

Academic Affairs Budget New Department Chair Orientation

August 17, 2023

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Senior Director, Academic Resources

Diane Stephens

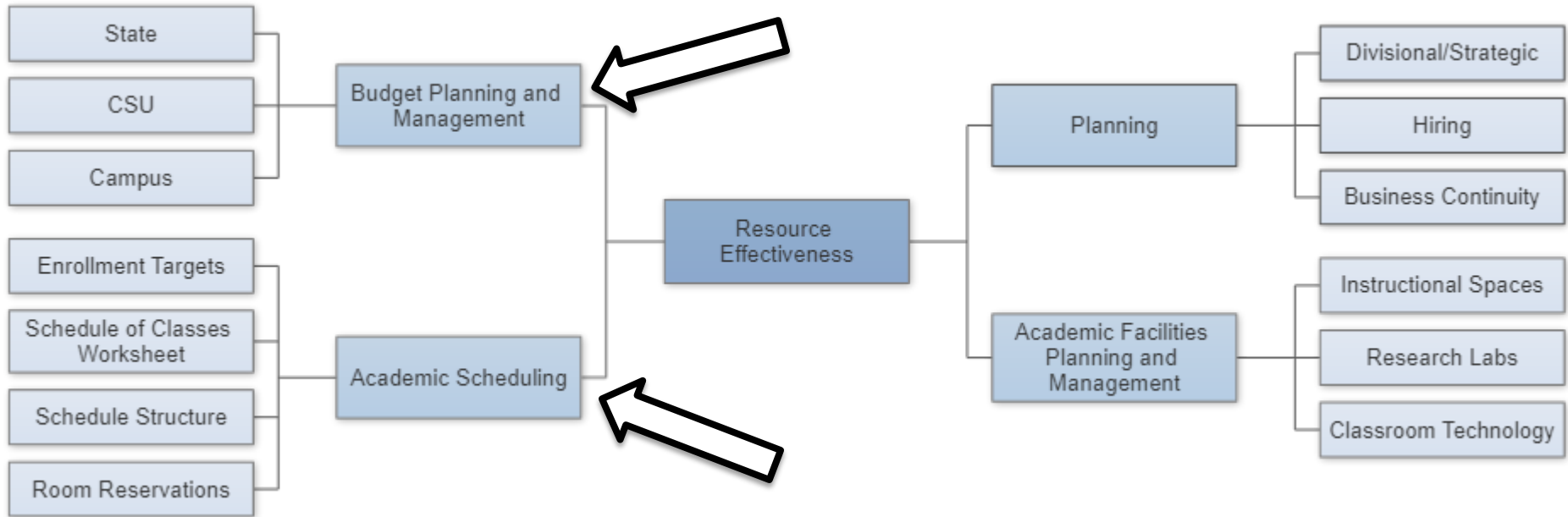
Associate Vice President, Academic Resources and Planning

Agenda

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



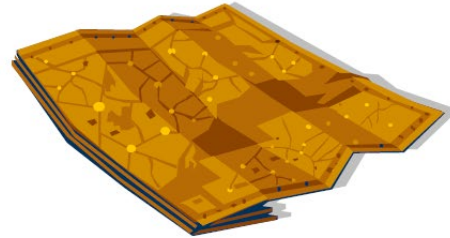
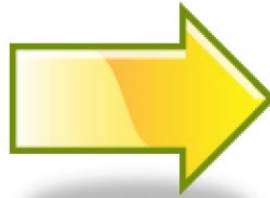
The Resource Planning Environment in Academic Affairs



Budget Overview

What is a budget?

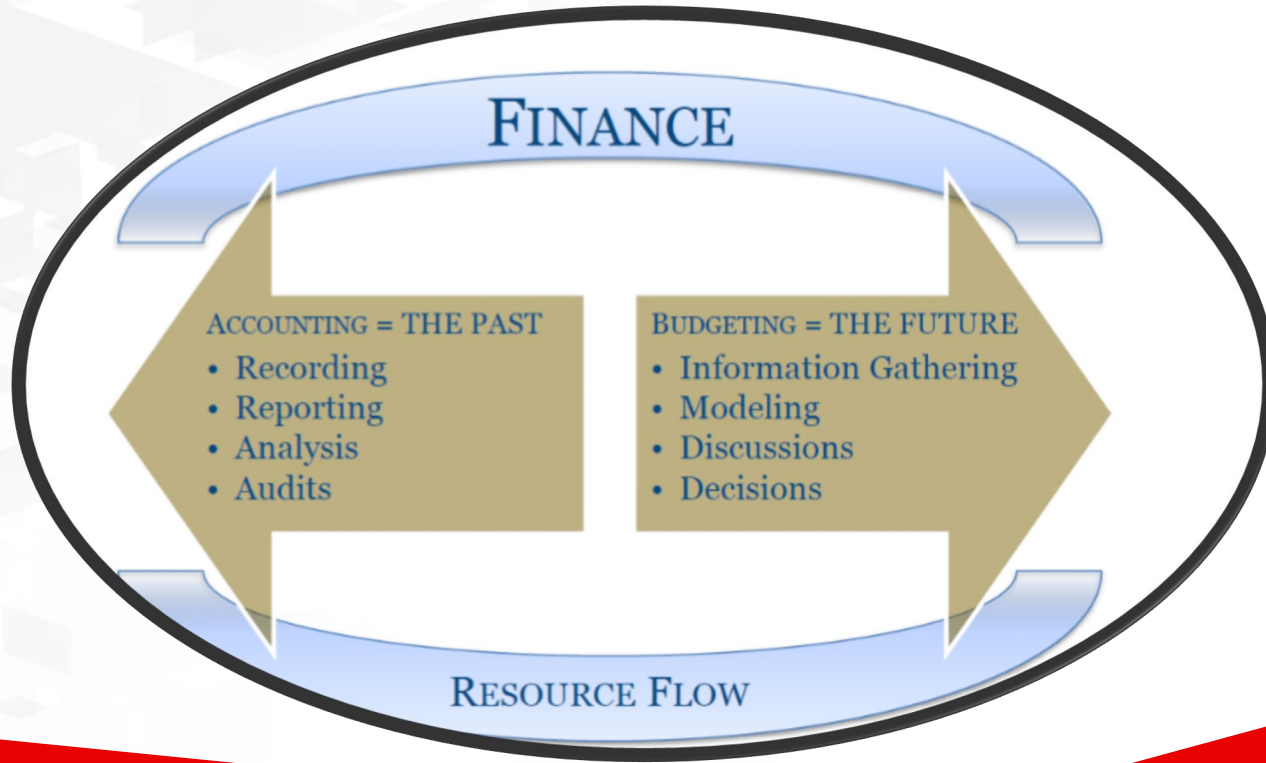
noun: an **estimate**, often itemized, of **expected** income (or allotment) available for spending that is based on a **plan** for how it will be spent for a given period of **time**.



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



General Accounting

- An accounting system that emphasizes profitability rather than accountability

Fund Accounting

- 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

ATTACHMENT A - Operating Budget Sources 2023-24 Final Budget Allocations

Coded Memo B 2023-02

(1)	(2)	General Fund			(5)	Tuition & Fees		(8)	(9)
		(3)	(4)	(4)		(6)	(7)		
2022-23 Gross Operating Budget	2022-23 General Fund	Revisions to 2022-23 General Fund Allocations	2023-24 General Fund Increase for Expenditures	Total 2023-24 General Fund	2022-23 Estimated Gross Tuition & Fee Revenue	2023-24 Tuition Revenue from Enrollment Growth	Total 2023-24 Estimated Gross Tuition & Fee Revenue	2023-24 Gross Operating Budget	
<i>(Coded Memo B 2022-03)</i>	<i>(Coded Memo B 2022-03)</i>	<i>(Attach. B, Col. 5)</i>	<i>(Attach. C, Col. 10)</i>	<i>(Sum of Cols. 2-4)</i>	<i>(Attach. D, Cols. 6 + 7)</i>	<i>(Attach. D, Col. 8)</i>	<i>(Cols. 6 + 7)</i>	<i>(Cols. 5 + 8)</i>	
Bakersfield	\$166,012,000	\$103,615,000	\$2,780,000	\$520,000	\$106,915,000	\$62,307,000	\$62,307,000	\$169,222,000	
Channel Islands	137,975,000	97,120,000	2,051,000	958,000	100,129,000	38,032,000	38,032,000	138,161,000	
Chico	250,102,000	151,499,000	4,029,000	1,377,000	156,905,000	88,883,000	88,883,000	245,788,000	
Dominguez Hills	226,399,000	132,053,000	3,918,000	1,708,000	137,679,000	97,619,000	\$684,000	235,982,000	
East Bay	214,050,000	124,010,000	3,606,000	1,117,000	128,733,000	82,083,000	82,083,000	210,816,000	
Fresno	356,914,000	208,483,000	5,952,000	4,572,000	219,007,000	146,931,000	146,931,000	365,938,000	
Fullerton	519,776,000	268,173,000	8,520,000	9,624,000	286,317,000	252,512,000	3,623,000	542,452,000	
Humboldt	142,890,000	105,864,000	6,989,000	911,000	113,764,000	37,099,000	37,099,000	150,863,000	
Long Beach	535,667,000	284,658,000	8,684,000	7,073,000	300,415,000	253,652,000	2,042,000	556,109,000	
Los Angeles	355,094,000	207,265,000	6,182,000	4,856,000	218,303,000	151,999,000	2,869,000	373,171,000	
Maritime	50,360,000	39,350,000	1,026,000	171,000	40,547,000	9,171,000	9,171,000	49,718,000	
Monterey Bay	140,423,000	97,074,000	1,904,000	1,037,000	100,015,000	43,898,000	43,898,000	143,913,000	
Northridge	505,451,000	279,835,000	9,307,000	5,908,000	295,050,000	226,098,000	1,935,000	523,083,000	
Palmer	265,988,000	209,569,000	5,616,000	5,733,000	214,308,000	153,838,000	3,083,000	369,130,000	
Sacramento	404,752,000	222,799,000	6,879,000	8,334,000	238,012,000	181,602,000	2,773,000	422,387,000	
San Bernardino	282,219,000	159,914,000	4,846,000	3,428,000	168,188,000	123,975,000	123,975,000	292,163,000	
San Diego	558,170,000	265,036,000	7,139,000	16,117,000	288,292,000	280,998,000	1,779,000	571,069,000	
San Francisco	414,869,000	220,054,000	7,017,000	5,433,000	232,504,000	190,442,000	190,442,000	422,946,000	
San Jose	455,155,000	221,068,000	6,786,000	5,378,000	233,232,000	235,067,000	1,582,000	469,881,000	
San Luis Obispo	423,595,000	184,867,000	4,700,000	6,825,000	196,392,000	249,236,000	1,191,000	446,819,000	
San Marcos	198,385,000	117,111,000	3,303,000	2,908,000	123,322,000	82,205,000	1,070,000	206,597,000	
Sonoma	130,243,000	87,627,000	2,353,000	1,013,000	90,993,000	37,939,000	37,939,000	128,932,000	
Stanislaus	159,857,000	97,892,000	2,647,000	1,331,000	101,870,000	61,802,000	61,802,000	163,672,000	
University Total	\$6,994,338,000	\$3,875,935,000	\$116,567,000	\$97,372,000	\$4,089,874,000	\$3,086,488,000	\$22,440,000	\$3,108,928,000	\$7,198,802,000
Chancellor's Office & Systemwide Programs	195,773,000	188,255,000	7,259,000	1,202,000	196,716,000	10,690,000	10,690,000	207,406,000	
Center for California Studies	5,180,000	5,180,000	27,000	38,000	5,245,000			5,245,000	
Summer Arts	674,000	35,000			35,000	639,000	639,000	674,000	
Systemwide Provisions	179,625,000	179,625,000	(55,309,000)	132,238,000	256,554,000			256,554,000	
Systemwide Capital & Infrastructure	340,560,000	340,560,000		99,690,000	440,250,000			440,250,000	
CSU System Total	\$7,716,150,000	\$4,589,590,000	\$68,544,000	\$330,540,000	\$4,988,674,000	\$3,097,817,000	\$22,440,000	\$3,120,257,000	\$8,108,931,000

*Northridge is
6.45% of Total
CSU General
Fund Budget*

*Total CSUN
General Fund
Budget = \$523M*





What is a budget?

Budgets support PLANS

- General Fund Increase 23-24:
 - Student Basic Needs – to sustain initiatives across the CSU
 - GI 2025 - in support of graduation initiative goals and equity priorities that fall within the framework of the six operational pillars
 - Retirement Costs
 - Health Premiums
 - Insurance Premiums
 - Enrollment Growth (285 FTES)



"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 the appropriate time period
- Use internal controls to protect from misuse
- Correctly classify receipts and expenditures
- Comply with campus policies



Department Budgets

Typical “State-Side” Funds in Academic Departments

- **General Fund** (State appropriations, allocations, and fee revenue) – 48501
- **GI 2025** (State appropriations) - 48530
- **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, 441XX, 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
 - Clarity of Business Practices
 - Facilitate Sharing of Information and Open Communication
- Balanced Budgets
- Meet FTES Goals
- Continuity/Consistency of Practices
- Defensible Systems (audit readiness)
- Accountability

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

Open budget reporting and consultation process

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

Contingency funds

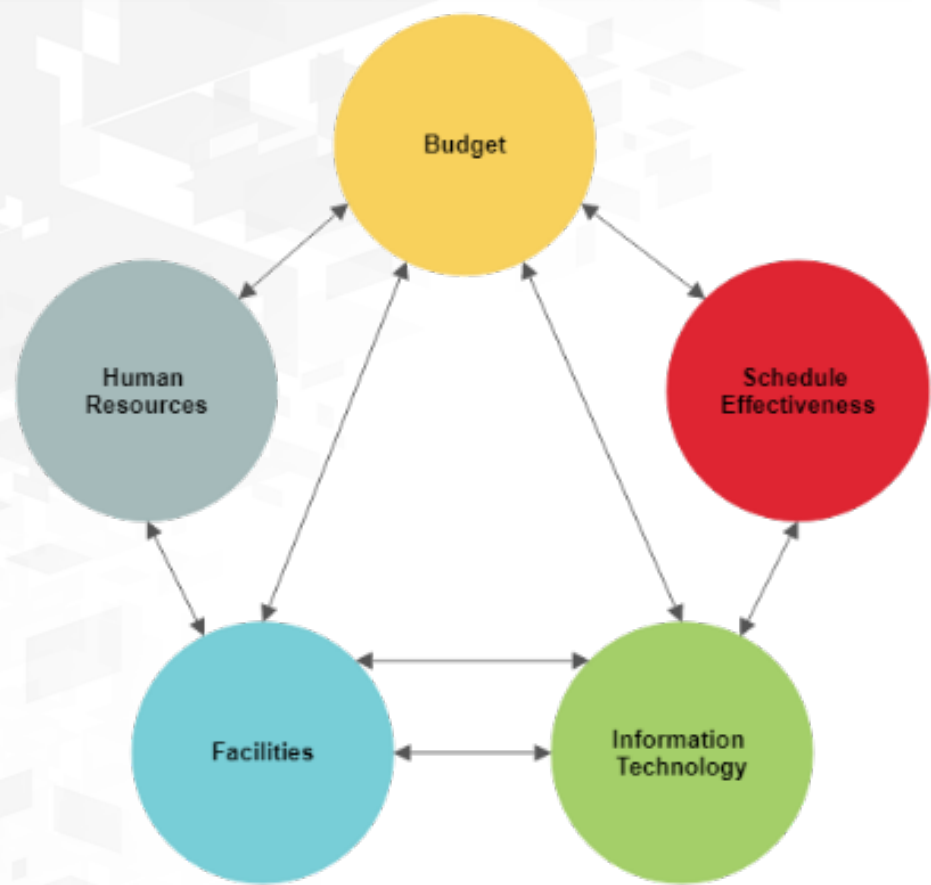
- Maintain
- Communicate to department chairs



Role of the Director of Finance and Operations

Part of college leadership team

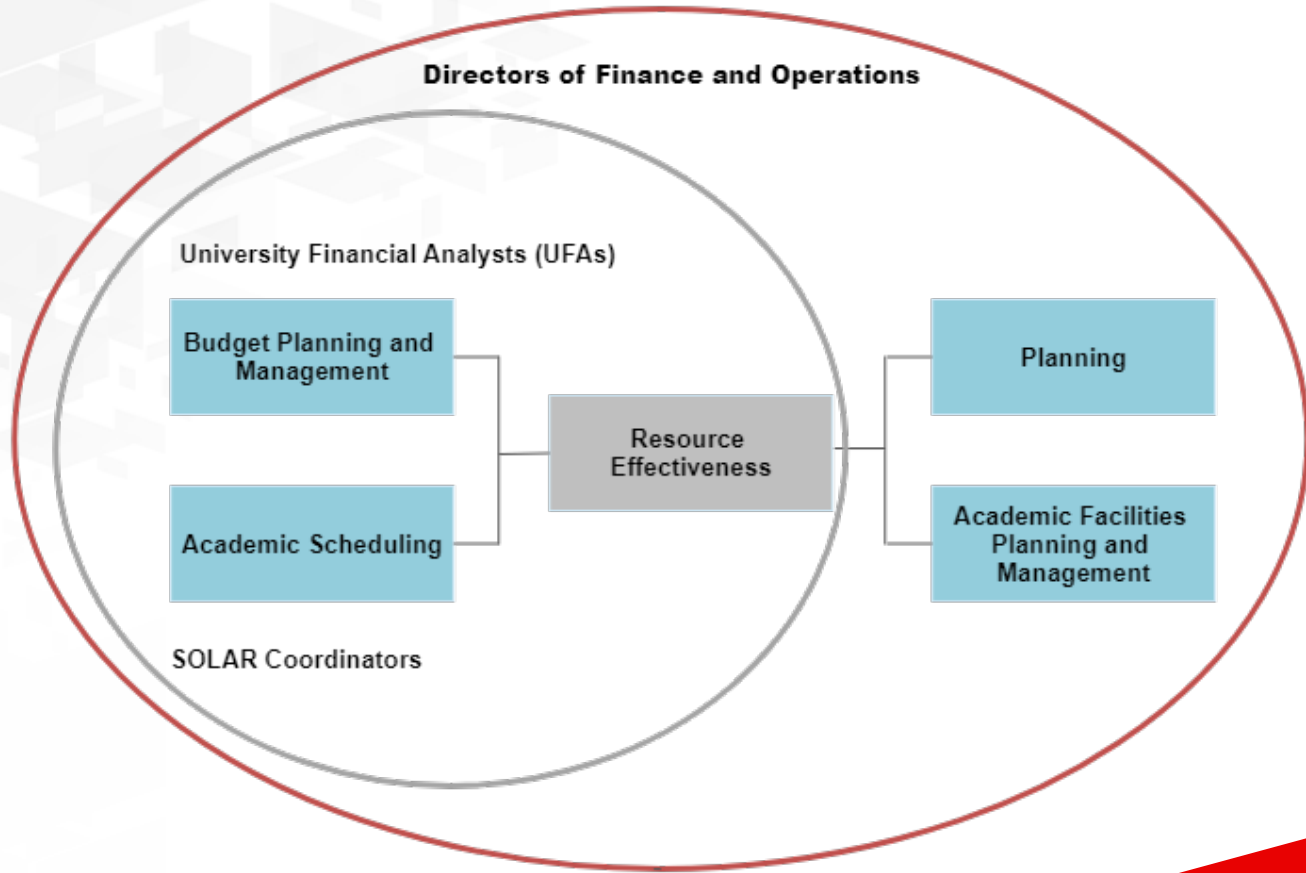
- Advisor to dean on resource matters
- Member of administrative council
- Resource for department chairs, faculty, and staff



Meet with your Director of Finance and Operations

College	Director
Mike Curb College of Arts, Media, and Communication	Natali Papazyan
David Nazarian College of Business and Economics	Cathleen Fager
Michael D. Eisner College of Education	Fred Moreno
College of Engineering and Computer Science	Magda Azouz
College of Health and Human Development	Todd Oberson
College of Humanities	Janene White
College of Science and Mathematics	Tomas Chavez
College of Social and Behavioral Sciences	Serinah Gabrelian
University Library	Jamie Skeggs

Resource Planning Staff in Academic Affairs

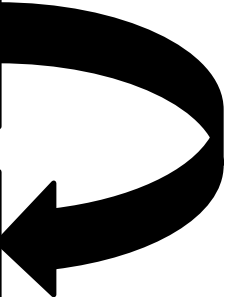


Academic Resources and Planning Staff

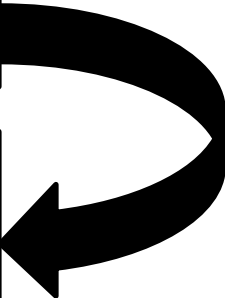
Faculty Position Funding

How Does Faculty Attrition Affect the Budget?

Example: Retiring Faculty Salary	\$101,888
Replacement Salary Retained in College (24 units AY)	<u>(51,888)</u>
Salary Savings	\$50,000



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



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

Tenure-Track Faculty Position Funding Sources



- Funded enrollment growth
- Tenure Density
 - Internal Academic Affairs salary savings from attrition or other cost reductions
 - University support for strategic hiring

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 **internal FTES goal**.
 - Undergraduate Studies approved FTES funded as follows:
 - Increase to class limit – funded at 50%
 - Additional sections – funded at 100%

Enrollment Demands

Budget Uncertainties

- FTES target increase from the CO
 - *Current annualized projection:*
 - *under by 1.1% from CO target*
 - *2.2% from CSUN internal goal*
- Tuition budget will be adjusted for revenue loss. Possible reduction from State appropriations.
- Compensation increases – how will they affect the budget?
→ ***What are some things colleges and departments can do to respond?***



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/condense/eliminate “low enrolled” sections
- Use Ad Astra tools—such as Astra Monitor to improve demand-based scheduling



Scheduling for Success

<https://mycsun.box.com/s/eynfpq8h3w1xpjrn6lgicevs8iz6u6gu>

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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www.csun.edu/academic-resources-planning