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 Mandrafsina
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

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<tr>
<td><strong>Total Revenue</strong></td>
<td>1,209,333</td>
<td>738,628</td>
<td>753,401</td>
<td>769,928</td>
<td>781,722</td>
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<td><strong>Total Expenditures</strong></td>
<td>(3,667,000)</td>
<td>(1,575,000)</td>
<td>(1,575,000)</td>
<td>(1,575,000)</td>
<td>(1,575,000)</td>
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<td><strong>Total Permanent Uncommitted for FY</strong></td>
<td>(2,457,667)</td>
<td>(836,372)</td>
<td>(821,599)</td>
<td>(805,072)</td>
<td>(793,278)</td>
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<td><strong>Cumulative Permanent Budget Change</strong></td>
<td>32,033</td>
<td>(804,339)</td>
<td>(1,625,938)</td>
<td>(2,431,010)</td>
<td>(3,224,288)</td>
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### 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

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

BFA link to nominate:
http://www.csuci.edu/vpbfa/recognition/nomination.htm