

Academic Affairs Budget New Department Chair Orientation

August 15, 2024

Callie Juarez

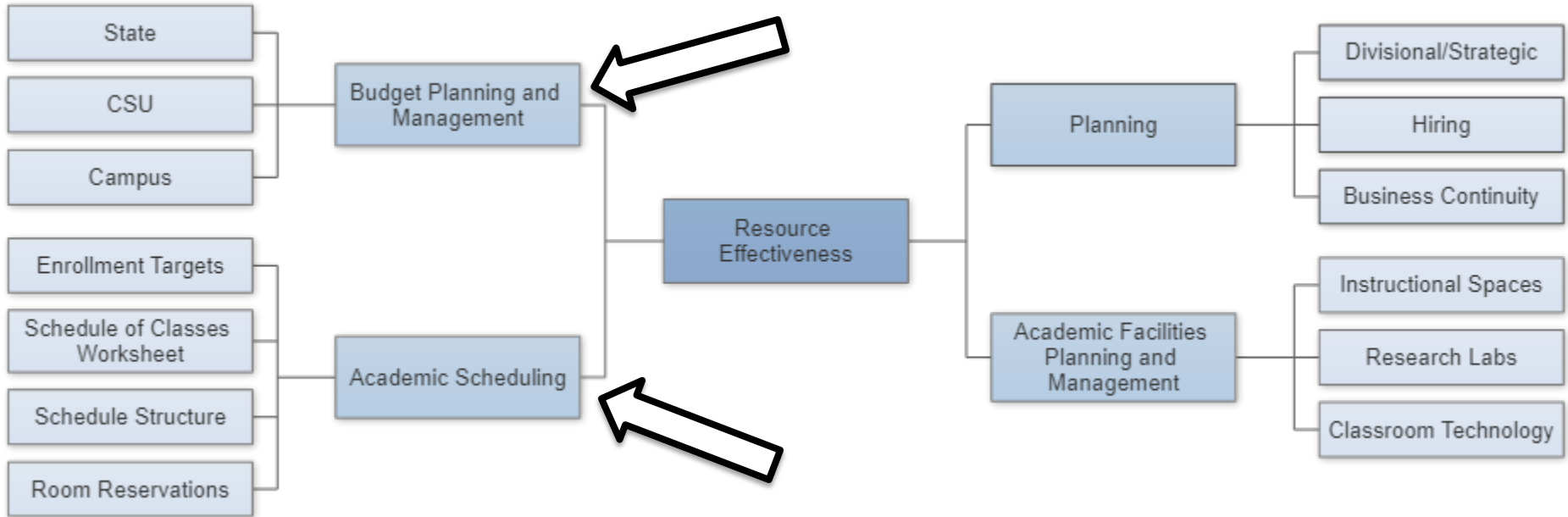
Senior Director, Academic Resources and Planning

Agenda

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



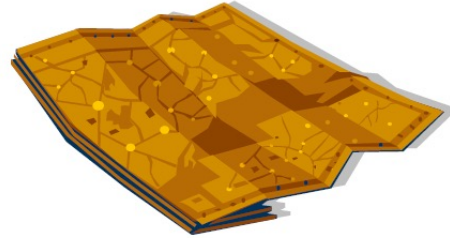
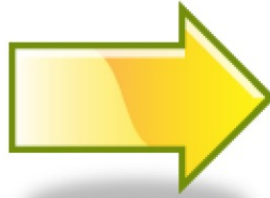
The Resource Planning Environment in Academic Affairs



Budget Overview

What is a budget?

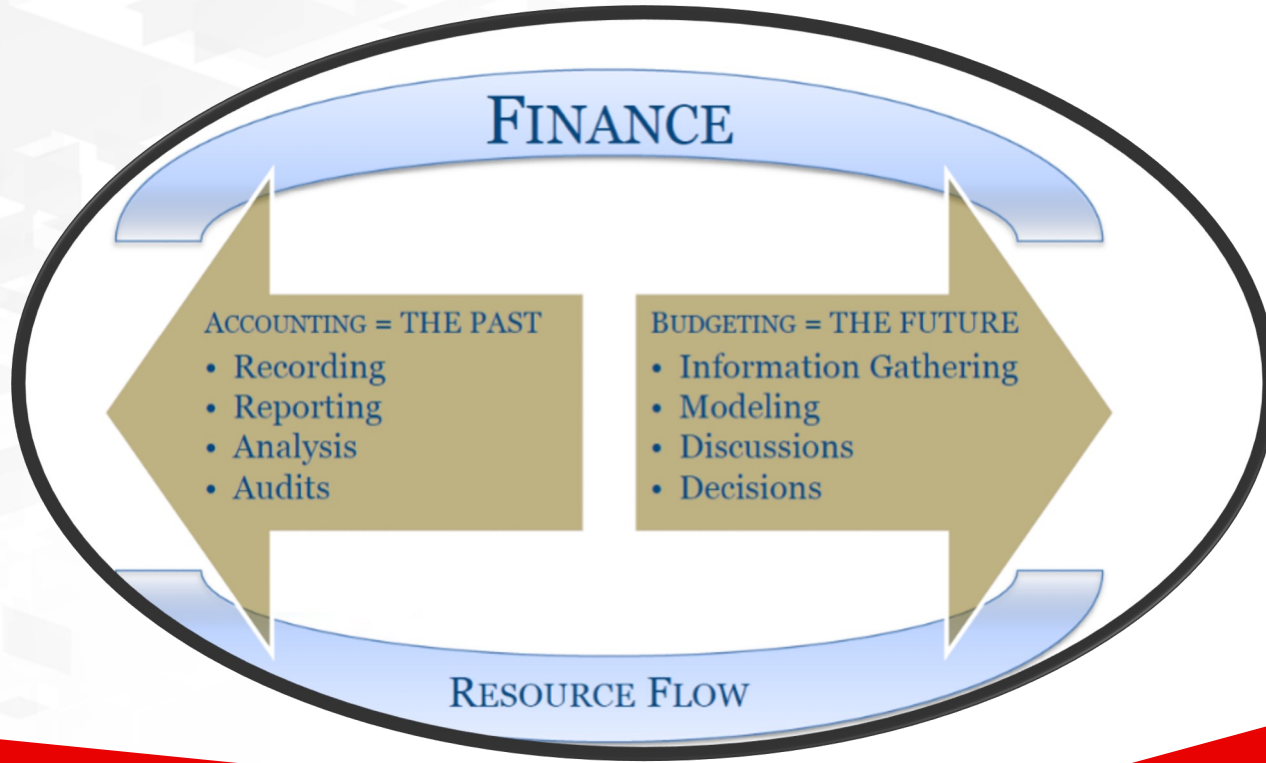
noun: an **estimate**, often itemized, of **expected** income (or allotment) available for spending that is based on a **plan** for how it will be spent for a given period of **time**.



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

Northridge is
6.85% of Total
CSU General
Fund Budget

Total CSUN
General Fund
Budget = \$582
M

(1)	General Fund					Tuition & Fees				(11)
	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	
2023-24 Operating Budget <i>(Coded Memo B 2023-02)</i>	2023-24 General Fund <i>(Coded Memo B 2023-02)</i>	Revisions to 2023-24 General Fund Allocations <i>(Attach. B, Col. 10)</i>	2024-25 General Fund Increase for Expenditures <i>(Attach. C, Col. 16)</i>	2024-25 One-Time General Fund Reduction <i>(Attach. C, Col. 17)</i>	Total 2024-25 General Fund <i>(Sum Col. 2-5)</i>	2023-24 Estimated Tuition & Fee Revenue <i>(Attach. D, Col. 9 + 10)</i>	2024-25 Estimated Tuition Revenue from Enrollment Growth <i>(Attach. D, Col. 11)</i>	2024-25 Estimated Tuition Revenue from Rate Increase <i>(Attach. D, Col. 12)</i>	Total 2024-25 Estimated Tuition & Fee Revenue <i>(Sum Col. 7-9)</i>	2024-25 Operating Budget <i>(Cols. 6 + 10)</i>
Bakersfield		\$3,227,000	\$8,552,000	(\$2,081,000)	\$116,613,000	\$57,729,000		\$3,179,000	\$60,908,000	\$177,521,000
Channel Islands		863,000	4,420,000	(1,101,000)	104,311,000	32,160,000		1,789,000	33,949,000	138,260,000
Chico		633,000	8,294,000	(2,266,000)	163,566,000	88,722,000		4,484,000	93,206,000	256,772,000
Dominguez Hills		3,410,000	3,587,000	(1,460,000)	143,216,000	98,742,000		\$4,642,000	103,384,000	246,600,000
East Bay		1,223,000	6,665,000	(1,917,000)	134,704,000	88,375,000		4,144,000	92,519,000	227,223,000
Fresno		6,420,000	13,247,000	(3,744,000)	234,930,000	146,931,000		7,860,000	154,791,000	389,721,000
Fullerton		14,961,000	22,398,000	(7,440,000)	316,236,000	259,529,000	\$5,611,000	13,937,000	279,077,000	595,313,000
Humboldt		8,943,000	6,224,000	(1,474,000)	127,457,000	40,984,000		2,084,000	43,068,000	170,525,000
Long Beach		13,987,000	18,694,000	(6,358,000)	326,738,000	259,653,000	3,849,000	13,305,000	276,807,000	603,545,000
Los Angeles		5,269,000	12,777,000	(3,932,000)	232,417,000	158,083,000	852,000	8,539,000	167,474,000	399,891,000
Maritime	49,718,000	40,547,000	433,000	1,866,000	(387,000)	42,459,000	8,804,000	317,000	9,121,000	51,580,000
Merced	2,425,000	2,069,000	439,000	2,207,000	(421,000)	2,123,000		4,177,000	2,599,000	2,599,000
Northridge	523,083,000	295,050,000	9,824,000	22,990,000	(6,680,000)	321,184,000	246,564,000	2,051,000	12,621,000	261,236,000
Pomona	369,120,000	213,290,000	5,756,000	9,317,000	(3,495,000)	224,868,000	157,871,000	1,740,000	168,260,000	393,128,000
Sacramento	422,387,000	238,012,000	4,110,000	8,056,000	(3,181,000)	246,997,000	194,283,000	9,881,000	204,164,000	451,161,000
San Bernardino	292,163,000	168,188,000	5,023,000	16,326,000	(4,048,000)	185,489,000	118,301,000	6,499,000	124,800,000	310,289,000
San Diego	571,069,000	288,292,000	14,934,000	12,964,000	(5,224,000)	310,966,000	290,742,000	3,464,000	310,229,000	618,195,000
San Francisco	422,946,000	232,504,000	1,745,000	7,833,000	(2,842,000)	239,240,000	174,498,000	8,190,000	182,688,000	421,928,000
San Jose	469,881,000	233,232,000	10,959,000	10,925,000	(3,901,000)	250,315,000	238,321,000	489,000	10,580,000	249,390,000
San Luis Obispo	446,819,000	196,392,000	12,185,000	12,109,000	(3,567,000)	217,119,000	267,748,000	8,002,000	275,750,000	492,869,000
San Marcos	206,597,000	123,322,000	9,591,000	12,493,000	(3,889,000)	141,517,000	88,688,000	4,620,000	98,122,000	239,639,000
Sonoma	128,932,000	90,993,000	376,000	3,991,000	(1,043,000)	94,317,000	33,890,000	1,892,000	35,782,000	130,099,000
Stanislaus	163,672,000	101,870,000	3,293,000	6,437,000	(1,736,000)	109,864,000	61,170,000	3,352,000	64,522,000	174,386,000
University Total	\$7,198,802,000	\$4,089,874,000	\$137,322,000	\$235,549,000	(\$73,106,000)	\$4,389,639,000	\$3,154,914,000	\$22,676,000	\$153,957,000	\$3,331,547,000
Chancellor's Office & SW Programs	207,406,000	196,716,000	8,959,000	10,180,000	(1,806,000)	214,049,000	11,274,000		11,274,000	225,323,000
Center for California Studies	5,245,000	5,245,000	85,000	496,000	(88,000)	5,738,000				5,738,000
Summer Arts	674,000	35,000				35,000	639,000		639,000	674,000
Systemwide Provisions	256,554,000	256,554,000	(146,366,000)			110,188,000				110,188,000
Systemwide Capital & Infrastructure	440,250,000	440,250,000				440,250,000				440,250,000
CSU System Total	\$8,108,931,000	\$4,988,674,000	\$0	\$246,225,000	(\$75,000,000)	\$5,159,899,000	\$3,166,827,000	\$22,676,000	\$153,957,000	\$8,503,359,000



What is a budget?

Budgets support PLANS

- General Fund Expenditure Increase 24-25:
 - GI 2025 - in support of graduation initiative goals and equity priorities that fall within the framework of the six operational pillars
 - Title IX & Anti-Discrimination Programs
 - NAGPRA & CalNAGPRA Compliance
 - Veteran Tuition Waivers
 - Retirement Costs
 - Health Premiums
 - Insurance Premiums
 - Strategic Resident Enrollment Growth (3,484 FTES)
 - State University Grant

<https://www.calstate.edu/csu-system/about-the-csu/budget/Pages/coded-memos.aspx>

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



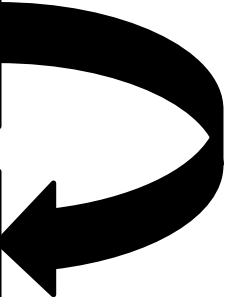
Meet with your Director of Finance and Operations

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

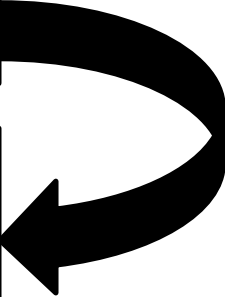
Faculty Position Funding

How Does Faculty Attrition Affect the Budget?

Example: Retiring Faculty Salary	\$109,728
Replacement Salary Retained in College (24 units AY)	<u>(59,728)</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

**for faculty positions, initiatives, unfunded mandates*

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%

Budget Uncertainties

- FTES target increase from the CO
- Compensation increases – University-Funded

→ *What are some things the University and Division are doing to respond?*

- Vacancy and Shared Services Assessment form – *all staff and MPP positions*
- *Absorption of compensation increases –*
 - *“What is needed vs. what is nice to have”*

→ *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?



callie.juarez@csun.edu

www.csun.edu/academic-resources-planning