 COMMITTEE ON BUDGET AND RESOURCE ALLOCATION

13-14 COBRA 9
May 23, 2014

TO: The Academic Senate

FROM: The Committee on Budget and Resource Allocation (COBRA)


PURPOSE: To provide information to the Academic Senate on CSUEB 2014-15 operating base budget and key budget issues for 2014-15.

BACKGROUND INFORMATION:
Mr. Darrell Haydon, Associate Vice President, Financial Services presented a report “Cal State East Bay 2014-15 Operating Base Budget” to COBRA on May 14, 2014. A summary of the presentation and discussions are presented in COBRA Executive Summary attached. Mr. Haydon’s original presentation is included with the COBRA Executive Summary for further information.
This is the COBRA's executive summary of the report “Cal State East Bay 2014-15 Operating Base Budget” presented by Darrell Haydon, Associate Vice President, Financial Services to COBRA on May 14, 2014. This executive summary highlights the 2014-15 budget planning schedule, changes to 2014-15 CSUEB base budget, the key budget issues for 2014-15, and the 2014-15 Budget Process. The original presentation is also included for further information.

2014-15 Budget Planning Schedule

CSUEB’s planning schedule started with the publishing of Trustees budget request in November 2013. Next the Governor’s Budget was published in January 2014 and followed by the Governor’s revised revenue estimates (“May Revise”) that was published on May 13, 2014. The final budget approval is expected on June 15, 2014.

Changes to 2014-15 CSUEB Base Budget

For CSUEB’s 2014-15 base budget, an additional general fund support in the amount of $1.5 million for 325 FTES will be provided. The compensation funding for increases provided in 13-14 will also be added to the budget in the amount of $1.4 million. Several “student success” initiatives received funding totaling $0.7 million. Other changes in benefits, retirement, and state university grant funding yielded $0.5 million.

Key Budget Issues for 2014-15

This is the first time CSUEB shifts to self-support summer for state university tuition. The budget consequence for this shift still needs to be determined. CSUEB is required to pay the Chancellor’s Office a “penalty” for 2013-14 over enrollment, of approximately $1.5 million that is due in 2014-15. CSUEB needs to provide additional funding for repair and repair of facilities. While major roof projects for most buildings will be completed this summer, interior classroom and lab renovations require on-going funding.

2014-15 Budget Process

The university estimates that an additional funding available for 2014-15, in excess of restricted uses and mandatory costs, is approximately $1.8 million. Once the May Revise budget is confirmed, a budget call letter will be sent to solicit proposals for additional one-time and/or base budget adjustments. Proposals will be summarized and prioritized for consideration. The goal is to formalize 2014-15 allocations prior to mid-July, 2014.
2014-15 Budget Planning Schedule

- Trustees Budget Request Published November 2013
- Governor’s Budget Published January 2014
- Revised Revenue Estimates (“May Revise”) May 13, 2014
- Final Budget Approval Expected June 15, 2014
2014-15 CSUEB Base Budget

- Additional general fund support for 325 FTES will be provided, amounting to $1.5 million
- Compensation funding for increases provided in 13–14 will also be added to the budget in the amount of $1.4 million
- Several “student success” initiatives received funding totaling $0.7 million
- Other changes in benefits, retirement, and state university grant funding yield $0.5 million
Key 2014–15 Issues

- Consequences of shift to self-support summer for state university tuition
- Requirement to pay “penalty” for 2013–14 over enrollment, of approximately $1.5 million due in 2014–15
- Need to provide additional funding for repair and repair of facilities. While major roof projects for most buildings will be completed this summer, interior classroom and lab renovations require on-going funding
2014–15 Budget Process

- Additional funding available for 2014–15, in excess of restricted uses and mandatory costs, is approximately $1.8 million.

- Once the May Revise budget is confirmed, a budget call letter will be sent to solicit proposals for additional one-time and/or base budget adjustments.

- Proposals will be summarized and prioritized for consideration.

- Goal is to formalize 2014–15 allocations prior to mid-July.