This report summarizes the 2015-16 Resource Planning Process at the end of the academic year in June 2015. The data and plans contained within are based on information available at this time. The final campus budget plans for 2015-16 may be different than what is contained in this report. However, this plan is being published to document the work done by the 2015-16 RPP Task Force.
EXPLANATORY NOTES ON CONTENTS OF REPORT

MEMBERSHIP OF THE RESOURCE PLANNING PROCESS (RPP) TASK FORCE
RPP is a representative task force of the campus leadership charged with the role of advising the President on matters related to the General Fund budget allocations for the coming fiscal year. The membership is comprised of two non-voting co-chairs, and ten voting members representing faculty, staff and student leadership. A representative of the California Faculty Association (CFA) Local Chapter and a representative of the staff unions are invited to participate as observers, and four individuals are appointed as staff support to the Task Force.

SOURCES AND USES PLAN
This plan prepared by the Office of Administration and Finance provides the Task Force with the perspective of the University’s 2015-16 General Fund budget outlook. The plan is updated as new information becomes available.

APPENDIX

ENROLLMENT DATA
A display of the actual student enrollments for 2012-13, 2013-14, 2014-15 as well as the preliminary enrollment targets for 2015-16 based on Governor’s proposed budget.

SCHEDULE OF MEETINGS
A schedule of the three separate occasions on which the Task Force convened. These working and planning meetings were held from February through mid-May, 2015 for a total of six hours of deliberation.

GLOSSARY OF TERMS
A collection of definitions of various terms and phrases specific to CSULB and the CSU used in the RPP Task Force report.
To: Jane Conoley, President
From: David Dowell, Provost and Senior Vice President for Academic Affairs
Mary Stephens, Vice President for Administration and Finance
Date: June 16, 2015
Subject: 2015-16 RPP Task Force Budget Recommendations

This memo transmits the budget recommendations of the 2015-16 Resource Planning Process (RPP) Task Force. The final state budget and CSU funding will not be known until later this summer, but the RPP Task Force believes it is important to communicate budgetary plans to the campus based on what we currently know.

Fortunately, for the third straight year, the CSU will be receiving an increase in the system’s budget. We can continue to focus on our academic purpose, graduating students with highly-valued degrees, focusing on academic quality, continuing to support the schedule of classes, and continuing to support student progress to degree completion. It is noteworthy that the governor’s budget proposal once again emphasized the importance of timely degree completion in all of the state’s higher education segments. With the proposed funding, we will be able to better serve students and meet the educational needs of more Californians, thereby positively affecting the workforce and the state’s economy.

Executive Summary
The Governor’s May Revise Budget contained some additional permanent funding increases for the CSU budget as compared to his January proposal. The following summarizes our understanding of the current budget situation:
• The governor’s 2015-16 budget proposal invests new General Fund resources in higher education, consistent with the four-year budget plan he set for the system in 2013-14.

• The governor’s budget proposal includes $157.5 million in additional funding for the CSU. While this funding increase is welcome, it still falls short of the $217 million requested by the Board of Trustees.

• The chancellor has allocated $64 million of the proposed $157.5 million from the governor’s budget proposal to the campuses. A total of $16 million has been allocated for enrollment growth, $16 million for mandatory cost increases (healthcare and new space), and $32 million for 2 percent compensation increases for all employees except faculty.

• The chancellor is holding the balance of $93.5 million until further notice. This amount is expected to fund faculty compensation increases (pending collective bargaining), student success and completion initiatives, additional enrollment, and the financing of physical plant maintenance and infrastructure.

• CSULB’s estimated share of the funds allocated by the chancellor is approximately $600,000. In addition, we estimate that campus revenues will increase by about $1.5 million due to resident enrollment growth and an increase in non-resident enrollment.

• RPP recommends supporting the increased instructional costs for the allocated enrollment increase by allocating almost $1.2 million for instruction.

• RPP also recommends allocating $800,000 for current year compensation increase shortfalls, a salary set-aside for the Chief Information Officer, risk pool premium increases, and State University Grant adjustments.

• In order to respond to the Chancellor’s directive that campuses implement their own salary equity adjustments for faculty and staff, CSULB has identified permanent funds totaling $1 million from the campus-wide utilities budget to fund equity adjustments. RPP recommends allocating $960,000 to process faculty equity adjustments effective January 1, 2015 and $250,000 to process staff equity adjustments effective July 1, 2015 (both including benefit cost increases).
• The recommended allocations exhaust the available new resources and the repurposed utility savings and in fact create a $100,000 deficit, but this deficit is small enough to manage.

Campus budget planning by RPP was based primarily on the Governor’s January Budget proposal for a $119.5 million CSU funding increase. While the May Revise includes an incremental $38 million for the CSU, allocation decisions for this additional funding will likely not occur until later this summer. Therefore, RPP budget planning concluded at the end of the spring semester based on the best estimate that was available. While the net effect of the changes above based on the Governor’s January Budget results in a budget deficit of about $100,000, it is inconsequential enough for preliminary planning purposes. Furthermore, with the Chancellor yet to allocate $93.5 million until later this summer, it was felt other budget changes will still affect the bottom line.

**Current Budget Outlook**

The May Revise now projects that state revenues will exceed the January Governor’s Budget estimate by an additional $6.7 billion. Given this positive revenue forecast, the governor has announced his priority is retiring some of the state’s outstanding debt and contributing more to the “rainy day fund.” Additionally, large portions of the additional surplus will be applied to Proposition 98 related spending increases.

The CSU was one of a very few state programs to receive an increase in the May Revise budget. The CSU received a base budget increase of $38 million beyond the $119.5 million increase in the January Governor’s Budget. The additional $38 million is designated as follows:

• Support efforts to improve student success at all of the campuses, as approved by the Trustees. Over the long term, reducing the time it takes students to complete degrees should provide access to significant numbers of new students and significant savings to students and families.
• Enroll more transfer students beginning in the coming year. While timelier completion should improve access to the CSU, the Administration recognizes the demand campuses are facing today, particularly from transfer students who have completed associate’s degrees for transfer and are guaranteed admission to the university. The additional funds will allow campuses to enroll approximately 1,500 more transfer students by the spring of 2016. (May Revision – 2015-16, p.28)

The May Revise also maintains the governor’s commitment to a multi-year stable funding plan for higher education. Under this plan, the CSU would receive up to a 20-percent increase in General Fund appropriations over the four-year period (2013-14 through 2016-17). In exchange, the CSU is expected to freeze resident tuition for that same period to ensure affordability for students and their families. Additionally, the CSU is expected to achieve the following priorities: decrease the time it takes students to complete a degree; increase the number of students who complete programs; and improve the transfer rate of students from community colleges. The multi-year funding plan increases funding and strengthens accountability to encourage the CSU to become more affordable and to maintain quality and access over the long term.

The 2015-16 CSU budget also includes several one-time funding allocations. Twenty-five million is allocated to help the CSU address its deferred maintenance backlog and $25 million will fund the Governor’s Awards for Innovation Program, which bolsters degree completion and student success. Another $35 million will be used to modernize existing CSU facilities to maximize energy efficiency and natural resources.

Campus specific allocations of the additional $38 million of base budget funding or the one-time funding allocations have yet to be announced by the Chancellor.

While the proposed CSU budget is short of the Board of Trustees’ request, we are grateful for the addition of new funds and the ongoing support of the governor and
Preliminary Campus Budget Outlook and Planning (2015 Spring Term Planning)

Despite the projected lack of discretionary funds for 2015-16, the RPP Task Force was informed of the importance of establishing a campus-based salary equity program for faculty and staff. The Task Force immediately understood the critical nature of fixing some salary equity issues that have resulted from many consecutive years of frozen salary levels. To that end, $1 million of the campus-wide utilities budget was identified as a potential source to fund salary equity adjustments. The campus-wide utilities budget has developed some flexibility due to constant investments in energy savings projects over the years. As energy saving projects translates to budget savings, we have been investing these savings in additional projects. While this redirection of $1 million from the utilities budget to fund campus salary equity adjustments will slow the pace of new energy projects, we will continue to make such investments.

Divisional Budget Planning

While the CSU is projecting to receive incremental funding in 2015-16, most of the funding is earmarked for specific purposes such as compensation increases, enrollment increases, and mandatory cost increases. There is very little truly discretionary funding that will be available. As such, the operating divisions were told very early in the spring to expect a status quo budget for 2015-16. No budget reductions, but no funding augmentations should be anticipated either. Therefore, divisions were not asked to develop specific expenditure plans for 2015-16 nor were budget hearings conducted as in prior budget cycles.

Both the amount of campus discretionary funds and details for the use of these funds may change by the time we have a final budget later this summer. Plans may also
change depending on how much and for what purpose CSULB receives funding designated for student success and completion measures.

Recommendations of the Resource Planning Task Force

- RPP recommends that the limited discretionary funds be allocated as prescribed in planning for enrollment increase instructional cost funding, current year compensation increase shortfalls, a salary set-aside for the Chief Information Officer, risk pool premium increases, and State University Grant adjustments.
- RPP recommends that $1 million of the campus-wide utilities budget be redirected to fund the campus salary equity program for faculty and staff. RPP understands that this redirection will reduce the amount that will be invested in future energy savings projects, although these investments will continue as funds allow.
- It is assumed that the majority of CSU funds yet to be allocated to campuses are earmarked for specific purposes. RPP recommends that the campus allocate these funds as prescribed.
- Should unexpected discretionary funding become available during the summer, RPP recommends that the President determine an appropriate process to consider additional allocations, depending on the amount of additional funding.
- RPP further recommends that a report detailing final 2015-16 allocation decisions be published in the fall.

Enrollment

For 2015-16, the campus funded enrollment target has been established at 28,057 resident FTES, an increase of 209 FTES or 0.8 percent over our 2014-15 target. At this time, the campus enrollment plans for 2015-16 are based on our resident FTES to come in approximately 0.5 percent over target for 2015-16. This increased enrollment contributes positively to our net budget.
Concluding Thoughts

Compensation remains particularly problematic with many years of little or no pay increases for faculty and staff. The combination of state-funded compensation increases and the campus-based salary equity program will help alleviate the pressures some, but more is needed.

We expect technology to continue to drive changes in pedagogy and service delivery. New initiatives, such as instructional technology, must be pursued despite limited resources. It is important that the campus be as well organized as possible to effectively adapt to technological changes in both services and instruction.

Some form of performance-based funding is likely in our future. The campus has long been focused on the core performance metrics: student retention and graduation. Student success is increasingly in the campus’s best interest. The campus may have to adapt to accommodate more students, while continuing to improve quality, using any or all of several strategies such as reduced time to degree (which could dramatically increase capacity), online and blended technology instruction (which can improve efficiency of facility usage), and other creative strategies.

The Task Force would like to acknowledge the continued hard work and resolve shown by the entire university community. CSULB remains a vital, premiere institution of higher education. This would not be possible without the energy, creativity, dedication and positive attitude of our faculty, staff and students.

C: Associated Students Officers
   All CSULB Employees
# CALIFORNIA STATE UNIVERSITY, LONG BEACH
# RESOURCE PLANNING PROCESS TASK FORCE

## 2015-16 MEMBERSHIP

### NON-VOTING

| CO-CHAIRS: | David Dowell, Provost and Senior Vice President for Academic Affairs | Mary Stephens, Vice President for Administration and Finance |

### VOTING

| MEMBERS: | Jalal Torabzadeh, Chair, Faculty Personnel Policies Council |
|          | Keith Freesemann, Chair, Program Assessment and Review Council |
|          | Tianjiao Qiu, Chair, Curriculum and Educational Policies Council |
|          | Gary Griswold, Chair, University Resources Council |
|          | Praveen Soni, Chair, Academic Senate |
|          | Sharon Taylor, Representative, Division of Administration and Finance |
|          | Carmen Taylor, Representative, Division of Student Services |
|          | Michael Losquadro, Representative, Division of University Relations and Development |
|          | Nancy McGlothin, Staff Representative, Academic Senate |
|          | Joseph Phillips, President, Associated Students, Inc. |

### OBSERVERS:

| Douglas Domingo-Foraste, Representative, California Faculty Association |

### STAFF:

| Dhushy Sathianathan, Interim Associate Vice President for Academic Planning |
| Marianne Hata, Assistant Vice President, Academic Resources, Academic Affairs |
| Ted Kadowaki, Associate Vice President, Budget and University Services |
| Jim Suguitan, Budget Director, Administration and Finance |
### SOURCES:

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<thead>
<tr>
<th></th>
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<tbody>
<tr>
<td>2014-15 Net State Support</td>
<td>$156,941,836</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2014-15 Revenues and Reimbursements</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>State University Tuition Fee</td>
<td>189,509,177</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other Receipts</td>
<td>25,775,607</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total 2014-15 General Fund Budget</strong></td>
<td>$372,226,620</td>
<td></td>
<td></td>
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<td><strong>2015-16 BEGINNING BUDGET</strong></td>
<td>$372,226,620</td>
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#### Net Budget Plan Changes

- Adjustment to retirement rate: 4,555,000
- Mandatory cost increase - health: 798,000
- 2015-16 compensation adjustment (Excl. Unit 3): 2,387,000
- Enrollment growth funding: 989,000
- GF Adjustment in Lieu of Revenue Adjustments: (312,000)
- GF Adjustment for Tuition Fee Discounts: 4,300

**Adjustment to Revenues and Reimbursements**

- State University Tuition Fee adjustment (Projected increase of 277 headcount): 1,471,000

**TOTAL 2015-16 GENERAL FUND SOURCES** $382,118,920

### USES:

#### 2014-15 Internal Budget

- Division budgets: $197,462,004
- University-wide budgets: 174,764,616

**Total 2014-15 Internal Budget** $372,226,620

#### Changes to 2014-15 Internal Budget

- Enrollment increase instructional cost: 1,174,162
- 2015-16 compensation adjustment (Excl. Unit 3): 2,387,000
- 2014-15 compensation shortfall: 280,000
- Reduction of base utilities budget: (1,000,000)
- 2015-16 campus faculty equity adjustments (salary and benefits): 960,000
- 2015-16 campus staff equity adjustments (salary and benefits): 250,000
- 2014-15 discretionary resources - permanent funding shortfall: 14,584
- Salary set-aside for Chief Information Officer: 200,000

**Adjusted 2015-16 General Fund Budget** $376,492,366

#### 2015-16 EXPENDITURE REQUIREMENT CHANGES

**Directed/Earmarked by System Office**

- PERS retirement rate change: 4,555,000
- Health benefits rate changes: 798,000
- Risk pool premium increase: 125,000
- State University Grant (incremental increase): 233,000

**TOTAL 2015-16 GENERAL FUND USES** 382,203,366

**SURPLUS / (DEFICIT) for 2015-16** $ (84,446)
Explanatory Notes

The 2015-16 Sources and Uses Plan estimates the impact of budget decisions made by the State, by the CSU System Office, and the Long Beach campus on the resource allocations for the upcoming year. The plan is based on the CSU budget included in the Governor’s January Budget Proposal and the May Revision and incorporates planning parameters that have been provided to the campuses by the Chancellor and the CSU May Budget Allocation letter B2015-01 dated May 13, 2015. The plan does not include any changes that could occur with legislative proceedings that take place before the final budget is passed.

The following notes provide an explanation of the numbers shown on the plan.

SOURCES

2014-15 General Fund Base Budget
Net state support and budgeted revenues and reimbursements detailed in the 2014-15 CSULB Internal Budget Document.

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
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</thead>
<tbody>
<tr>
<td>2014-15 Net State Support</td>
<td>$156,941,836</td>
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<tr>
<td>Represented portion of the University’s state budget supported by tax revenues.</td>
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<tr>
<td>2014-15 Revenues &amp; Reimbursements</td>
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<tr>
<td>State University Tuition Fee</td>
<td>$189,509,177</td>
</tr>
<tr>
<td>Represents portion of the University’s budget supported by undergraduate, teacher credential and graduate student tuition fees.</td>
<td></td>
</tr>
<tr>
<td>Other Receipts</td>
<td>$25,775,607</td>
</tr>
<tr>
<td>Represents portion of the University’s budget comprised of fees and miscellaneous reimbursements for services. Examples include student health center fee, application fee, non-resident tuition, transcript fees, etc.</td>
<td></td>
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</tbody>
</table>

Total 2014-15 General Fund Budget $372,226,620
Net Budget Plan Changes
The net budget plan changes in the campus’s General Fund allocation is based on CSU budget allocations detailed in the CSU system coded memorandum B2015-01 on the 2015-16 Governor’s Budget Allocations.

Adjustment to retirement rate $4,555,000
Change in employer-paid contribution rates in order to maintain actuarial soundness of the system and meet defined benefit pension obligations.

Mandatory cost increase – health premiums $ 798,000
Funding to cover the permanent increase in employer-paid health care costs resulting from January 2015 premium increases.

2015-16 compensation increase adjustment $2,387,000
Permanent funding of two percent compensation increase for all non-faculty employees. The faculty bargaining share of the two percent is being held by the CSU pending collective bargaining.

Enrollment growth funding $ 989,000
Funding to support the increase in resident full-time equivalent students (FTES) of 209 (27,848 to 28,057 FTES).

General Fund adjustment in lieu of revenue adjust. ($312,000)
General Fund assessment by Chancellor’s Office to support budget expenditure increases and to redistribute to campus-specific and systemwide programs.

General Fund adjustment for tuition fee discounts $ 4,300
General Fund adjustment by Chancellor’s Office to recognize differences in financial aid student need by campus.

Adjustment to Revenues and Reimbursements
State University Tuition Fee increase $1,471,000
This revenue increase projection is contingent on achieving our 2015-16 college year resident enrollment goal of 28,131 FTES, approximately 0.3 percent over target.

Total 2015-16 General Fund Resources $382,118,920

Sources and Uses 11
USES

2014-15 Internal Budget
The budgets for operating divisions and university-wide programs as detailed in the 2014-15 Internal Budget document.

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount</th>
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<tbody>
<tr>
<td>Division budgets</td>
<td>$197,462,004</td>
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<tr>
<td>University-wide budgets</td>
<td>$174,764,616</td>
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Division budgets
Represents budget allocations for all operating divisions.

University-wide budgets
Represents budgets for general, necessary, or unavoidable costs that benefit the entire campus rather than a particular division.

2014-15 Internal Budget $372,226,620

Changes to 2014-15 Internal Budget
Enrollment increase instructional cost $1,174,162
Funding provided to Academic Affairs to support instructional costs related to the increase in enrollment.

2015-16 compensation adjustment $2,387,000
Permanent funding of two percent compensation adjustment for non-faculty employees.

2014-15 compensation shortfall $280,000
Funding of 2014-15 compensation adjustment costs that exceeded the budget provided by the Chancellor’s Office.

Reduction of base utilities budget ($1,000,000)
Reduction of base campus utilities budget made possible by continuous investments in energy savings projects over the years. These savings are redirected to fund salary equity adjustments for faculty and staff.

2015-16 campus faculty equity adjustments $960,000
Funding of 2015-16 campus-based salary equity adjustments for faculty effective January 1, 2015. Includes salary and associated benefit costs.

2015-16 campus staff equity adjustments $250,000
Funding of 2015-16 campus-based salary equity adjustments for staff effective July 1, 2015. Includes salary and associated benefit costs.

2014-15 discretionary resources funding shortfall $14,584
Represents permanent funding shortfall of items funded by $2 million in discretionary contingency reserves in 2014-15.

Sources and Uses 12
Salary set-aside for campus Chief Information Officer $ 200,000
Represents estimated salary set-aside for new campus Chief Information Officer expected to be hired in 2015-16.

ADJUSTED 2015-16 GENERAL FUND BUDGET $376,492,366

2015-16 CHANGES IN CAMPUS EXPENDITURE REQUIREMENTS
Represents budget changes to division and university-wide allocations.

Directed / Earmarked by System Office

PERS retirement rate change $4,555,000
Represents change in employer-paid contribution rates in order to maintain actuarial soundness of the system and meet defined benefit pension obligations.

Health benefits rate changes $ 798,000
Represents permanent increase in employer-paid health care costs due to annual premium increases.

Risk pool premium increase $ 125,000
Estimated increase in campus risk pool premium costs due to actuarial data and cost increases.

State University Grant (SUG) $ 233,000
Permanent budget adjustment associated with the financial aid set aside based on funded enrollment increases for 2015-16. This adjustment is a preliminary projection of changes that will occur in campus fiscal year 2015-16 budgeted SUG allocations.

Total 2015-16 General Fund Uses $382,203,366
Surplus / (Deficit) for 2015-16 ($ 84,446)
APPENDIX
## FTES by Colleges and Instructional Areas

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<tbody>
<tr>
<td></td>
<td>TOTAL</td>
<td>% OF TOTAL</td>
<td>SUMMER</td>
<td>FALL</td>
<td>SPRING</td>
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<tr>
<td>Health &amp; Human Services</td>
<td>5,067</td>
<td>18%</td>
<td>33</td>
<td>5,445</td>
<td>5,485</td>
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<tr>
<td>Business Administration</td>
<td>2,171</td>
<td>8%</td>
<td>5</td>
<td>2,225</td>
<td>2,223</td>
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<tr>
<td>Education / EDSS</td>
<td>1,283</td>
<td>5%</td>
<td>19</td>
<td>1,299</td>
<td>1,205</td>
</tr>
<tr>
<td>Engineering</td>
<td>1,969</td>
<td>7%</td>
<td>2,234</td>
<td>2,303</td>
<td>2,269</td>
</tr>
<tr>
<td>The Arts</td>
<td>2,882</td>
<td>10%</td>
<td>3,141</td>
<td>2,888</td>
<td>3,015</td>
</tr>
<tr>
<td>Natural Sciences &amp; Math</td>
<td>4,294</td>
<td>15%</td>
<td>4,491</td>
<td>3,868</td>
<td>4,180</td>
</tr>
<tr>
<td>Liberal Arts</td>
<td>10,301</td>
<td>37%</td>
<td>10,519</td>
<td>9,879</td>
<td>10,199</td>
</tr>
<tr>
<td>Other University Programs*</td>
<td>141</td>
<td>1%</td>
<td>169</td>
<td>128</td>
<td>149</td>
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<tr>
<td>Total, Colleges/Instruction</td>
<td>28,107</td>
<td>100%</td>
<td>29,524</td>
<td>27,979</td>
<td>28,809</td>
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<tr>
<td>Campus Resident Target</td>
<td>27,198</td>
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* Includes Educational Opportunities Program (EOP), Academic Affairs (VPAA), and Athletics Department.

(1) Campus enrollment targets include resident and non-resident students based on the Governor’s Budget. Campus is funded for growth in resident students only. For 2014-15, according to the most recent information from the Chancellor’s Office campuses will be allowed to be as much as five percent (5%) over target. CSULB’s planning target is 27,848 resident FTES, which is a slight increase of 650 over 2013-14.

(2) Campus enrollment targets include resident and non-resident students based on the Governor’s Budget. Campus is funded for growth in resident students only. For 2015-16, according to the most recent information from the Chancellor’s Office campuses will be allowed to be as much as three percent (3%) over target. CSULB’s planning target is 28,277 resident FTES, which is a slight increase of 334 over 2014-15.
Thursday, February 26, 2015  9:00 AM – 12:00 PM  BH 302

Friday, April 10, 2015   2:00 PM – 4:00 PM   BH 302

Friday, May 15, 2015   3:00 PM – 4:00 PM   BH 302
This glossary is provided to explain various terms and phrases specific to the CSU that are used in this Resource Planning Process document, and/or to provide references to websites where additional information or explanations may be found.

The State of California’s glossary of budget terms is an additional reference (link below). However, some terms used therein may not be common jargon or applicable to the CSU.  
http://www.dof.ca.gov/HTML/BUD_DOCS/glossary.pdf

**Academic Year (AY)**
For semester campuses, an academic year includes the fall and spring semesters. The college year includes summer, fall, and spring semesters.

**Academic Year Full-Time Equivalent Students (AY-FTES)**
The number of academic year full time equivalent students (FTES) at a semester campus is calculated by adding the student credit hours for the fall and spring semesters and dividing by 24 for graduate students and by 30 for all other students. It is the average enrollment over two semesters based on a full time equivalency of 12 credit hours per semester for graduate students and 15 credit hours per semester for all other students.

**Base Budget**
Base budget is a term used to distinguish the fixed amount of general fund resources allocated to the campus as compared to other variable, or non-recurring resources, also referred to as non-base budget. The amount of each campus’ general fund base budget allocation is reestablished each year as authorized by the CSU Board of Trustees in the Final Budget memo. The CSU Budget Office issues this memo when the Governor signs the Final Budget. In addition, the campus is responsible for reestablishing a base budget for its variable revenues that are collected in the general fund, by setting a minimum amount that it expects to collect.

The President establishes annual changes to the university’s base budget after review of recommendations from the Resource Planning Process Task Force.

The resources available for operating divisions during the annual Resource Allocation process in the fall are comprised of the state general fund allocation and campus revenue, such as State University Tuition Fees, non-resident tuition, application fees, etc.

Additional information may be found at:  
http://www.calstate.edu/Budget/  
http://daf.csulb.edu/offices/univ_svcs/budget/docs/index.html

**Campus Physical Capacity**
Campus physical capacity (CPC) is defined as the academic year FTES (or college year FTES) that can be accommodated by the capacity space currently available on a campus. CPC may be equal to or less than the enrollment ceiling approved for a campus.

Capacity of campus facilities is usually expressed in terms of student stations, annual FTE student capacity, or office space. Capacity is calculated using the appropriate utilization measures and space standards approved by the state. A campus cannot request capital outlay funding that will add physical space if the project will result in exceeding the campus’ physical capacity as published in its approved physical master plan.

As of Fall, 2014, CSULB had a campus physical capacity of 25,701 (lecture and lab only) Academic Year FTES.

Additional information may be found at:  
http://www.calstate.edu/CPDC/SUAM/Appendices/App_B-Restructure_Campus_Capacities.pdf  

See Campus Physical Master Plan
Campus Physical Master Plan
The campus master plan describes the physical facilities approved for planning, design and construction on land owned by the Trustees as part of a CSU campus. Once initially approved, the Trustees must approve all additions to the campus physical master plan. The campus physical master plan also includes the enrollment ceiling approved for the campus based upon the Environmental Impact Report (EIR) for the site.

The Board of Trustees requires that every campus have a physical master plan, showing existing and anticipated facilities necessary to accommodate specified levels of enrollment, in accordance with approved education policies and objectives. Each campus master plan reflects the ultimate physical requirements of academic programs and auxiliary activities. A related element, adopted by the Board, separate from the physical master plan, is the campus enrollment ceiling that specifies the maximum FTE for each campus at build-out.

The Campus Master Plan was approved to increase campus facilities capacity to 31,000 FTES when additional future funding becomes available.

Additional information may be found at:
http://issuu.com/ppfm-admin/docs/csulbMPMay08?e=5771217?2806357

Campus Temporary Resources
Year-end balances held in university-wide programs are made available as a university contingency reserve to address deterioration in the budget or other emergencies that may arise. Any unspent amount at the end of a fiscal year will carry forward to address the next year’s budget needs. These funds are of a one-time, non-recurring nature and are attributable to savings from a variety of programs including benefits, compensation, utilities and general reserves.

Carryover Savings
The university is allowed to retain its unspent general fund budget balance at the close of the fiscal year. We refer to these balances that roll forward to the next fiscal year as carryover savings. Also referred to as division or university-wide reserves, carryover savings are published in the Internal Budget Document and are labeled as Division Carryover Savings.

Due to the Revenue Management Program (see RMP), the Chancellor’s Office has established a maximum threshold amount that a campus can roll forward to the next fiscal year. If a campus exceeds this threshold, a usage plan must be developed and submitted to the Chancellor’s Office.

Common Financial System (CFS)
In an effort to increase administrative efficiency systemwide, the CSU has created a Common Financial System (CFS), which is available to all campuses and auxiliary organizations. Incorporating campus financial systems into a single database reduces incompatibilities between campuses and minimizes the time and effort spent maintaining disparate systems.

Common Management System (CMS)
The mission of the Common Management Systems (CMS) is to provide efficient, effective and high quality service to the students, faculty and staff of the 23-campus California State University System (CSU) and the Office of the Chancellor. Utilizing a best practices approach, CMS supports human resources, financials and student services administration functions with a common suite of Oracle Enterprise applications in a shared data center, with a supported data warehouse infrastructure.

Compensation
To recognize the salary increase commitments of the CSU collective bargaining agreements and CSU’s Management Personnel Plan, the Resources and Requirements plan projects the amount of incremental cost of negotiated salary increases that go into effect during a given fiscal year.

Division Reserves
Same as Carryover Savings

Glossary C2
Enrollment Target
The enrollment target is the total number of full-time equivalent students that a campus receives base budget funding for during a college year. The Board of Trustees will establish enrollment targets during the budget process with the intent to publicize campus enrollment targets ten months prior to the beginning of the academic year.

### Historical FTES Enrollment

<table>
<thead>
<tr>
<th>Year</th>
<th>Target (1)</th>
<th>Actual</th>
</tr>
</thead>
<tbody>
<tr>
<td>2001/02</td>
<td>305,854</td>
<td>316,396</td>
</tr>
<tr>
<td>2002/03</td>
<td>321,132</td>
<td>331,353</td>
</tr>
<tr>
<td>2003/04 (2)</td>
<td>331,565</td>
<td>331,704</td>
</tr>
<tr>
<td>2004/05</td>
<td>324,120</td>
<td>321,339</td>
</tr>
<tr>
<td>2005/06</td>
<td>332,223</td>
<td>334,343</td>
</tr>
<tr>
<td>2006/07</td>
<td>348,262</td>
<td>353,551</td>
</tr>
<tr>
<td>2007/08</td>
<td>356,296</td>
<td>368,424</td>
</tr>
<tr>
<td>2008/09</td>
<td>356,050</td>
<td>372,393</td>
</tr>
<tr>
<td>2009/10</td>
<td>358,063</td>
<td>354,812</td>
</tr>
<tr>
<td>2010/11</td>
<td>354,382</td>
<td>341,728</td>
</tr>
<tr>
<td>2011/12</td>
<td>346,225</td>
<td>355,609</td>
</tr>
<tr>
<td>2012/13</td>
<td>345,289</td>
<td>358,794</td>
</tr>
<tr>
<td>2013/14</td>
<td>350,838</td>
<td>370,585</td>
</tr>
<tr>
<td>2014/15 (3)</td>
<td>361,618</td>
<td></td>
</tr>
<tr>
<td>2015/16 (4)</td>
<td>375,062</td>
<td></td>
</tr>
</tbody>
</table>

(1) Includes funded resident target full time equivalent students (FTES) and prior year reported non-resident FTES.
(2) 2003/04 - a mid-year reduction from the state reduced the target from 334,914 FTES to 331,565 FTES
(3) Of 361,618 FTES target, 346,050 are residents and 15,568 are non-residents
(4) Of 375,062 FTES target, 356,432 are residents with 3% growth, and 18,630 are non-residents

Information about the CSU enrollment management can be found at:
http://www.calstate.edu/budget/fybudget/2015-2016/documentation/

### EO-1000
Ensure that costs incurred by the CSU Operating Fund for services, products, and facilities provided to other CSU funds and to Auxiliary Organizations are properly and consistently recovered with cash and/or a documented exchange of value. Allowable direct costs incurred by the CSU Operating Fund shall be allocated and recovered based on actual costs incurred. Allowable and allocable indirect costs shall be allocated and recovered according to a cost allocation plan that utilizes a documented and consistent methodology including identification of indirect costs and a basis for allocation.

### Final Budget
Final Budget refers to the final enacted state budget and CSU allocations. Differentiated from the preliminary budget that is developed after the Governor's Budget and May Revision and the Legislative Budget Recommendations received by the Governor in June. See Governor's Budget

### General Fund
The General Fund has existed since the beginning of the state as a political entity. It is the government's major source of funds used for most of its activities. Under this fund, various special accounts are created and reserved for particular activities. Chapter 942/77 provides for the treatment of these accounts as other governmental funds for Accounting and Budgeting purposes effective July 1, 1978.

Usage of this fund varies in accordance with legislative authorizations and governing statutes. Except for various constitutional and statutory authorizations without further legislative action, the General Fund is appropriated on a yearly basis. Income to the fund

Glossary  C3
varies in accordance with the governing statutes. A detailed listing is contained in the Governor's Budget and the Controller's Annual Report.

**General Fund Allocation**

The amount of each campus’ State General Fund Budget allocation is established each year as authorized by the CSU Board of Trustees in the Final Budget Memo. The CSU Budget Office issues this memo when the Governor signs the Final Budget.

*See also Base Budget*

**Governor’s Budget (January)**

The State Constitution requires that the Governor submit a budget to the Legislature by January 10. It provides for a balanced budget in that, if the proposed expenditures for the budget year exceed estimated revenues, the Governor is required to recommend the sources for the additional funding.

The budget process for California defies a simple concise definition. It is a process rather than a product. It is not the development of the Governor's Budget, the Legislature's enactment of a budget, or the executive branch's administration of the budget. Rather, it is the combination of all of these phases with all the ramifications and influences of political interactions, relationships with federal and local governments, public input, natural events, legal issues, the economy, initiatives and legislation, etc. Although the size and complexity of California and the dynamics of the process make it difficult to establish and maintain an orderly process, these very reasons necessitate an orderly formalized process.

By constitutional requirement, the Governor's Budget must be accompanied by a Budget Bill itemizing recommended expenditures that shall be introduced in each house of the Legislature. The Constitution also requires that the Legislature pass the bill by June 15. It is not uncommon for the Legislature to miss this deadline.

The following web references summarize the major steps and procedures of California's budget process:

http://www.ebudget.ca.gov/

**Health Benefits**

To recognize the costs required to cover health benefit costs for employees who are compensated from general fund accounts, the Resources and Requirements plan projects the incremental amount of funding necessary to cover the cost of employer-paid benefits that will go into effect in a given fiscal year. Health care benefit rate increases are determined by the number of CSU employee participants and the difference between the old and new employer-paid contribution rates.

**Mandatory Costs**

A typical cost of doing business that is unavoidable is referred to as mandatory. These costs normally include negotiated compensation increases, benefit costs, energy and utility cost increases, insurance premiums, worker's compensation, contributions to the CSU risk pool, and maintenance costs of new building space.

**May Revision**

The May Revision is an annual update to the Governor’s Budget containing a revised estimate of General Fund revenues for the current and ensuing fiscal years, any proposals to adjust expenditures to reflect updated revenue estimates, and all proposed adjustments to Proposition 98, presented by the Department of Finance to the Legislature by May 14 of each year.

2015-2016 May Revision of Governor’s Budget related to Higher Education is contained in the attached:


**Non-base Budget Allocations**

Non-base budget is a term to distinguish one-time temporary resources which are not added to base budgets. *Carryover savings* are a type of non-base budget allocation.

**Non-resident Tuition (NRT)**

The additional fee assessed to students who do not meet the State of California residency requirement. Students need to meet particular requirements to pay in-state tuition (SUF), which is significantly lower than out-of-state tuition (NRT). The requirements are listed in the link below.

If students are without lawful immigration status, they must also file an affidavit with a CSU campus stating that they have filed an application with the INS to legalize their immigration status or that they will do so as soon as they are eligible. The attached link identifies current residency requirements:

Visit the campus website at:

http://web.csulb.edu/depts/enrollment/admissions/residency.html

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**Glossary C4**
One-Time, Temporary Resources
See Non-base Budget Allocations

PERS Retirement Rate
CalPERS uses contributions from the employer, the employee, and income from investments to pay for employee retirement benefits. Employee and employer contributions are a percentage of applicable employee compensation. The employer contribution is set annually by CalPERS based on annual actuarial valuations. The employee contribution is 5% of salary for Miscellaneous Tier 1 members, 6% of salary for Miscellaneous Tier 2 members, and 8% for some Peace Officer/Firefighter members (Public Safety Management and Firefighters only) less an exclusion allowance for coordination with Social Security.

CSU Contribution Rates for CalPERS Retirement Coverage – Fiscal Year 2015/16
Effective July 1, 2015 the CSU retirement contribution rates for employees covered by the following CalPERS member Categories are as follows:

<table>
<thead>
<tr>
<th>Member Category</th>
<th>CSU Employee Group</th>
<th>2015/16 Employer Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>State Miscellaneous Tier 1</td>
<td>All Other Tier 1 CSU Employees</td>
<td>25.150%</td>
</tr>
<tr>
<td>State Miscellaneous Tier 2</td>
<td>All Other Tier 2 CSU Employees</td>
<td>25.278%</td>
</tr>
<tr>
<td>State Police Officer/Firefighter</td>
<td>Unit 8, MPP, Directors &amp; Lieutenants</td>
<td>38.985%</td>
</tr>
</tbody>
</table>

Revenue Management Program (RMP)
The Governor’s Budget enacted RMP in 2006-2007. The CSU has re-engineered substantial financial and reporting changes for cash flows and modified the accounting procedures for all campuses. The new RMP initiative has reduced our dependency on the State of California for fiscal tasks, increased working efficiencies and reduced delays to the year-end closing process. The CSU has new responsibilities to monitor and manage the cash flows and any potential earnings that may arise from fee collections to support campus operations. Ongoing changes as a result of new directives and best methods approach along with campus standardization of activities will continue to be issued to enhance financial operations.

State University Tuition Fee
State University Tuition Fee is the amount a resident student pays to attend the California State University. The tuition fee for a full time student is shown below. Tuition Fees for Academic Year 2012-13 were rolled back to Academic Year 2011-12 rates due to the passage of Proposition 30 in November, 2012.

<table>
<thead>
<tr>
<th>Academic Year</th>
<th>Under-graduate</th>
<th>Graduate Teacher Credential</th>
<th>Graduate</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014-15</td>
<td>$5,472</td>
<td>$6,348</td>
<td>$6,738</td>
</tr>
<tr>
<td>2013-14</td>
<td>$5,472</td>
<td>$6,348</td>
<td>$6,738</td>
</tr>
<tr>
<td>2012-13</td>
<td>$5,472</td>
<td>$6,348</td>
<td>$6,738</td>
</tr>
<tr>
<td>2011-12</td>
<td>$5,472</td>
<td>$6,348</td>
<td>$6,738</td>
</tr>
<tr>
<td>2010-11</td>
<td>$4,440</td>
<td>$5,154</td>
<td>$5,472</td>
</tr>
<tr>
<td>2009-10</td>
<td>$4,026</td>
<td>$4,674</td>
<td>$4,962</td>
</tr>
</tbody>
</table>

CSULB Tuition and Mandatory Student Fee information can be found at:
http://web.csulb.edu/depts/enrollment/registration/fees Basics.html

Glossary  C5
Non-resident students pay the State University Tuition Fee, non-resident fee and campus fees. The following chronology gives the full-time (and part-time) undergraduate resident CSU SUF fee (including the total when campus fees are included).

<table>
<thead>
<tr>
<th>Academic Year</th>
<th>Full-time (part-time)</th>
<th>Average Total Fees</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Systemwide Tuition Fees</td>
<td></td>
</tr>
<tr>
<td>2014-15</td>
<td>$5,472 ($3,174)</td>
<td>$6,612</td>
</tr>
<tr>
<td>2013-14</td>
<td>$5,472 ($3,174)</td>
<td>$6,612</td>
</tr>
<tr>
<td>2012-13</td>
<td>$5,472 ($3,174)</td>
<td>$6,612</td>
</tr>
<tr>
<td>2011-12</td>
<td>$5,472 ($3,174)</td>
<td>$6,519</td>
</tr>
<tr>
<td>2010-11</td>
<td>$4,335 ($2,514)</td>
<td>$5,285</td>
</tr>
<tr>
<td>2009-10</td>
<td>$4,026 ($2,334)</td>
<td>$4,893</td>
</tr>
</tbody>
</table>

**Tuition Fee Discounts (also known as State University Grants (SUG))**
The Tuition Fee Discount Program was established by the State of California under the Budget Act of 1982, Chapter 326. Its creation was consistent with legislative intent and recommendations contained in the Report of the Chancellor's Task Force on a New Student Fee and Financial Aid Program (December, 1981). The Tuition Fee Discount program is budgeted in the General Fund. The amount of Tuition Fee Discount funds is increased annually by one-third of the marginal cost revenue estimated for enrollment growth, or one-third of the revenue attributable to a Tuition Fee rate change. Campuses receive an allocation based on enrollment targets and student need.

Additional information may be found at:
http://web.csulb.edu/depts/enrollment/financial_aid/sugpolicy.html

**University Wide Budgets**
Resources that are held centrally to cover mandatory costs that benefit the entire campus and/or campus reserves are referred to as “University Wide.” These funds are administered by various division managers who have fiduciary responsibility and accountability for the budget. Any unspent balances at year-end are returned and made available to the entire campus.