RESOURCE PLANNING PROCESS

2010-2011

CALIFORNIA STATE UNIVERSITY, LONG BEACH
This report summarizes the 2010-11 Resource Planning Process at the end of the academic year in May 2010. The data and plans contained within are based on information available at this time. It is acknowledged that there is a high level of uncertainty about the state fiscal situation and much may occur during the summer months. Therefore, the final campus budget plans for 2010-11 may be substantially different than what is contained in this report. However, this plan is being published to document the work done by the 2010-11 RPP Task Force.

<table>
<thead>
<tr>
<th>TABLE OF CONTENTS</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Explanatory Notes</td>
<td>i</td>
</tr>
<tr>
<td>Co-Chairs’ Message</td>
<td>1 – 6</td>
</tr>
<tr>
<td>Membership of Resource Planning Process Task Force</td>
<td>7</td>
</tr>
<tr>
<td>2010-11 Sources and Uses Plan</td>
<td>8 – 12</td>
</tr>
<tr>
<td>CSULB 2010-11 Budget Planning Summary</td>
<td>13 – 43</td>
</tr>
<tr>
<td>Appendix</td>
<td>A1 – F1</td>
</tr>
<tr>
<td>A. Guidelines for Budget Submissions</td>
<td>A1 – A3</td>
</tr>
<tr>
<td>B. Enrollment Data</td>
<td>B1</td>
</tr>
<tr>
<td>C. Institutional Health and Sustainability</td>
<td>C1 – C3</td>
</tr>
<tr>
<td>D. Schedule of Meetings</td>
<td>D1</td>
</tr>
<tr>
<td>E. Glossary of Terms</td>
<td>E1 – E7</td>
</tr>
<tr>
<td>F. Reference Documents</td>
<td>F1</td>
</tr>
</tbody>
</table>
EXPLANATORY NOTES ON CONTENTS OF REPORT

MEMBERSHIP OF THE RESOURCE PLANNING PROCESS (RPP) TASK FORCE
A representative task force of the campus leadership was 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 2010-11 General Fund budget outlook. The plan is updated as new information becomes available.

BUDGET PLANNING SUMMARY
This document provides a comprehensive summary of the budget planning process utilized by CSULB for the upcoming 2010-11 budget year.

APPENDIX
GUIDELINES FOR BUDGET SUBMISSIONS
A copy of the October 19, 2009 communication from the Task Force to the division heads outlining the guidelines to be used in the campus' 2010-11 budget planning process, along with some of the State and System budget information upon which the initial planning parameters were based.

ENROLLMENT DATA
A display of the actual student enrollments for 2007-08, 2008-09, 2009-10 as well as the preliminary enrollment targets for 2010-11 based on Governor’s proposed budget.

INSTITUTIONAL HEALTH AND SUSTAINABILITY
A copy of the January 27, 2010 communication from the Task Force to President Alexander that recommends consideration be given to increasing campus-based fees and instituting new campus-based fees in order to sustain and improve the academic quality of CSULB degrees.

SCHEDULE OF MEETINGS
A schedule of the 18 separate occasions on which the Task Force convened. Thirteen working and planning meetings were held from September, 2009 to May, 2010. Three separate open hearings for the operating divisions were conducted in December. Following the hearings, the Task Force met seven times for a total of 42 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.

REFERENCE DOCUMENTS
A list of documents available at the “Budget Central” page of CSULB’s website for reference.
CO-CHAIRS’ MESSAGE
To: F. King Alexander, President

From: Donald Para, Provost and Senior Vice President for Academic Affairs
Mary Stephens, Vice President for Administration and Finance

Date: August 16, 2010

Subject: 2010-11 RPP Task Force Budget Recommendations

We are pleased to transmit the budget recommendations of the 2010-11 Resource Planning Process (RPP) Task Force. In the past decade this campus has made remarkable strides forward and we do not wish to retreat on these achievements. Our budget challenges may slow our progress, but we are determined to continue our pursuit of excellence.

SUMMARY
California continues to struggle with extremely challenging fiscal circumstances and is faced with a re-emerging budget deficit of about $19 billion for 2010-11. Despite the state’s fiscal condition, the Governor has made higher education a central priority of his 2010-11 Budget. The Governor’s proposed budget replaces some of the funding cut from the California State University system (CSU) in 2009-10 by recommending that $305 million be restored to the system. The proposed budget also contains funding of an additional $60.6 million for reinstatement of enrollment.

Many of the Governor’s budgetary proposals will face a very difficult reception in the Legislature and much may happen between now and when the budget is finalized. Due to these uncertainties and previous historic inconsistencies exhibited in Sacramento, the Chancellor’s Office has taken a conservative approach and has provided to the campuses some key budget planning assumptions:

- Cuts made in 2009-10 will be permanent
- No additional state cuts or additional state funding in 2010-11
- Employee furloughs are discontinued at end of fiscal 2009-10
- Campuses are expected to achieve but not exceed 2010-11 enrollment targets, which have been drastically reduced from 2009-10
- Funding in the amount equal to a 10 percent increase in student fees is assumed
As a result, CSULB again faces substantial budget reductions this coming year. Unfortunately, we do not know the final amount or even the timing of the budget reduction. However, the RPP Task Force believes it is important to convey the recommended budget plan for 2010-11 to the campus community prior to the start of the academic year.

The RPP Task Force has developed recommendations for a 7.8 percent reduction to all campus operating divisions and enrollment downsizing to target. Implementing this budget plan in 2010-11 will affect employment for temporary faculty, class availability, ability to fill vacant staff positions and extend temporary staff positions, operating budgets, and faculty and staff workload throughout the university.

At this time, several key issues remain unresolved including passage of a final state budget and action by the CSU Board of Trustees to reduce anticipated impacts on campuses. Should still-further reductions be necessary in summer or early fall, the RPP Task Force recommends that the campus make every effort to avoid further impact on the schedule of classes.

**CURRENT BUDGET OUTLOOK**

The Governor’s May Revision continues to prioritize higher education above many other state concerns by proposing to restore to CSU $305 million of the more than $600 million that had been reduced in recent system budgets. Additionally, the May Revision contains increased funding of an additional $60.6 million to support enrollment growth for the CSU. An important development is that in the Governor’s January budget proposal, this additional enrollment funding was contingent upon the state receiving a certain amount of federal funds for other state programs. The May Revision removes this contingency language.

If the CSU ultimately receives this funding, it would represent a year-to-year increase in overall CSU resources from 2009-10. While this funding is not sufficient to offset all recent budget cuts, it would lessen the amount of budget reduction currently contained in CSULB’s plans for 2010-11. This funding would allow us to increase our enrollment target and retain some of the course sections that may have been targeted to be cut next semester. This would be good news for our university community. To effect the Fall 2010 semester, however, a final state budget would have to be passed by July 1, 2010. This is not expected to occur.

At this point, significant uncertainty remains. The state budget situation may stabilize or continue to worsen. The Governor’s budget may be enacted by the Legislature as proposed or it may be modified. The CSU Trustees recently voted to raise the State University Fee by five percent, basing their decision on the Assembly’s budget proposal that provides additional state revenues.

It is important to remember that the May Revision is still a budget proposal, not a final budget. California remains in the midst of extremely challenging fiscal circumstances and many of the Governor’s proposals for deep reductions and elimination of programs
are controversial. As proposed, the state budget will likely face a very difficult reception in the Legislature and may not be finalized until late summer or early fall. Some legislative leaders have indicated that they are less interested in getting the budget done by the June 30 deadline than in “getting it done right.” Negotiations over this budget could indeed be very long and brutal. We could be well into the fall semester before we have a final budget for 2010-11.

Although the early indications seem positive, the CSU has not changed planning parameters for the campuses because of all the uncertainties that remain.

**RECOMMENDATIONS**

RPP’s budget planning for CSULB is fully described below. The RPP Task Force budget recommendation, based on the situation as currently understood, is as follows:

- Reduce student FTE enrollment to our funded target of 26,297 FTES.
- Implement a 7.8 percent reduction to all operating divisions of the university totaling $15.9 million, effective July 1, 2010.
- Implement a $4 million reduction to non-operating division budgets in areas such as utilities, employee benefits, and risk management.
- Utilize university reserves to the extent possible to offset additional reductions.

Depending on how uncertainties are resolved, it is possible that additional reductions will be necessary. Unfortunately, the RPP Task Force is not in a position to provide more definitive conclusions at this time.

**RPP PLANNING, BASED ON PLANNING ASSUMPTIONS PROVIDED BY THE CHANCELLOR**

Most of RPP’s planning was based on the budget planning assumptions provided to the campuses by the Chancellor in late summer 2009. The planning parameters were as follows:

- Assume the $571 million one-time reduction in 2009-10 becomes permanent in 2010-11.
- State funding will not substantially improve in 2010-11. Therefore, assume the CSU’s state General Fund allocation in 2010-11 will be the same as the 2009-10 allocation.
- Employee furloughs will be discontinued at the end of the 2009-10 fiscal year.
- Campuses are expected to reach their enrollment targets that have been reduced by 9.5 percent for the CSU, or 32,576 FTES (CSULB target = 26,297 FTES).
- Campuses must account for budgeted fee revenue loss associated with reduced enrollment targets for 2010-11.
- Campuses should include revenue equivalent to a ten percent student fee increase in their planning assumptions.
- Campuses should plan for mandatory cost increases.

As mentioned earlier, the Governor’s January proposed budget and the May Revision prioritizes higher education above many other areas and proposes to restore some of
the funding cut from the CSU in 2009-10. While this proposal represents a positive starting point for the CSU, because of all the uncertainties, campuses have been directed to continue budget planning based on the original assumptions stated above.

Based on these original planning assumptions, CSULB’s estimated share of the state budget reduction is $24 million. The fee revenue loss associated with our reduced enrollment target of 3,044 FTES is $9.5 million. Unfunded mandatory cost increases for health benefits, energy, and new space, were projected at $1.7 million. Therefore, CSULB’s gross budget problem for 2010-11 was projected to be $35.2 million.

As an offset to these reductions, the enrollment downsizing does result in some instructional cost savings estimated to be $6.0 million. The proposed ten percent student fee increase would generate additional revenues of about $9.3 million. These offsets result in an estimated unresolved budget problem of $19.9 million for CSULB.

The following table illustrates the campus’ unresolved budget shortfall:

<table>
<thead>
<tr>
<th>Assumptions = no furloughs, some mandatory costs, no state reductions, 10% fee increase</th>
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</thead>
<tbody>
<tr>
<td>Unresolved permanent budget problem from 2009-10</td>
</tr>
<tr>
<td>Recalculation of 2009-10 budget reduction</td>
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<tr>
<td>Enrollment downsizing fee revenue loss (3,044 FTES)</td>
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<tr>
<td>Mandatory costs</td>
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<td>State reductions</td>
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<tr>
<td><strong>Total budget problem</strong></td>
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<tr>
<td>Enrollment downsizing instructional savings (3,044 FTES)</td>
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<tr>
<td>Revenues from student fee increase (10%)</td>
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<tr>
<td>Revenues from nonresident tuition increase (10%)</td>
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<tr>
<td><strong>Total solutions</strong></td>
</tr>
<tr>
<td><strong>Unresolved Budget Shortfall</strong></td>
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</tbody>
</table>

The RPP Task Force also identified university-wide budget savings totaling $4 million. Prudent investments in energy saving projects are now generating operating cost savings that allow reduction in the utilities budget. The downsizing of the number of total campus employees allows for a reduction in the employee benefits budget. And positive trends in workers compensation and liability claims and some decreasing insurance premiums permit the university risk management budget to be reduced. After applying the university-wide budget savings of $4 million to the unresolved budget problem of $19.9 million, the Task Force was left with a remaining unresolved shortfall of $15.9 million.
The RPP Task Force recommends a pro rata reduction of 7.8 percent to all the operating divisions to resolve the remaining shortfall of $15.9 million. The RPP co-chairs, in consultation with the President, agreed that the President will apply university end-of-year carryover resources to address a worsening budget situation, although no dollar value for this contingency could be determined until the end of the fiscal year.

**ENROLLMENT**
For the second consecutive year, RPP was also faced with a major interrelated change that complicated the planning process significantly: downsizing enrollment to our funded target. In response to Legislative pressure, the Chancellor has directed campuses to manage student enrollment down to our funded target or face financial penalties. For 2010-11, the campus must reduce enrollment to our funded target of 26,297 FTES, a reduction of almost 2,300 FTES from 2009-10 enrollment. The Division of Academic Affairs must reduce the fall and spring schedules of classes to accommodate the anticipated enrollment reduction and the loss of fee revenue. At the academic department level, this change will function much like a budget cut in that classes must be eliminated, and many part-time faculty will not be offered employment, while the demand for those classes will also diminish.

At this time, the campus enrollment plans for 2010-11 are based on the assumption that no additional state funding is forthcoming. As such, initial plans have been put in place to be closed to all students for Spring 2011. If additional state funding is provided in the final budget, we would expect to be open for Spring 2011 enrollment.

Fortunately, at CSULB aggressive enrollment management has allowed us to avoid academic program eliminations and large scale class cancellations seen at other CSU campuses. In contrast, the campus has worked in a very orderly yet aggressive manner toward efficient class sizes and has essentially no undersubscribed programs.

**CONCLUDING THOUGHTS**
The RPP Task Force recognizes that in order to mitigate the recommended budget reductions, the divisions are relying on significant one-time funds in 2010-11 for which there is no replacement source of funding for 2011-12. These are likely to have the same effects as further budget cuts, in addition to reductions that the state may impose in 2011-12. Areas supported by these one-time funds include the schedule of classes and support for faculty scholarship and student success projects. These are all at risk for 2011-12, unless some funding augmentation is realized.

Significant reductions will become progressively more difficult and harmful. In the event of continued reductions, the campus may need to explore a range of budget approaches in order to successfully sustain the campus core mission of delivering high-quality, student-focused education. This may necessitate consideration be given to increasing mandatory campus-based fees and instituting new campus-based fees, making them an integral part of the aggregate funding at CSULB.
A comprehensive summary of the 2010-11 budget planning process is contained in *CSULB 2010-11 Budget Planning – February 2010* which can be found on the CSULB Budget Central website. This report contains additional background information, the projected effects of the budget reduction plan as reported by the operating divisions, and other considerations and recommendations that arose during the planning process.

The Task Force commends all divisions for their thoughtful, creative and proactive efforts. Essential services have been examined and efficiencies have been maximized. While necessary, the Task Force recognizes that reduction strategies will force the elimination of many less critical services and will slow the delivery of critical services to students and campus constituents. Our university has made virtually all of the reductions that can be made without beginning to affect core mission activities.

The Task Force would like to acknowledge the continued hard work of the entire university community and the resolve shown by all. CSULB remains a vital, premiere institution of higher education that is one of the nation’s best. 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
MEMBERSHIP
2010-11 MEMBERSHIP

NON-VOTING CO-CHAIRS:
Don Para, Interim Provost and Senior Vice President, Academic Affairs
Mary Stephens, Vice President for Administration and Finance

VOTING MEMBERS:
Carl Fisher, Chair, Faculty Personnel Policies Council
Keith Freesemann, Chair, Program Assessment and Review Council
Chris Brazier, Chair, Curriculum and Educational Policies Council
Patricia Kearney, Chair, University Resources Council
Praveen Soni, Chair, Academic Senate
Sharon Taylor, Representative, Division of Administration and Finance
Mary Ann Takemoto, Representative, Division of Student Services
Toni Beron, Representative, Division of University Relations and Development
Barbara Sinclair, Staff Representative, Academic Senate
Chris Chavez, President, Associated Students, Inc.

OBSERVERS:
Teri Yamada, Representative, California Faculty Association

STAFF:
David Dowell, Vice Provost and Director of Strategic Planning
Marianne Hata, Assistant Vice President, Academic Resources, Academic Affairs
Ted Kadowaki, Associate Vice President, Budget and University Services
Maggie Wang, Budget Director, Administration and Finance
2010-11 SOURCES AND USES PLAN
CALIFORNIA STATE UNIVERSITY LONG BEACH
2010-11 BUDGET PLANNING
SOURCES AND USES PLAN

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<th>SOURCES:</th>
<th>CHANGES</th>
<th>FY 2009-10</th>
<th>AFFECTING 10-11</th>
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<td>2009-10 General Fund Allocation</td>
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<td>$ 154,573,278</td>
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<td>2009-10 Revenues and Reimbursements</td>
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<tr>
<td>State University Fee</td>
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<td>137,471,891</td>
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<td>Other Receipts</td>
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<td>23,540,566</td>
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<tr>
<td>Total 2009-10 General Fund Budget</td>
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<td>$ 315,585,735</td>
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<td><strong>CSU Adjustments to 2009-10 Budget</strong></td>
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<td>CSU Adjustment</td>
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<td>Total 2009-10 General Fund Budget</td>
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<td><strong>Budget Plan Changes</strong></td>
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<td>Adjustment to 2009-10 Retirement Rate</td>
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<td>General Fund Adjustment by Chancellor’s Office</td>
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<td>(3,887,400)</td>
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<td><strong>Adjustment to Revenues and Reimbursements</strong></td>
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<td>10% State University Fee Increase</td>
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<td>Non-Resident Tuition Increase</td>
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<td>1,042,767</td>
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<td>Enrollment Downsizing Fee Revenue Loss</td>
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<td>(9,554,045)</td>
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<td><strong>TOTAL 2010-11 GENERAL FUND SOURCES</strong></td>
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<td>$ 316,094,636</td>
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<tr>
<td><strong>2009-10 Internal Budget</strong></td>
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<tr>
<td>Divisions’ Budgets (Base + non-base)</td>
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<td>$ 203,503,362</td>
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<tr>
<td>University-wide Budgets (Base + non-base)</td>
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<td>132,188,916</td>
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<td>One-time Furlough Savings</td>
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<td>(20,106,543)</td>
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<tr>
<td><strong>Total 2009-10 Internal Budget</strong></td>
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<td>$ 315,585,735</td>
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<tr>
<td><strong>Changes to 2009-10 Internal Budget</strong></td>
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<tr>
<td>Add: 2009-10 One-time Furlough Savings</td>
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<td>20,106,543</td>
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<tr>
<td>PERS Retirement Rate Change</td>
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<td>611,700</td>
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<tr>
<td>Changes to University-wide Budgets (utilities, employee benefits, risk management budget)</td>
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<td>(4,000,000)</td>
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<td>Enrollment Downsizing Instructional Savings</td>
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<td>(6,057,560)</td>
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<td>Division Budget Reductions</td>
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<td>(15,859,422)</td>
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<td><strong>Adjusted 2009-10 General Fund Budget</strong></td>
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<td><strong>2010-11 EXPENDITURE REQUIREMENT CHANGES</strong></td>
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<td>Health Benefits Rate Changes</td>
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<td>New Space</td>
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<td>State University Grant (incremental increase)</td>
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<td><strong>Total Directed/Earmarked by System Office</strong></td>
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<td>$ 5,707,640</td>
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<tr>
<td><strong>Net 2010-11 Expenditure Changes</strong></td>
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<td>$ 5,707,640</td>
</tr>
<tr>
<td><strong>TOTAL 2010-11 GENERAL FUND USES</strong></td>
<td></td>
<td>$ 316,094,636</td>
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**SURPLUS / (DEFICIT)**

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Explanatory Notes

The 2010-11 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 planning parameters that have been provided to the campuses by the Chancellor and the CSU Abbreviated Budget Allocation letter B10-01 dated February 19, 2010. The plan does not include any changes that could occur with the legislative proceedings that take place before the final budget is passed. The plan presents permanent and temporary allocations that comprise this year's budget strategy.

The following notes provide an explanation of the numbers shown on the plan. Other related notes and recommendations on the budget strategy and selected topics can be found in the sections following this plan.

 SOURCES

2009-10 General Fund Budget
State support and budgeted revenues and reimbursements detailed in the 2009-10 CSULB Internal Budget Document.

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
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</thead>
<tbody>
<tr>
<td>2009-10 General Fund Allocation</td>
<td>$154,573,278</td>
</tr>
<tr>
<td>Represents that portion of the University's state budget supported by tax revenues.</td>
<td></td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009-10 Revenues &amp; Reimbursements</td>
<td></td>
</tr>
<tr>
<td>State University Fee</td>
<td>$137,471,891</td>
</tr>
<tr>
<td>Represents that portion of the University’s budget supported by undergraduate, teacher credential and graduate student fees.</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other Receipts</td>
<td>$23,540,566</td>
</tr>
<tr>
<td>Represents the 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>
</tr>
</tbody>
</table>

Total 2009-10 General Fund Budget $315,585,735
Budget Plan Changes
The budget plan changes in the campus’s General Fund allocation is based on CSU budget allocations detailed in the CSU system coded memorandum B10-01 on the 2010-11 Governor’s Budget Allocations.

- **PERS Retirement Rate Change**: $611,700
  Retirement rate change to reflect the increased cost of employer-paid contributions for employee retirement effective July 1, 2009.

- **General Fund Adjustment**: <$3,887,400>
  Long Beach’s share of the $571 million base reduction to the CSU in 2009-10 has been adjusted by the Chancellor’s Office.

Adjustment to Revenues and Reimbursements

- **State University Fee Increase**: $12,295,879
  This increase of $12,295,879 is due to a 10% rate increase for undergraduate, graduate, and credential students effective Fall 2010. This revenue projection is contingent on achieving our funded 2009-10 college year enrollment target of 26,297 FTES.

- **Non-Resident Tuition Increase**: $1,042,767
  This increase of $1,042,767 is due to a 10% rate increase for non-resident students effective Fall 2010.

- **Enrollment Downsizing Fee Revenue Loss**: <$9,554,045>
  This decrease of $9,554,045 in State University Fee revenues is due to the enrollment downsizing of 3,044 FTES to our funded target.

Total 2010-11 General Fund Resources: $316,094,636

USES

2009-10 Internal Budget
The budgets for the operating divisions and university-wide programs as detailed in the 2009-10 Internal Budget document.

- **Divisions’ Budgets**: $203,503,362
  Budget allocations for the operating divisions.

- **University-wide Budgets**: $132,188,916
  General, necessary, or unavoidable costs that benefit the entire campus rather than a particular operating division.
One-time Furlough Savings  <$20,106,543>
Budgetary savings in employee salaries and related benefits costs due to the furlough program during 2009-10.

2009-10 Internal Budget  $315,585,735

Changes to 2009-10 Internal Budget
Add: 2009-10 One-time Furlough Savings  $20,106,543
Reflects the discontinuance of the budgetary savings recognized in 2009-10 from the employee furlough program.

PERS Retirement - Rate Change  $611,700
This is the offsetting entry to the base budget adjustment to the Benefits budget associated with the rate increase in campus contributions to the CalPERS employees' retirement program, which became effective during 2009-10.

Changes to University-wide budgets  <$4,000,000>
Prudent investments in energy saving projects are now generating operating cost savings that allow for a reduction in the utilities budget. The downsizing of the number of total campus employees allow for a reduction in the employee benefits budget. Positive trends in workers compensation and liability claims and some decreasing insurance premiums permit the university risk management budget to be reduced.

Enrollment Downsizing Instructional Savings  <$6,057,560>
Due to the downsizing of enrollment, there are commensurate instructional cost savings from reduced course sections and temporary lecturers.

Division Budget Reductions  <$15,859,422>
Represents the reduction in division budgets required to offset the decrease in General Funds contained in the Governor’s Budget for CSULB.

ADJUSTED 2009-10 GENERAL FUND BUDGET  $310,386,996

2010-11 CHANGES IN CAMPUS EXPENDITURE REQUIREMENTS
Represents permanent and temporary budget adjustments for divisions and university-wide allocations.

Directed / Earmarked by System Office
Health Benefits Rate Changes  $702,000
These expenses represent the permanent increase in employer-paid health care costs resulting from January 2010 premium increases.
New Space $948,000
This is the estimated cost to fund regular maintenance of new space at Nursing and the Hall of Science. Due to the expected opening of the Hall of Science at the end of 2010-11 (May 2011), the costs associated with this building has been prorated and an allowance will need to be included in 2011-12 budget planning.

State University Grant (SUG) $4,057,640
Permanent budget adjustment associated with the financial aid set aside of 33% of state university fees from the increased revenue associated with changes in fee rates. This adjustment is a preliminary projection of changes that will occur in campus fiscal year 2010-11 budgeted SUG allocations.

<table>
<thead>
<tr>
<th>Net 2010-11 Expenditure Changes</th>
<th>$5,707,640</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total 2010-11 General Fund Uses</td>
<td>$316,094,636</td>
</tr>
</tbody>
</table>
CSULB 2010-11

BUDGET PLANNING SUMMARY
The following document provides a comprehensive summary of the budget planning process utilized by CSULB for the upcoming 2010-11 budget year. This document contains:

- A summary of the Governor’s January Budget Proposal for the CSU and the resulting planning assumptions for CSULB
- A recap of CSULB budget planning assumptions, shortfall estimates, and proposed solutions
- A description of the four general categories of budget reductions proposed by campus operating divisions and the potential impacts they would have on the campus community
- A description of the required enrollment downsizing that the campus must achieve and its affects, particularly on Academic Affairs and the students
- A recap of important points related to 2010-11 budget planning and next steps

Additional relevant budget information can be found at HTTP://WWW.CSULB.EDU/ABOUT/BUDGETCENTRAL/. Please see listing in Appendix Page F1.
CSULB

2010-11 BUDGET PLANNING - NEW INFORMATION

FEBRUARY 2010
Executive Summary:

• The Governor’s January budget for 2010-11 proposes some restoration funding for the CSU. However, due to many uncertainties, the campuses have been directed to proceed with original planning assumptions from fall 2009

• CSULB’s original budget planning parameters for 2010-11 have changed only slightly:
  
  o Estimated base budget shortfall is still about $20 million
  o Increased university wide budget savings of $2.1 million have allowed for reduced pro rata division budget reductions
  o Divisional operating budget reduction is now 7.8%, down from 8.8%

• Decrease in divisional operating budget reductions should result in:
  
  o Fewer workforce reductions
  o Protection of instructional technology and equipment, student advising and tutoring, and classroom support
Executive Summary (cont’d):

• Recently announced (2/04/10) release of additional one-time federal stimulus funds of $3,766,600 for CSULB will help mitigate some of the budget reduction effects:
  
  o enables fewer class section reductions
  o mitigates problems with bottleneck and high-demand courses
  o increases employment opportunities for lecturers, TAs, and GAs

• These recent developments enable Academic Affairs to alter original plan for support for research and creative activity:

  o original plan contemplated a hiatus in support for research and creative activity
  o current plan now protects $800,000 for research and creative activity
  o colleges will receive one-time allocations in 2010-11
  o future allocations will require new solutions
The remainder of this presentation provides:

- Detailed update of the campus budget outlook as of February 2010
  - Governor’s Budget Proposal for 2010-11 issued on January 8, 2010
  - CSU release of additional $50M of federal stimulus funds on February 4, 2010

- Background information and additional details are available at Detailed Budget Presentation on CSULB Budget Central

(www/csulb.edu/about/budgetcentral)
CSULB 2010-11 BUDGET OUTLOOK

Governor’s January Budget Proposal:

• Governor’s Budget for 2010-11 was not as negative as feared for the CSU

• Proposes restoration of $305 million (of $571M that was reduced in 2009-10)

• Also proposes restoration of $60.6M contingent on receipt of additional federal funding

• Either proposal, if received, would mean a smaller budget cut and enrollment reduction than our current planning assumptions for 2010-11
CSULB 2010-11 BUDGET OUTLOOK

CSULB Response to Governor’s Budget Proposal:

• Governor’s proposed funding increases for CSU must still survive legislative process and so remain very uncertain

• If either funding proposal survives, there would be a smaller budget cut and enrollment reduction than we are currently planning

• There is no information yet as to how the CSU would allocate any additional state funding if received

• The Chancellor has directed us to proceed with original planning assumptions because of the great uncertainty of receiving the proposed augmentations
Q: Why no change to planning parameters at this time?

A: The Governor’s proposal has many uncertainties:

- Significant cuts to health and welfare that may be rejected by the Legislature
- Voter approval of June 2010 propositions that were previously defeated
- Proposals that may be legally challenged and ultimately fail
- Additional federal funds that may not arrive
- Possibly too-optimistic assumptions about state revenues
Chancellor released $50 million in one-time additional federal stimulus funds that were being held for a possible 2009-10 mid-year budget cut.

What that means for CSULB:

- CSULB allocation is $3,766,600
- Can only be used for two purposes:
  - critically needed courses in fall 2010
  - improvement of graduation rates through enhanced student success programs
CSULB
RECAP OF PRELIMINARY BUDGET PLANNING AND DIVISION RESPONSE FROM FALL 2009
Current budget planning assumptions, shortfall estimates, and solutions

- The Chancellor has directed us to proceed with original planning assumptions so only campus-based changes to fall 2009 planning assumptions are reflected

  - for reference: Budget Planning Instructions to Vice Presidents – 10/19/09
  - revisions to the figures contained in the fall 2009 Preliminary Planning Scenario are shown in RED
Summary of changes

- One minor change reflects slightly higher mandatory costs
- CSULB’s unresolved 2010-11 budget shortfall remains at about $20 million
- Greater university wide savings than originally projected have been identified (from $1.7 million to $4 million), reducing pro rata reductions to the operating divisions
CSULB 2010-11 BUDGET PLANNING ASSUMPTIONS

Assumptions = no furloughs, some mandatory costs, no state reductions, 10% fee increases

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unresolved permanent budget problem from 2009-10</td>
<td>$(20,106,543)</td>
</tr>
<tr>
<td>Recalculation of 2009-10 budget reduction</td>
<td>(3,887,400)</td>
</tr>
<tr>
<td>Enrollment downsizing fee revenue loss (3,044 FTES)</td>
<td>(9,554,045)</td>
</tr>
<tr>
<td>Mandatory costs</td>
<td>(1,650,000)</td>
</tr>
<tr>
<td>State reductions</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total budget problem</strong></td>
<td><strong>$(35,197,988)</strong></td>
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<tr>
<td>Enrollment downsizing instructional savings (3,044 FTES)</td>
<td>$6,057,560</td>
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<tr>
<td>Revenues from student fee increase (10%)</td>
<td>$8,238,239</td>
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<tr>
<td>Revenues from nonresident tuition increase (10%)</td>
<td>$1,042,767</td>
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<tr>
<td><strong>Total solutions</strong></td>
<td><strong>$15,338,566</strong></td>
</tr>
</tbody>
</table>

Unresolved Budget Shortfall $(19,859,422)
### Solutions to budget shortfall

<table>
<thead>
<tr>
<th>Operating Divisions</th>
<th>% of Budget Pro Rata Reduction</th>
<th>Pro Rata Reduction</th>
<th>Pro Rata Reduction</th>
</tr>
</thead>
<tbody>
<tr>
<td>Academic Affairs</td>
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<tr>
<td>Administration and Finance</td>
<td>19.0%</td>
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<td>Athletics</td>
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<tr>
<td>President's Office</td>
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<tr>
<td><strong>Total Division Reductions</strong></td>
<td><strong>100.0%</strong></td>
<td><strong>$15,859,422</strong></td>
<td><strong>$4,000,000</strong></td>
</tr>
</tbody>
</table>

**University Wide Anticipated Savings** $4,000,000

**Total Budget Reductions** $19,859,422

*February 19, 2010*
Fall 2009 budget planning

- Although budget planning figures have changed slightly, in most instances the changes do not materially affect the strategies and impact statements presented to the Resource Planning Process Task Force (RPP) in December 2009
- Preservation of public safety remains a priority

Budget reduction strategies and impacts

- The following pages describe four general categories of budget reductions and the potential impacts they would have on the campus community
CSULB BUDGET REDUCTION STRATEGIES

1) Workforce management
   - reduce lecturer positions
   - reduce temporary staff positions
   - reduce permanent faculty and staff positions through attrition to minimize layoffs
   - reduce position time base
   - reduce number of student assistant positions

2) Operating expense budgets
   - reduce outreach activities, events, publications, programs
   - reduce training, travel, equip refresh, instructional materials

3) Reduce support for scholarly and creative activities

4) Use of fund sources other than general fund
CSULB BUDGET REDUCTION: POTENTIAL IMPACTS

1) Workforce management

- Impact on students:
  - fewer classes offered
  - reduced support services such as advising and tutoring
  - increased drop out rates
  - slower progress to degree & reduced graduation rates

- Impact on faculty:
  - increased teaching loads
  - increased class sizes
  - fewer sections available for lecturer employment
  - shortages of expertise in disciplines, due to almost no tenure track faculty hiring
  - accreditation in some disciplines will eventually be in jeopardy
1) Workforce management (cont’d)

- Impact on staff:
  - slower response times
  - longer waits for in-person services
  - limited ability to respond to individualized or special requests
  - remaining staff will have to focus on core services and very high priority special projects only
  - inability to undertake worthy projects and initiatives
  - inability to respond to non-maintenance facilities work requests
  - increased workload on remaining employees
  - increased reliance on web-based, self-service type solutions
2) Operating expense budgets

- reduced classroom and instructional support including instructional technology and equipment

- reduced communications and interaction with current and potential students, parents, faculty, and community

- reduced training may result in continued inefficiencies and less than full utilization of technological investments

- reduced opportunities to share, learn, grow, and work collaboratively
CSULB BUDGET REDUCTION: POTENTIAL IMPACTS

3) Reduce support for research and creative activities
   - faculty will become less current in their fields
   - could affect program accreditation
   - eventually will lower the value of CSULB degrees
   - further reduce employment opportunities for lecturers
   - negative impact on faculty morale
4) Use of fund sources other than general fund

- use of temporary funds (e.g., carryover, funds from CCPE) creates risk of additional base reductions in future years

- transfer of support for project-related costs like planning and construction management from general fund to capital project funds reduces project specific funds
CSULB 2010-11 BUDGET OUTLOOK

This section describes how the division of Academic Affairs budget is affected by budget reductions

Two distinct ways:

- **Pro rata divisional reductions**

- **Additional budgetary impact due to enrollment downsizing**

  - fewer course sections
  - fewer part-time faculty
  - creates complex changes in class schedules that demands careful planning

---

<table>
<thead>
<tr>
<th>2010-11</th>
</tr>
</thead>
<tbody>
<tr>
<td>Permanent budget cuts based on pro rata</td>
</tr>
<tr>
<td>Reductions in courses due to enrollment downsizing</td>
</tr>
<tr>
<td><strong>Total Effect</strong></td>
</tr>
</tbody>
</table>
Chancellor has directed CSULB to reduce enrollment as a budget savings strategy

- CSULB must reduce 3,044 FTES, about 4,000 headcount in current plans
- downsizing reduces sections and funding needed for instruction
- Academic Affairs receives both a pro rata reduction (like other university divisions) and a reduction tied to enrollment downsizing
- budget reduction tied to enrollment downsizing is about $6 million
• Enrollment Management Strategy 1

Moving summer classes to self-support

- Amount reserved for summer instruction is about $6 million
- Summer instruction will move to College of Continuing and Professional Education, self-support
- Division funds for summer will no longer be needed
- Relatively painless way to reduce general fund expense
- Downsizes enrollment without impairing access
- May expand summer offerings, helping with bottleneck and high demand courses
- May enable students to graduate sooner
- May create more teaching opportunities for faculty
ACADEMIC AFFAIRS: ENROLLMENT DOWNSIZING

• Enrollment Management Strategy 2

  ➢ Reduced continuing students

    o because of past spring closures and fall admission reductions, remainder of necessary downsizing is already accomplished

    o downsizing will be seen in reduced continuing students

    o fall admissions can be at about the same level as the prior year, even in the most negative budget scenario
ACADEMIC AFFAIRS: ENROLLMENT DOWNSIZING

• Enrollment Management Strategy 2 (cont’d)

➢ Reduced continuing students

  o necessary to reduce academic year class offerings to anticipated enrollment
  o complex changes in class schedules demand careful planning
  o downsizing impacts majors, service, GE, and elective courses
ACADEMIC AFFAIRS: ENROLLMENT DOWNSIZING

• Enrollment Management Strategy 2 (cont’d)

  ➢ Reduced continuing students

    o difficult to downsize without affecting students who will be here
    o expect increased problems with bottleneck & high-demand courses
    o negative impacts on graduation rates, time to degree
    o impacts employment of lecturers, TAs, and GAs
    o restored funding in Governor’s budget, if realized, might avoid some negative effects
    o recently announced one-time funding will somewhat mitigate negative effects
Enrollment Management Strategy 3

- Wait lists
  - because the Governor’s CSU funding restoration might be realized, at least in part, CSULB is planning with contingencies
  - enrollment services will notify some freshmen and transfer applicants that they will be wait listed
  - if the state provides notice of funding in time, wait lists will be opened perhaps as late as June
  - colleges will place some sections in “tentative” status to serve wait list students, in case they are admitted
• Enrollment Management Strategy 4

➢ Spring 2011

  o currently the campus is planning to be closed to spring transfer admissions

  o if the state provides notice of funding, the campus will open to spring transfer admissions

  o note that even in the most positive scenario, CSULB enrollment must still decline, year to year
IMPORTANT POINTS AND NEXT STEPS FEBRUARY 2010
Governor’s proposed budget is better than feared

Do not expect additional budget cuts for 2009-10

Funding restoration for 2010-11 is uncertain so we are not altering current planning assumptions at this time

Because of different possible final outcomes, the campus is planning with contingencies

Even if Governor’s proposed funding restoration is received, the campus still faces budget cuts in 2010-11

Probably September or October before budget is finalized

Future status of furloughs is unknown
WHAT IS NEXT?

• Continue to share information with the campus community
  ➢ CSULB budget central at www.csulb.edu
  ➢ budget presentations as requested
  ➢ Q&A sessions

• Continue Resource Planning Process (RPP) this spring

• Divisions, colleges will conduct internal planning processes

• Likely that decisions/actions must be made before budget is finalized (spring or summer)
GUIDELINES FOR BUDGET SUBMISSIONS
Date: October 19, 2009

To: Vice Presidents Doug Robinson, Andrea Taylor, Athletic Director Vic Cegles, Executive Assistant Karen Nakai

From: Interim Provost Donald Para
Vice President Mary Stephens
Co-Chairs, Resource Planning Process (RPP)

Re: 2010-11 Budget Planning

The campus faces significant budget concerns for 2010-11. Although many events could change our prospects between now and next fall, the situation is so significant that we believe we need to start planning at this early date.

Values, Mission, Vision, Priorities
In considering the challenging situation facing us next year, we remain committed to University values and priorities. Our values emphasize: Educational Opportunity, Excellence, Diversity, Integrity, and Service. The campus has established five strategic priorities: Student Success, Academic Quality, Service Excellence, Campus Life, and Sustainable Environment. Our mission and vision emphasize: “providing highly-valued undergraduate and graduate educational opportunities” and “changing lives...for a changing world.” We have articulated our core academic purpose: “...to graduate students with highly-valued degrees.”

In the past decade this campus has made remarkable strides. Graduation rates have doubled while diversity has increased, the faculty has brought distinction to the campus with scholarly and creative achievements, both community and global engagement have increased, and services have improved. Faculty, staff, administration and students are justly proud of The Beach and our accomplishments. We do not wish to retreat on these remarkable achievements. Our budget challenges may slow our progress, but we are determined to continue our rising excellence.

1 http://www.csulb.edu/about/
2 http://www.csulb.edu/divisions/aa/planning_enrollment/documents/CampusGoals09-12j.pdf
Sharing Budget Information
Keeping the campus community updated and informed about our budget circumstances has been a priority. The October Academic Senate retreat will be devoted to budget discussion. The campus has a “Budget Central” web page with information accessible from the campus home page. The Division of Academic Affairs has created a web page to update faculty and staff about divisional budget planning and to solicit useful ideas. Each vice president has been charged with keeping respective employees informed and organizing appropriate processes for discussion of budget.

Planning Parameters
In an October 2, 2009 memo (Exhibit 1), Benjamin F. Quillian, executive vice chancellor and chief financial officer of the CSU, affirmed some key planning assumptions. Cuts made in 2009-10 will be permanent. Employee furloughs will be discontinued at the end of the current fiscal year. Campuses are expected to achieve but not exceed their enrollment targets. Campuses that exceed their enrollment targets will have all revenue associated with the over-enrollment subtracted from the 2010-11 budget allocation. Finally, the Board of Trustees will request that the State provide the CSU funding in the amount equal to a 10 percent increase in student fees. The RPP planning parameters are based on these assumptions and only differ from scenario one of the budget presentation on “Budget Central” due to the inclusion of additional fee revenues to reflect the Board of Trustees budget request.

Based on current information, RPP has defined planning parameters for 2010-11 that assign shares of the estimated $20 million in budget reduction to divisions and an additional $6 million in reductions related to reducing enrollment (see Exhibit 2). These are large reductions and the attached distribution of cuts is a very preliminary allocation that is made for the sole purpose of allowing divisions to start their planning process. All anticipated reductions must be handled as base budget cuts.

Planning Process
Divisions are asked to develop plans for 2010-11 based on these parameters, using the division specific figures attached that equate to a base budget reduction of 8.8 percent. Vice presidents will be invited to describe their plans to RPP in early December, 2009. RPP does not expect these presentations to include a high level of detail. A template for your use to help with planning will be sent out soon under separate cover. RPP does request a clear sense of the effects of the cuts proposed:

- What services/programs/processes would be affected?
- What would be the consequences of the proposed changes?
- How would other campus units/customers be affected by the proposed changes?
- What is the best estimate of the number of positions that would be affected? Please delineate the number of vacancies versus filled positions that will be affected.

These division proposals will be shared with the campus community in January and February so that comments can be solicited. Final budget reduction plans would then be developed by February 15, which is the date by which the University must provide a report on our 2010-11 anticipated plans to the Chancellor’s Office as directed in the October 2, 2009 Benjamin Quillian memo (Exhibit 1). Please note that the due date of this report has changed from December 15, 2009 to February 15, 2010.

These parameters provide a basis for preliminary planning to address these massive reductions and are subject to revision based on changing circumstances. Division plans will be reviewed to assess consequences and adjustments may be made as appropriate. Final decisions lie with the president and will be based on recommendations coming from discussions within divisions, the academic senate retreat, input from the campus community, and discussions in RPP. We expect there will be many changes between now and next July, so this planning framework should not be considered the campus’ final direction.

Vice presidents are requested to undertake appropriate activities to plan to handle the anticipated reductions in 2010-11.

Thank you very much.

Attachments:
1. Memo dated October 2, 2009 from Benjamin F. Quillian
2. CSULB 2010-11 Preliminary Planning Scenario
3. Budget Planning Calendar

cc: President Alexander
    Deans, Associate Deans, Department Chairs
    Academic Senate Executive Committee
    Staff Council Executive Committee
    Associated Students Officers
    CSULB Faculty and Staff Union Chapter Presidents
    Library Reserve Book Room
    Budget Central website:  http://www.csulb.edu/about/budgetcentral/
MEMORANDUM

DATE: October 2, 2009

TO: Chief Administrators/Business Officers (CABO)

FROM: Benjamin F. Quillian
Executive Vice Chancellor and
Chief Financial Officer

SUBJECT: Mid-Year Updates to Budget Reduction Plans

In my memorandum to Chief Administrators/Business Officers (CABO) dated July 23, 2009 [Subject: Budget Plan Strategies to Address 2009-10 Budget Reductions], you were asked to submit a two-year budget strategy report for fiscal years 2009-10 and 2010-11. The report included a template that had been developed with the assistance of CABO colleagues and a narrative to explain the strategies your respective campuses would use to reduce the budgets. Those preliminary plans were carefully reviewed in this office, and you were informed that campuses would be expected to provide more detailed plans around the middle of the year.

This memorandum summarizes the parameters and assumptions to be used as you prepare the mid-year reports, due December 15, 2009. The basic format of the mid-year reports will be the same as the previously submitted reports—a template and a narrative. Next week you will receive the template, which will ask for more specific information in certain areas. The template is to be accompanied by a comprehensive narrative that explains in detail the strategies the campus will employ to reduce its budget. Please ensure all documentation includes notations that say, “Confidential / For Collective Bargaining Purposes”.

As you know, a dramatic turnaround of California’s fiscal situation is not expected any time in the near future. In fact, the Department of Finance is already projecting a shortfall of over $7 billion in the state’s budget. In that context, campus budget plans should be developed within the following guidelines and conservative estimates:

<table>
<thead>
<tr>
<th>CSU Campuses</th>
<th>Fresno</th>
<th>Monterey Bay</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Fullerton</td>
<td>Northridge</td>
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<tr>
<td></td>
<td>Humboldt</td>
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<td></td>
<td>Long Beach</td>
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<td></td>
<td>Los Angeles</td>
<td>San Bernardino</td>
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<td></td>
<td>Maritime Academy</td>
<td>San Diego</td>
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<td></td>
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<td>San Marcos</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Sonoma</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Stanislaus</td>
</tr>
</tbody>
</table>
For planning purposes, we expect the General Fund allocation to the CSU in 2010-11 to be the same as the 2009-10 base—$2.338 billion.

Employee furloughs will be discontinued at the end of the current fiscal year.

Campuses are expected to achieve their enrollment targets. Campuses that exceed their enrollment targets will have all surplus revenue associated with the over-enrollment subtracted from the 2010-11 budget allocation.

Campuses must account for budgeted fee revenue loss associated with reduced enrollment targets for 2010-11. Also, with regard to fee revenue, campuses should include revenue equivalent to a ten percent fee increase in their planning assumptions. (The CSU is planning to ask the State to buy out a ten percent fee increase.)

Layoffs, as necessary, may commence pursuant to applicable CSU policies and negotiated labor agreements. The mid-year updates should be consistent with campus layoff plans and should specify estimated FTE position reductions for 2009-10 and 2010-11, by bargaining unit.

A mid-year budget reduction is possible this year. However, because of the Maintenance of Effort requirement related to federal stimulus money we are not currently anticipating such a cut.

The use of one-time resources should be avoided, as base reductions in budgets will be required. If it is absolutely necessary to use one-time funds, campuses will be asked to explain why using such resources was necessary and explain the plans for rebuilding those resources.

I urge you to think creatively and recognize that tinkering with reductions at the margins will be insufficient. It will be necessary to change radically business processes and service delivery systems so that personnel costs and other expenditures can be reduced significantly on an ongoing basis. Campuses will need to collaborate and work together to reduce unnecessary duplications of effort and create synergies to leverage strengths and minimize weaknesses. Twenty-three independent plans will not get the job done. If we expect to continue effectively fulfilling the mission of the CSU, the budget reduction strategies must yield a fundamental transformation of the ways we meet the needs of our students, faculty and staff.

Shortly after the templates with instructions have been distributed to you, I will schedule a conference call to answer questions you may have.

BFQ:lj

c: CSU Presidents
    Dr. Charles B. Reed, Chancellor
    Dr. Jeri Echeverria, Executive Vice Chancellor and Chief Academic Officer
    Ms. Gail Brooks, Vice Chancellor, Human Resources
    Mr. Garrett Ashley, Vice Chancellor, University Relations and Advancement
CALIFORNIA STATE UNIVERSITY, LONG BEACH
2010-11 PRELIMINARY PLANNING SCENARIO

CSULB PRELIMINARY BUDGET OUTLOOK

Assumptions = no furloughs, some mandatory costs, no state reductions, 10% fee increases

Unresolved permanent budget problem from 2009-10 $ (20,106,543)
Recalculation of 2009-10 budget reduction (3,887,400)
Enrollment downsizing fee revenue loss (3,044 FTES) (9,554,045)
Mandatory costs (1,500,000)
State budget reduction -
Total Gross Budget Problem $ (35,047,988)

Enrollment downsizing instructional savings (3,044 FTES) 6,057,560 (a)
Revenues from 10% student fee increase 8,238,239
Revenues from 10% nonresident tuition increase 1,042,767
Total Solutions $ 15,338,566

Unresolved Budget Shortfall $ (19,709,422)

ALLOCATION OF BUDGET SHORTFALL

<table>
<thead>
<tr>
<th>Division Operating Budgets</th>
<th>2009-10</th>
<th>% of Total Budgets and Reductions</th>
<th>Pro Rata Allocation</th>
<th>% Cut</th>
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<tbody>
<tr>
<td>Academic Affairs</td>
<td>$141,541,894</td>
<td>69.6%</td>
<td>(12,519,469) (a)</td>
<td></td>
</tr>
<tr>
<td>Administration &amp; Finance</td>
<td>38,661,544</td>
<td>19.0%</td>
<td>(3,419,638)</td>
<td></td>
</tr>
<tr>
<td>Student Services</td>
<td>12,415,861</td>
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<td>Athletics</td>
<td>3,631,479</td>
<td>1.8%</td>
<td>(321,207)</td>
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</tr>
<tr>
<td>President's Office</td>
<td>1,703,373</td>
<td>0.8%</td>
<td>(150,664)</td>
<td></td>
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<tr>
<td>TOTAL DIVISION BUDGETS</td>
<td>$203,503,362</td>
<td>100.0%</td>
<td>(18,000,000)</td>
<td>-8.8%</td>
</tr>
</tbody>
</table>

University Wide Anticipated Savings and Efficiencies (1,709,422)
Total Budget Reductions $ (19,709,422)

(a) This $6,057,560 is a reduction in instructional expenses generated by the required 10.8% reduction in enrollment. This $6M is in addition to the $12,519,469 Academic Affairs is assigned in pro rata budget cuts. Therefore, the combined effect of budget cuts and enrollment reductions on Academic Affairs is $18,577,029 of a total problem of $35,047,988.
Exhibit 3

California State University, Long Beach

2010-11 Budget Planning Calendar

July 2009  
Budget Central created on CSULB home page

Sept – Nov 2009  
“Road Show I” budget presentations inform campus community of severity of budget problem

Sept 24, 2009  
Resource Planning Process (RPP) begins

Oct 19, 2009  
RPP issues preliminary conceptual budget planning guidelines

Oct 23, 2009  
Academic Senate Retreat with focus on budget

Nov 17-18, 2009  
Board of Trustees to approve 2010-11 CSU budget request to Governor

Dec 3-11, 2009  
Divisions present preliminary conceptual budget plans to RPP

January 2010  
“Road Show II” presentations describe preliminary reduction plans to campus and solicit feedback

Jan 11, 2010  
Governor releases proposed 2010-11 State Budget

Feb 15, 2010  
Budget Reduction Plan report due to Chancellor’s Office

Jan – March 2010  
Divisions refine and vet budget reduction plans

April 2010  
Divisions present refined budget plans to RPP

May 17, 2010  
Governor releases May Revision to 2010-11 State Budget

May 2010  
RPP concludes work and issues report to President
ENROLLMENT DATA
### FTES by Colleges and Instructional Areas

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>TOTAL</td>
<td>% OF</td>
<td>SUMMER</td>
<td>FALL</td>
<td>SPRING</td>
</tr>
<tr>
<td>Health &amp; Human Services</td>
<td>4,964</td>
<td>16%</td>
<td>377</td>
<td>4,956</td>
<td>4,832</td>
</tr>
<tr>
<td>Business Administration</td>
<td>2,816</td>
<td>9%</td>
<td>215</td>
<td>2,756</td>
<td>2,724</td>
</tr>
<tr>
<td>Education / EDSS</td>
<td>2,074</td>
<td>7%</td>
<td>167</td>
<td>2,082</td>
<td>1,903</td>
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<tr>
<td>Engineering</td>
<td>1,514</td>
<td>5%</td>
<td>40</td>
<td>1,595</td>
<td>1,562</td>
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<tr>
<td>The Arts</td>
<td>3,059</td>
<td>10%</td>
<td>32</td>
<td>3,183</td>
<td>2,856</td>
</tr>
<tr>
<td>Natural Sciences &amp; Math</td>
<td>4,391</td>
<td>14%</td>
<td>154</td>
<td>4,422</td>
<td>3,960</td>
</tr>
<tr>
<td>Liberal Arts</td>
<td>11,429</td>
<td>38%</td>
<td>354</td>
<td>11,523</td>
<td>10,404</td>
</tr>
<tr>
<td>Other University Programs*</td>
<td>228</td>
<td>1%</td>
<td>4</td>
<td>377</td>
<td>103</td>
</tr>
<tr>
<td>Total, Colleges/Instruction</td>
<td>30,475</td>
<td>100%</td>
<td>1,343</td>
<td>30,894</td>
<td>28,344</td>
</tr>
<tr>
<td>Campus Enrollment Target</td>
<td>29,357</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Notes:**

* Includes Educational Opportunities Program (EOP), Academic Affairs (VPAA), and Athletics Department.

(1) Source of 2008-09 FTES allocations: The Division of Academic Affairs reserves the right to adjust the college allocations as more information about the characteristics of the Fall 2008 entering class is obtained. These enrollment figures are projections based on an estimated over enrollment of 1213+ FTES for 2008-09. Projections do not include liberal studies adjustment.

(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. In 2009-10, in response to the CSU budget reduction plan, campuses were asked to close to spring admissions. CSULB’s resident target remains at 2008-09 levels, 28,100 FTES; non-resident target is 1,330 FTES.

(3) Campus enrollment targets include resident and non-resident students based on the Governor's Budget. Campus is funded for growth in resident students only. In 2010-11, in response to Legislative pressure, campuses were asked to downsize enrollment to the funded target or face financial penalties. CSULB’s funded target is 26,297 FTES, which is a reduction of 3,044 FTES from 2009-10. The Chancellor’s Office also moved Year Round Operations to self-support (CCPE).
INSTITUTIONAL HEALTH

AND

SUSTAINABILITY
January 27, 2010

TO: F. King Alexander, President CSULB
FROM: Don Para, Interim Provost
Mary Stephens, Vice President, Administration and Finance
Co-chairs, Resource Planning Task Force

RE: Institutional Health and Sustainability

Under your leadership, CSULB has re-envisioned itself as a

…diverse, student-centered, globally-engaged public university committed to providing highly-valued undergraduate and graduate educational opportunities through superior teaching, research, creative activity and service for the people of California and the world. --Mission 2007

CSULB envisions changing lives by expanding educational opportunities, championing creativity, and preparing leaders for a changing world. --Vision 2007

To realize our vision and accomplish our mission, the vice presidents in partnership with the Academic Senate and Staff Council chairs, established five strategic priorities: Student Success, Academic Quality, Service Excellence, Campus Life, and Sustainable Environment.

Current Reality
CSULB’s abilities to fulfill our mission and strategic priorities are threatened. Global, national, and state budget crises have created the worst budget reality in the history of the University. In 2009-10 we are successfully working together to sustain the core elements that have made CSULB an outstanding institution: an excellent educational experience for our students and a civil and positive work environment for our faculty and staff. Unusual sacrifices on the part of faculty, staff and administrators in addition to temporary funding, thoughtful planning and improved efficiency have made 2009-10 manageable despite millions of dollars in budget reductions.
For 2010-11, we are facing severe challenges. If we do not receive the augmentations in the Governor’s January budget proposal, attainment of student learning outcomes will be severely affected. Class availability for students will be sharply constrained; many students will not make reasonable progress to degree; time to degree will increase; graduation rates will decline; and achievement gaps will grow larger. Although we would downsize about 3,000 FTES, the section reductions that accompany enrollment downsizing will cause even further harm to class availability and further damage progress to degree (these are impacts that are not widely appreciated).

If we do receive the Governor’s proposed augmentations, the situation will be less dire but still cause for concern. Increases in funding and the opportunity to grow enrollment, capture student fee revenue, and add sections will be helpful to class availability and progress to degree. We will remain in a tight situation but we are confident the campus will rally to make it work. Even these augmentations, however, will fall far short of the resources needed to sustain quality in the degrees we aspire to offer as “highly valued.” Our plans to place support for research, scholarly and creative activity on hiatus will impair the quality of teaching and learning and are harming faculty morale. Staff reductions will reduce our ability to provide adequate support services, including support for classrooms. Resources to acquire new technologies and maintain existing ones will be severely deficient, with the result that over time technologies will become obsolete or inoperable. In summary, fiscal exigencies will gravely affect the quality of teaching, student success, and the overall student life and experience that our campus has worked so hard to achieve over many years.

Maintaining Institutional Health and Sustainability

Members of the Resource Planning Task Force are deeply concerned about serious, long-term damage to our institution. We have noticed that, while the State University Fee is the same across all the CSUs, CSULB has the lowest mandatory campus-based fees.

We realize that raising fees is not a welcome measure, especially not to our students who have been subjected to increases. For 2009-10, the State University Fee increased in response to the state budget reductions we face. We also recognize that students will soon be subject to a new fee associated with our new wellness center, that students are hit by costs for textbooks, technology and commuting, and that living in Southern California is more expensive than some other places. We also recognize that about one third of our students would receive financial aid offsetting any fee increases, but students just above financial aid limits would be affected.

We have weighed these factors against the very real risk of providing our students with a lower quality education. Even with recent fee increases, CSULB remains very low cost in comparison to all other public state universities. The quality of education that CSULB has provided compared to cost of attendance has made CSULB an exceptional value, but that quality is now threatened.
**Recommendation**

The Resource Planning Task Force agrees that consideration should be given to increasing mandatory campus-based fees and instituting new campus-based fees with a view to making them an integral part of the aggregate funding at CSULB. It should be noted that ASI President Chavez argued against further fee increases and did not support this recommendation. We are aware that the Chancellor’s Executive Order provides guidelines, processes, and constraints regarding the administration of student fees that must be considered.

We believe that increasing campus-based fees and instituting new campus-based fees should be considered in order to both improve student success and close achievement gaps (especially for low income and under-represented students) and sustain and improve the academic quality of CSULB degrees.

We stand ready to work with you to establish the fiscal necessity of campus-based fees, suggest and evaluate the variety of options available, and manage the policy issues and political realities as requested.
SCHEDULE OF MEETINGS
<table>
<thead>
<tr>
<th>Date</th>
<th>Time</th>
<th>Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>Thursday, September 24, 2009</td>
<td>9:00 AM – NOON</td>
<td>BH 302</td>
</tr>
<tr>
<td>Thursday, October 1, 2009</td>
<td>9:00 AM – NOON</td>
<td>BH 302</td>
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<td>Friday, October 2, 2009</td>
<td>2:00 PM – 4:00 PM</td>
<td>BH 302</td>
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<tr>
<td>Thursday, October 8, 2009</td>
<td>9:00 AM – NOON</td>
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<tr>
<td>Thursday, October 15, 2009</td>
<td>10:00 AM – NOON</td>
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<td>Friday, October 16, 2009</td>
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<td>Friday, October 23, 2009</td>
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<tr>
<td>Thursday, November 19, 2009</td>
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<tr>
<td>Friday, December 4, 2009</td>
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<td>University Relations and Development President’s Office</td>
</tr>
<tr>
<td>Thursday, December 10, 2009</td>
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<td>Student Services Academic Affairs</td>
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<tr>
<td>Friday, December 11, 2009</td>
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<td>Administration and Finance Athletics</td>
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<tr>
<td>Thursday, December 17, 2009</td>
<td>10:30 AM – NOON</td>
<td>BH 302</td>
</tr>
<tr>
<td>Thursday, January 28, 2010</td>
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<td>BH 302</td>
</tr>
<tr>
<td>Thursday, February 4, 2010</td>
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<td>BH 302</td>
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<tr>
<td>Friday, February 5, 2010</td>
<td>2:00 PM – 4:00 PM</td>
<td>BH 302</td>
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<tr>
<td>Thursday, February 11, 2010</td>
<td>10:00 AM – NOON</td>
<td>BH 302</td>
</tr>
<tr>
<td>Thursday, April 15, 2010</td>
<td>9:00 AM – NOON</td>
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</tr>
<tr>
<td>Thursday, May 20, 2010</td>
<td>9:00 AM – NOON</td>
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</tr>
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</table>
GLOSSARY OF TERMS
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. Such changes are normally addressed in the annual President’s Budget Message, issued at the beginning of the Fall semester.

The resources available for operating divisions during the annual Resource Allocation process in the Fall are comprised of the state general fund allocation and general fund revenues, such as State University 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.

Long Beach currently has a fall 2009 campus physical capacity designated at 25,525 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 recently approved to increase campus facilities capacity to 31,000 FTES when additional future funding becomes available.

Additional information may be found at:
http://daf.csulb.edu/offices/pnpm/master_plan/index.html
http://daf.csulb.edu/offices/univ_svc/institutionalresearch/ep_reports/index.html

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. Excess revenue that results from collections above the fee revenue budget requirements for SUF, NRT and Application fees also contribute to campus temporary resources.

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.

Additional information can be found at:
http://daf.csulb.edu/offices/univ_svc/budget/docs/
http://www.calstate.edu/BF/rmp/

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.

Additional information can be found at:
http://www.csulb.edu/divisions/af/cms/
http://cms.calstate.edu/
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

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.

<table>
<thead>
<tr>
<th>Campus</th>
<th>2009/10 FTES Target</th>
<th>2010/11 FTES Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bakersfield</td>
<td>6,885</td>
<td>6,570</td>
</tr>
<tr>
<td>Channel Islands</td>
<td>2,475</td>
<td>2,477</td>
</tr>
<tr>
<td>Chico</td>
<td>15,204</td>
<td>13,752</td>
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<tr>
<td>Dominguez Hills</td>
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<tr>
<td>East Bay</td>
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<td>11,676</td>
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<td>Fresno</td>
<td>18,740</td>
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<td>Fullerton</td>
<td>28,110</td>
<td>25,156</td>
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<td>Humboldt</td>
<td>7,220</td>
<td>6,854</td>
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<tr>
<td>Long Beach</td>
<td>29,430</td>
<td>26,297</td>
</tr>
<tr>
<td>Los Angeles</td>
<td>17,813</td>
<td>16,296</td>
</tr>
<tr>
<td>Maritime Academy</td>
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<td>922</td>
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<tr>
<td>Monterey Bay</td>
<td>3,738</td>
<td>3,769</td>
</tr>
<tr>
<td>Northridge</td>
<td>27,100</td>
<td>24,441</td>
</tr>
<tr>
<td>Pomona</td>
<td>18,600</td>
<td>16,878</td>
</tr>
<tr>
<td>Sacramento</td>
<td>23,413</td>
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</tr>
<tr>
<td>San Bernardino</td>
<td>14,797</td>
<td>13,536</td>
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<td>San Diego</td>
<td>29,887</td>
<td>27,004</td>
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<tr>
<td>San Francisco</td>
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<td>San Jose</td>
<td>24,279</td>
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</tr>
<tr>
<td>San Luis Obispo</td>
<td>18,071</td>
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<td>San Marcos</td>
<td>7,391</td>
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<td>Sonoma</td>
<td>7,612</td>
<td>7,142</td>
</tr>
<tr>
<td>Stanislaus</td>
<td>7,141</td>
<td>6,752</td>
</tr>
</tbody>
</table>

Information about the CSU enrollment management policy can be found at: http://www.calstate.edu/acadres/docs/CSU_Enroll_Mngment_Policy_Practices.pdf

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

Additional information may be found at:
http://www.dof.ca.gov/fisa/bag/DofGlossFrm.HTM

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.dof.ca.gov/budget/
http://www.dof.ca.gov/HTML/BUD_DOCS/budenact.pdf

Health Benefits Maintenance
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.

Higher Education Compact
The Higher Education Compact is an agreement between Governor Schwarzenegger, the University of California, and the California State University for the period 2005-06 through 2010-11. It commits to a long-term resource plan for UC and CSU that addresses base budget allocations, enrollment, student fees and other key program elements for 2005-06 through 2010-11. In exchange for this long-term stability, UC and CSU commit to focusing their resources to address long-term accountability goals for enrollment, student fees, financial aid, and program quality. To allow appropriate monitoring of progress toward these goals, UC and CSU commit to providing student and institutional outcome data in numerous program areas including program efficiency, utilization of system wide resources, and student-level information.

The details of this Compact are contained in the attached:
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.

2010-2011 May Revision of Governor’s Budget related to Higher Education is contained in the attached:
http://www.ebudget.ca.gov/pdf/Revised/BudgetSummary/FullBudgetSummary.pdf

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://www.csulb.edu/depts/enrollment/admissions/residency.html
http://www.csulb.edu/depts/enrollment/registration/fees_basics.html

One-Time, Temporary Resources
See Non-base Budget Allocations

PERS Retirement Rate Change
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 and 8% for some Peace Officer/Firefighter members (Public Safety Management and Firefighters only) less an exclusion allowance for coordination with Social Security. For eligible CSU Public Safety (R08) employee Peace Officer/Firefighter members, the CSU currently pays for both the employer and employee contributions.

CSU Contribution Rates for CalPERS Retirement Coverage – Fiscal Year 2010/11
Effective July 1, 2010 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>2010/11 Employer Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>State Police Officer/Firefighter</td>
<td>Unit 8</td>
<td>36.887%*</td>
</tr>
<tr>
<td>State Police Officer/Firefighter</td>
<td>MPP Directors &amp; Lieutenants</td>
<td>28.887%</td>
</tr>
<tr>
<td>State Miscellaneous Tier 1</td>
<td>All Other CSU Employees</td>
<td>19.922%</td>
</tr>
</tbody>
</table>

*Includes 8% employee contributions rate paid by CSU
**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.

Additional information may be found at:
http://www.calstate.edu/BF/rmp/rmp_home.shtml

**State University Fee (SUF)**
State University Fee is the amount of tuition a resident student pays to attend the California State University. The SUF for a full time student is shown below:

<table>
<thead>
<tr>
<th>Academic Year</th>
<th>Undergraduate</th>
<th>Graduate Teacher Credential</th>
<th>Graduate</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009-10</td>
<td>$4,026</td>
<td>$4,674</td>
<td>$4,962</td>
</tr>
<tr>
<td>2008-09</td>
<td>$3,048</td>
<td>$3,540</td>
<td>$3,756</td>
</tr>
<tr>
<td>2007-08</td>
<td>$2,772</td>
<td>$3,216</td>
<td>$3,414</td>
</tr>
<tr>
<td>2006-07</td>
<td>$2,520</td>
<td>$2,922</td>
<td>$3,102</td>
</tr>
<tr>
<td>2005-06</td>
<td>$2,520</td>
<td>$2,922</td>
<td>$3,102</td>
</tr>
<tr>
<td>2004-05</td>
<td>$2,334</td>
<td>$2,706</td>
<td>$2,820</td>
</tr>
</tbody>
</table>

In addition, all students pay campus fees that vary campus-by-campus and average $867 system-wide (see link below).

At CSULB, the mandatory student fees total $344 for academic year 2009-10. Note that certain courses may charge other special fees that are not included in this amount.

Non-resident students pay the State University 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 Fees</td>
<td></td>
</tr>
<tr>
<td>2009-10</td>
<td>$4,026 ($2,334)</td>
<td>$4,893</td>
</tr>
<tr>
<td>2008-09</td>
<td>$3,048 ($1,770)</td>
<td>$3,849</td>
</tr>
<tr>
<td>2007-08</td>
<td>$2,772 ($1,608)</td>
<td>$3,521</td>
</tr>
<tr>
<td>2006-07</td>
<td>$2,520 ($1,464)</td>
<td>$3,199</td>
</tr>
<tr>
<td>2005-06</td>
<td>$2,520 ($1,464)</td>
<td>$3,164</td>
</tr>
<tr>
<td>2004-05</td>
<td>$2,334 ($1,356)</td>
<td>$2,648</td>
</tr>
</tbody>
</table>

**State University Grant (SUG)**
The State University Grant 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 State University grant program is budgeted in the General Fund. The amount of SUG 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 SUF rate change. Campuses receive an allocation based on enrollment targets and student need.

Additional information may be found at:
http://www.csulb.edu/depts/enrollment/financial_aid/grants.html
http://www.calstate.edu/AR/fa_programs.shtml
University Wide Budgets
Resources that are held centrally to cover mandatory costs, special programs that benefit the entire campus and/or campus reserves are held in program budgets referred to as “University Wide.” These funds are administered by various division managers who have fiduciary responsibility and accountability for the programs. Each year these division managers report to RPP. Any unspent balances at year-end are made available to the entire campus.
REFERENCE DOCUMENTS
REFERENCE DOCUMENTS AT CALIFORNIA STATE UNIVERSITY LONG BEACH
BUDGET CENTRAL WEBPAGE:
HTTP://WWW.CSULB.EDU/ABOUT/BUDGETCENTRAL/

- Governor's May Revise for 2010-11 Budget: Summary of Governor’s May Revise Budget for 2010-11

- CSULB 2010-11 Budget Planning – February 2010: RPP’s 2010-11 budget planning summary, also found in this book on pages 13-43

- Governor’s 2010-11 Proposed Budget: High level summary of the Governor’s 2010-11 proposed budget for the state with limited CSU details

- CSULB 2010-11 Budget Preliminary Projection: Preliminary projection of CSULB’s budget shortfall for 2010-11

- 2009-10 CSULB Budget Summary: Statement of CSULB’s budget shortfall and solutions for 2009-10

- Detailed Budget Presentation – Fall 2009: RPP’s 2009-10 budget planning summary with preliminary planning assumptions and scenarios for 2010-11