Vice President and University Controller
Business and Financial Affairs*

ADJOURNMENT

Ysabel Trinidad

Vice President for Business & Financial Affairs

got recognition?

Recognize Someone Today!



BFA link to nominate:

<http://www.csuci.edu/vpbfa/recognition/nomination.htm>



California State
University

Division of
**BUSINESS &
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