Base Budget Principles

1. Continue multiyear approach
2. Strategically analyze and rank budget reduction ideas relative to their impact on
   - Seven Mandates from town hall meetings
   - Academic Plan
   - Strategic Planning Summary and Priorities for Implementation
3. Avoid “across the board” actions or percentages
4. Make reductions based on analysis of long-term commitments and directions, not “quick fixes”
5. Maintain enrollment momentum in accordance with CSU enrollment management policy
   - The state budget allocation to the Cal State East Bay (including state university fees) is based on the premise that CSUEB will meet its designated enrollment target (11,764 California resident FTES plus 499 non-resident FTES). The university’s Operating Budget for 2008-09 is approximately $146.3 million. This is comprised of state appropriations (about two-thirds) and student fees (about one-third).¹
   - State University Fee revenues approximately cover instruction (lecturers)
   - Enrollment management must be sensitive to (a) meeting course needs of continuing and newly admitted students, (b) providing advising and other essential support, and (c) differential costs of instruction by discipline and student level.
6. Ensure that savings in one unit are not transferred as costs to another unit
7. Emphasize ways to accomplish functions that reduce costs while protecting service and/or quality (do things differently)
8. Make timely decisions so that academic unit leaders as well as administrative managers can make appropriate adjustments.

One-Time Economies

- Use Non-Resident fee revenues from enrollments in excess of target to offset one-time reductions
- Apply funds held from cancelled prior-year encumbrances to offset one-time reductions
- Create a University trust account as a Reserve Fund out of unrestricted decentralized trust funds and apply a portion of these funds to offset one-time reductions
- Establish a trust fund policy for unrestricted trust funds held in the divisions and colleges

¹ The Operating Fund was formerly known as the General Fund.
Base Budget Ideas – within the context of university-wide and division functions

1. Focus on core functions (Seven Mandates and Strategic Planning Priorities) – build base budgets from core functions, then review each with respect to sections 2, 3 and 4 below: essential overhead, “re-engineering” processes, and adjusting the level of service
   - Streamline means to meet core commitments
     - Redefine core functions based on desired outcomes, rather than current processes (or what we currently spend)
     - Review staffing required to meet core functions
     - Administration and Finance and Planning and Enrollment Management examples – review the following strategically:
       - Hours open for in-person services – e.g., align with student demand (registration peaks, afternoons and evenings)
       - Admissions processing, including transcript evaluations
       - Change of major processing
       - Graduation evaluation processing
     - Academic examples – deans and chairs should review the following strategically in consultation with faculty:
       - Core curriculum and number of majors to determine how frequently courses need to be offered
       - Options, concentrations, etc.
       - Electives
       - “Supervision” classes
       - Minimum class sizes within each mode and level of instruction
       - GE offerings
       - Range and frequency of other service offerings
       - Academic advising
   - Renegotiate the scope of activities, esp. consulting contracts or in-source the work (which might extend the time frame); explicitly reduce, extend, postpone, or stretch out procurements and projects
     - Facilities and grounds
     - ITS projects
     - Extend refresh cycle on work stations
     - Extend refresh cycle on servers
     - Extend silent phase of campaign
   - Place lower priority on “nice to have” rather than essential services
   - Review activities that involve matching from the Operating Fund, and/or require the university to assume financial responsibility for continuation in the long-run.
   - Eliminate or find alternate funding (e.g., grants, self-support, fees) for activities that don’t align directly with core functions

2. Review administrative overhead – especially for consistency across units
   - Personnel
     - Management positions
     - Amount of administrative release for department chairs
     - Assigned time

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2 Faculty at UPABC (11/14) expressed concern about how tenure-track recruitments and classes available to lecturers might be affected by reviewing curricula. They also noted that some items would take longer to implement than others – e.g., efficient scheduling and limiting low enrollment sections may achieved more quickly than curriculum changes.
- Office support
- Technicians
- Consolidate functions, especially to reduce need for management and/or administrative support positions
- Use of overtime, CTO, and temporary positions
  - Operating Expenses and Equipment constitute less than 10 percent of the division budgets overall, and such supplies and services are essential to operations. Nonetheless, review these:
    - Out of state travel
    - Non-baseline equipment
    - Volume discounts on supplies
    - Standardized rather than customized office furniture

3. “Re-engineer” processes
   - Re-examine purpose and use of printed publications – e.g., substitute more electronic communications
   - Substitute self-service for most in-person administrative services
     - Cashiering
     - Payroll and absence management for faculty and staff
     - Benefits for faculty and staff
     - Purchasing for faculty and staff
     - Online orientation for students
     - Online advising for students
   - Provide remote support as first response rather than in person services (e.g., ITS service desk)
   - Remove walls between certain inefficiently-configured classrooms to attain more flexibility in accommodating larger classes
   - Reinforce efforts to retain students so as to reduce need to recruit to sustain enrollment
   - Review committee “operational culture” to increase the efficiency and effectiveness of deliberations
   - Consolidate scheduling software and operations

4. Manage “level of service” to acceptable, if not ideal – while maintaining our commitment to serving students
   - Custodial service
   - Grounds maintenance
   - Quality and/or frequency of publications – e.g., publish two magazines rather than three annually
   - Rethink level of hospitality – e.g., when to include meals in events

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3 Faculty at UPABC (11/14) indicated that reducing administrative time for chairs and/or assigned time for graduate or other program coordinators could be a disincentive to faculty to assume these responsibilities. Also, new tenure-track faculty have assigned time during their first year. The discussion noted that assigned time is also used for other purposes which might merit review.