

# **Academic Affairs Budget New Department Chair Orientation**

August 13, 2020

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Planning

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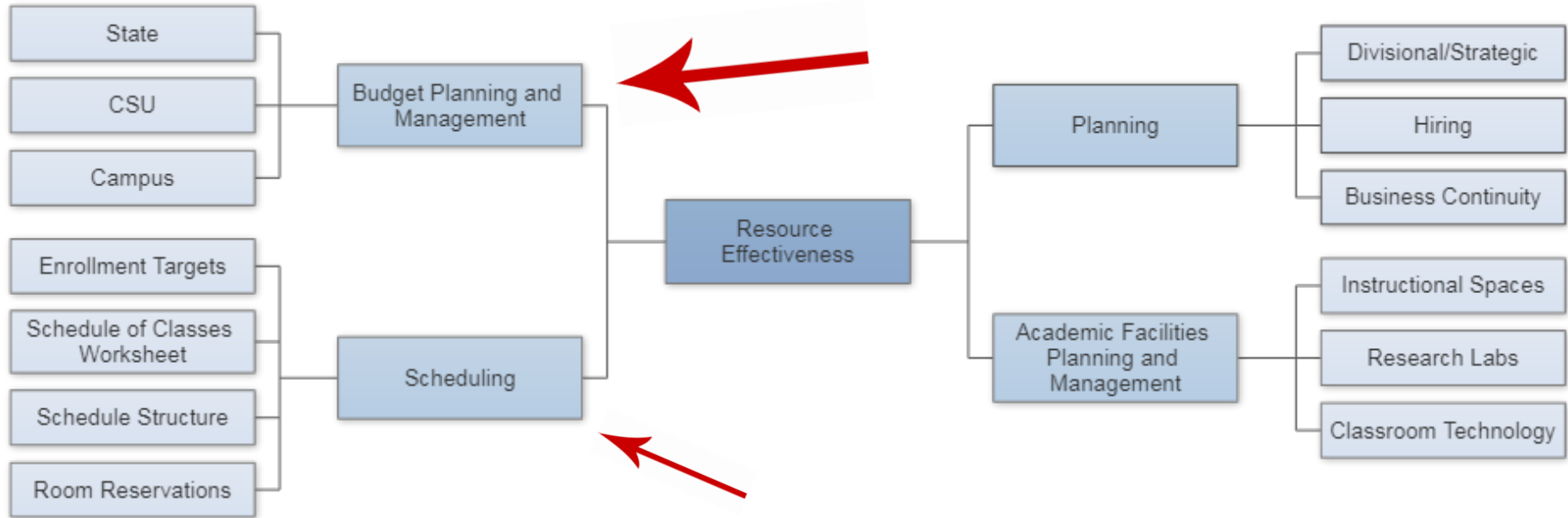
Director of Academic Budget Management

# Agenda

- Introductions
- Budget Overview
- Department Budgeting
  - Faculty Position Funding
  - Best Practices and Tools
- Schedule of Classes
- Q&A



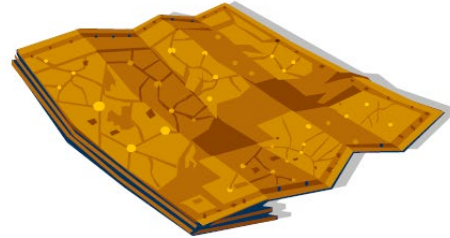
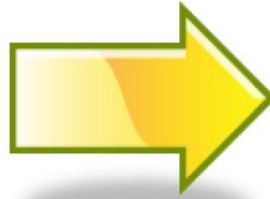
# The Resource Planning Environment in Academic Affairs



# Budget Overview

# What is a budget?

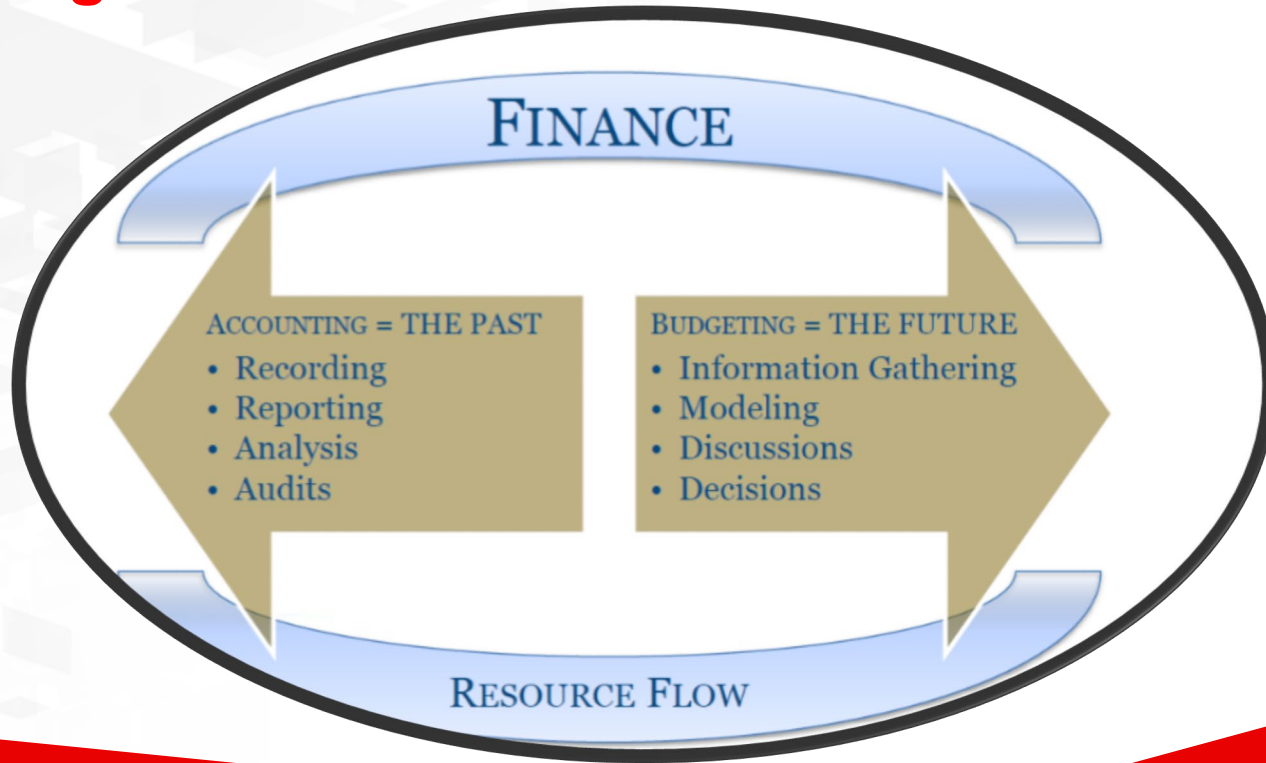
noun: an **estimate**, often itemized, of **expected** income (or allotment) available for spending that is based on a **plan** for how it will be spent for a given period of **time**.



# A budget can serve multiple purposes:

- A **forecast** of planned revenues, expenditures and saving
- A tool for the **allocation** of current and anticipated financial resources
- A means to promote **good management**
- A **controlling** instrument
- A method of **communication**
- A reflection of the **organizational values**

# What is the difference between accounting, budgeting and finance?



# Funds and Fund Accounting



## ***Fund Accounting***

- An accounting system that emphasizes accountability rather than profitability

## ***Fund***

- Self-balancing set of accounts, with identified sources of income and segregated for specific uses in accordance with laws, regulations, or special restrictions or limitations



# CSUN Budget

# CSU Budget

	(1)	(2)	(3)	(4)	(5)
	2019-20 Gross Operating Budget	2019-20 State- Funded Retirement Adjustment	2020-21 Base Budget Reduction	2020-21 State University Grant 5% Redistribution	2020-21 Gross Operating Expenditures
	<i>(Coded Memo B 2019-02)</i>			<i>(Attach. C, Col. 4)</i>	<i>(Sum Cols. 1-4)</i>
Bakersfield	\$148,864,309	\$786,000	(\$6,147,909)	\$1,119,600	\$144,622,000
Channel Islands	131,602,610	720,000	(5,769,910)	(51,700)	126,501,000
Chico	252,298,432	1,506,000	(12,638,232)	(859,200)	240,307,000
Dominguez Hills	198,625,452	1,003,000	(7,520,852)	1,703,400	193,811,000
East Bay	216,847,961	1,337,000	(9,233,561)	(156,400)	208,795,000
Fresno	329,240,032	1,777,000	(13,599,332)	275,300	317,693,000
Fullerton	477,594,661	2,757,000	(23,606,061)	(565,600)	456,180,000
Humboldt	148,171,910	1,002,000	(5,708,210)	(650,700)	142,815,000
Long Beach	491,412,936	2,935,000	(21,774,736)	479,800	473,053,000
Los Angeles	344,336,639	1,710,000	(12,340,039)	(336,600)	333,370,000
Maritime	47,687,076	277,000	(2,024,276)	(91,800)	45,848,000
Monterey Bay	130,165,283	695,000	(5,612,283)	(269,000)	124,979,000
Northridge	480,028,096	2,866,000	(21,151,296)	(663,800)	461,079,000
Pomona	330,202,842	1,856,000	(17,157,142)	1,847,300	316,749,000
Sacramento	375,840,737	2,126,000	(17,806,137)	950,400	361,111,000
San Bernardino	262,304,808	1,531,000	(10,022,508)	(766,300)	253,047,000
San Diego	508,150,096	2,891,000	(28,856,796)	483,700	482,668,000
San Francisco	408,877,659	2,779,000	(22,265,659)	735,000	390,126,000
San Jose	427,066,682	2,629,000	(21,177,882)	(1,952,800)	406,565,000
San Luis Obispo	368,538,268	2,340,000	(21,037,968)	(637,300)	349,203,000
San Marcos	191,317,052	1,070,000	(9,238,752)	359,700	183,508,000
Sonoma	136,430,783	1,050,000	(7,567,783)	(480,000)	129,433,000
Stanislaus	141,656,447	817,000	(5,697,647)	(471,800)	136,304,000
<b>Campus Total</b>	<b>\$6,547,260,771</b>	<b>\$38,460,000</b>	<b>(\$307,954,971)</b>	<b>\$1,200</b>	<b>\$6,277,767,000</b>
Chancellor's Office & Systemwide Programs	159,902,253	820,000	(9,475,253)		151,247,000
Center for California Studies	4,646,300	17,000	(300)		4,663,000
Summer Arts	673,800		200		674,000
Systemwide Provisions	93,771,360		(5,778,160)	(1,200)	87,992,000
Systemwide Capital & Infrastructure	340,559,516		484		340,560,000
<b>CSU System Total</b>	<b>\$7,146,814,000</b>	<b>\$39,297,000</b>	<b>(\$323,208,000)</b>	<b>\$0</b>	<b>\$6,862,903,000</b>

Northridge is 6.7% of  
Total CSU General  
Fund Budget

Total CSUN General  
Fund Budget = \$461M

4.5% Projected  
Reduction from 19/20



# What is a budget?

## A PLAN!

\$16 million reduction from State appropriation

CSU Budget - \$5.2 million reduction in revenue (tuition)  
vs.

CSUN Budget - \$10 million reduction in revenue (tuition)

Other parts of CSUN's budget plan:

- Expiration of one-time funds: \$5 million
- Mandatory costs and projected revenue loss \$5 million

**CSUN Projected Budget Reduction: \$36.2 Million**



"I like unfunded mandates best — you don't have to worry about the *math*."

# CSUN Budget (Budget Dashboard – OpenBook)

<https://www.csun.edu/afvp/budget>

# CSUN Policy on Fiscal Responsibility

Ensure that:

- Expenditures don't exceed available resources
- Funds expended for intended purposes in appropriate time period
- Use internal controls to protect from misuse
- Correctly classify receipts and expenditures
- Comply with campus policies



# Academic Affairs Budget

# Typical “State-Side” Funds in Academic Departments

- Fees in **General Fund** (appropriations, allocations, and fee revenue) – 48501
- **Research, Scholarship, and Creative Awards (RSCA)** – 48518
- **Campus Quality Fee (CQF)**
  - Course materials - 48520
  - Student support - 48521
  - Technology – 48522
- **State Trust Fund** (includes TExL MOU revenues, IRA, etc.) – 496XX, 444XX, etc.
- **Lottery Fund** – 48101



# Department Auxiliary Funds

## Auxiliary Funds (separate 501(c)(3) entities)

- **The University Corporation (TUC)**
  - TUC provides commercial and administrative services to CSUN and also manages sponsored programs.
    - Sponsored programs grantor is an agency of the local, state, or federal government.
- **CSUN Foundation**
  - The CSUN Foundation is responsible for accepting, managing, investing and disbursing all CSUN related philanthropic funds.
    - Scholarships
    - Restricted/unrestricted gifts

# The Decentralized Model Principles

- Communication and Disclosure
  - ERC Recommendation
  - College Budget Model
  - Clarity of Business Practices
  - Facilitate Sharing of Information and Open Communication
- Meet FTES Targets
- Continuity/Consistency of Practices
- Defensible Systems (audit readiness)
- Accountability
- Balanced Budgets

# Pandemic Response Changes

- All expenditure approvals in the Dean's Office
- Decreased spending limits on PCARD
- Planned shift in special pay pre-approval process
- Hiring chill
  - All appointments require presidential approval
- Planning for changes in Academic Affairs budget and budget processes



## Role of the Director of Finance and Operations

**Role of the College Directors** vary and generally include:

- Part of college leadership team
  - Advisor to dean on resource matters
  - Member of administrative council
  - Resource for department chairs, faculty, and staff
- Resource management
  - Budget planning and management
  - Schedule of Classes planning (with dean or associate dean)
  - Technology support
  - Staff human resources
  - Space assignments and utilization
  - Business process improvement
- Much, much more

# Meet with your Director of Finance and Operations

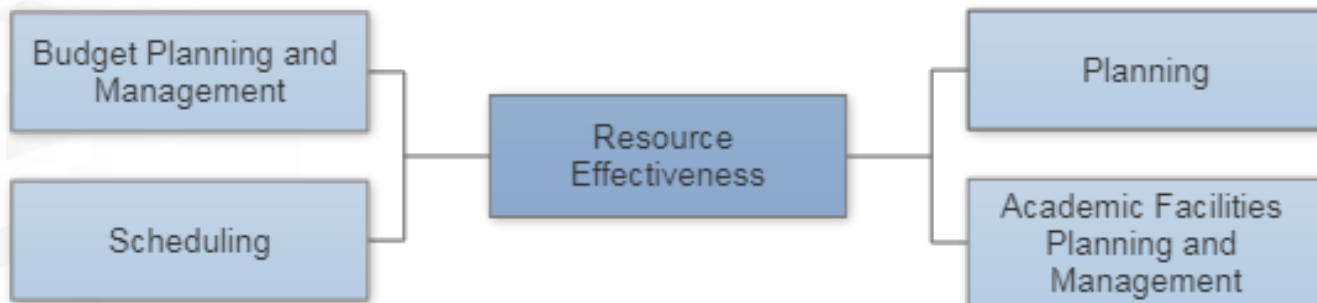
College	Director
Mike Curb College of Arts, Media, and Communication	<b>Natali Papazyan</b>
David Nazarian College of Business and Economics	<b>Cathleen Fager</b>
Michael D. Eisner College of Education	<b>Fred Moreno</b>
College of Engineering and Computer Science	<b>Magda Azouz</b>
College of Health and Human Development	<b>Todd Oberson</b>
College of Humanities	<b>Janene White</b>
College of Science and Mathematics	<b>Nidia Goitia</b>
College of Social and Behavioral Sciences	<b>Serinah Gabrelian</b>
Oviatt Library	<b>Laura Clary</b>

# Resource Planning Staff in Academic Affairs

## Academic Resources and Planning Staff

### Directors of Finance and Operations

### University Financial Analysts (UFAs)



### SOLAR Coordinators

# Educational Resource Committee of the Academic Senate (ERC) Recommendation on College Budgets – 1999

Open budget reporting and consultation process

- Resources and allocations for all departments, centers, and programs

Contingency funds

- Maintain
- Communicate to department chairs

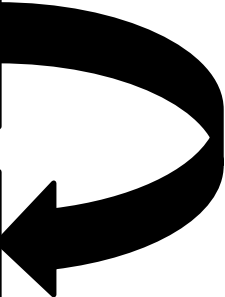


# Faculty Position Funding

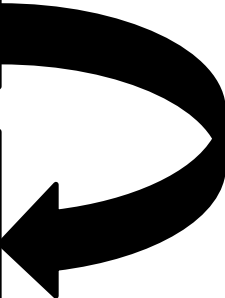


# How Does Faculty Attrition Affect the Budget?

Example: Retiring Faculty Salary	\$98,442
Replacement Salary Retained in College (24 units AY)	<u>(48,442)</u>
<b>Salary Savings</b>	<b>\$50,000</b>



Example: Assume 15 Full-time Retirements and 20 FERPs	
Full-Time	\$750,000
FERPs	<u>500,000</u>
<b>Total Contribution to Attrition Salary Savings</b>	<b>\$1,250,000</b>



<b>Commitments:</b>	
Annual Cost of Faculty Promotions	(\$650,000)
Annual Cost of Staff Promotions/Actions	<u>(400,000)</u>
<b>Net Available for Redistribution*</b>	<b>\$200,000</b>
<i>*for faculty positions, initiatives, unfunded mandates</i>	

# Tenure-Track Faculty Position Funding Sources



- Funded enrollment growth
- Internal Academic Affairs salary savings from attrition

# FTES Growth Funding for Lecturers

- Funding for schedule adjustments
  - Process initiated by departments and colleges when over-enrolled.
  - Faculty positions funded at replacement rate and when college exceeds planned internal target.
    - Undergraduate Studies approved FTES funded as follows:
      - Increase to class limit – funded at 50%
      - Additional sections – funded at 100%

# Best Practices

# Managing the Schedule

- This is the *number one area of control* for department chairs
- Effective use of physical, fiscal, and human resources
- Effectively deploy tenured and tenure-track faculty in order to maximize enrollments using “fixed costs”
- Monitor/eliminate “low enrolled” sections



# Optimizing the Schedule

- Efficiency
- Student Success
  - *How do we prioritize course offerings, days and times?*
- “Last Like Term”
  - *How effective is rolling the “last like term” as a starting place for schedule building?*



## More...Terminology

- **Headcount** – physical number of students enrolled
- **Seats** – room capacity
- **Full-time Equivalent Students (FTES)**
  - The enrollment measurement used to determine incremental changes in base funding by State/CSU
  - Sum total by Student:
    - Undergraduate: Total Course Credit Units (CCUs) divided by 15
    - Graduate: Total CCUs divided by 12
- **Full-time Equivalent Faculty (FTEF)**
- **Student Faculty Ratio (SFR)**

# Schedule of Classes (SOC) Worksheet

Both a PLANNING and REPORTING tool for Department Chairs

– Combines data from multiple systems to project:

- FTES, FTEF, SFR, and lecturer costs
  - Does not include reassigned time
  - ***Section SFR vs. Faculty type SFR***

Allows for:

- Scenario-building (“What If...?”)
- Determining cost of planned schedule
- Analyzing use of resources to achieve FTES target and support program priorities
- Modeling new program costs



# How to Access the Schedule of Classes (SOC) Worksheet

Link to template:

[www.csun.edu/academic-resources-planning/schedule-classes-soc-templates](http://www.csun.edu/academic-resources-planning/schedule-classes-soc-templates)

SOLAR SA

## MyNorthridge Menu

- ▷ SOLAR HR
- ▷ SOLAR Financials
- ▷ Auxiliary Financials
- ▷ SOLAR SA

SR0128 - SOC Worksheet Dnld

## Schedule of Classes

[Schedule of Classes - Reports](#)

[Course Catalog](#)

[Browse Catalog](#)

[Class Facility Usage](#)

[Class Search](#)

[Class Roster](#)

[Schedule New Course](#)

[Maintain Schedule of Classes](#)

[Schedule Class Meetings](#)

[Adjust Class Associations](#)

[Update Sections of a Class](#)

[Class Permission Numbers](#)

[Combined Sections Table](#)

[Identify Combined Sections](#)

[Search for a Facility](#)

[Instructor/Advisor Table](#)

[SR0128 - SOC Worksheet Dnld](#)

[Instructor Schedule](#)

## Other Best Practices

- Regular (monthly) account reconciliation
- Line-item budgeting – Questica
- Generation of alternative funds
  - Extended Learning, fundraising, grants/IDC
  - Others?
- Planning
  - Equipment refresh
  - Wish lists (for windfalls, donors, etc.)
  - Contingencies



# Other Questions?



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