A Campus Perspective
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Topics we will cover

• Key concepts for campus managers

• Budget Planning Process

• 2009-10 and 2010-11 Budget Planning
Key Concepts for Campus Managers
Key Concept:
There are two distinct Budgets
**Key Concept:**

**On-going vs. One-time Funding**

<table>
<thead>
<tr>
<th>PERMANENT BUDGET</th>
<th>TEMPORARY BUDGET</th>
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<td>(on-going or base budget)</td>
<td>(One-Time allocations)</td>
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- Base level of recurring resources for faculty & staff salaries, S&E, etc
- General Funds, Student Fees
- Incremental budget approach

- Annual allocations or unspent funds from prior year
- Special temporary program allocations
Key Concept:
Not all money is Green

Core Funds
- State General Funds
- Student Fees
- UC General Funds
- Indirect Cost Recovery

Extramural Funds
- Contracts & Grants
  - Federal
  - State
  - Local
- Gift Funds

Other Funds
- Sales & Service Revenue
- Auxiliary Revenue
- Recharge Funds
- Hospital Revenue
Key Concept:
Fund Restrictions and Purpose

Reg Fee ➔ Student Services

Housing Revenue ➔ Housing Operations and Debt

Opportunity Funds ➔ Unrestricted

Endowment Funds ➔ Donor Intentions

Federal Contract Funds ➔ Agency Award Criteria

Recharge Funds ➔ Recharge unit costs

State General Funds ➔ Functional Allocation Category
Key Concept: Fund and Function Categories

Fund Categories

- Budgeted Funds
  - Core Funds
  - Student Fees
- Extramural Funds
  - Contracts & Grants
  - Gifts

Function Categories

- Instruction & Research
- Institutional Support
- OMP
- Public Service
- Student Services
- Financial Aid
- Unallocated
Budget Planning Process
Budget Planning Process:
Each Campus is Different

- Revenue Sources
- Strategic Plans / Objectives
- Growth Stage
- Organizational Structure
- History / Culture
- Leadership Styles / Influences
The University of California

BUSINESS OFFICER INSTITUTE

Budget Planning Process: UCI Process

STRATEGIC PLAN
CAMPUS PRIORITIES

Base Budget, New Allocations, Workload Increases, Other Resources

Campus Budget Process
• Consultative
• Analysis
• Performance Metrics

Budget Plan

Requests / Proposals
Depts => Deans/VC’s

- Budget Workgroup
- Deans Council
- Academic Senate
- SFAC
- Chancellor’s Cabinet
Budget Planning Process: Communication is the Key

Campus Leadership

- Budget Plan
- Monitor Progress and Impacts
- Permanent & Temporary Allocations to Deans/VC’s
- Allocations to Departments / Implementation
2009-10 and 2010-11 Budget Planning
2009-10 and 2010-11 Planning:
UCI Approach – Starting Point

- Mandatory Costs
- State Budget Cuts
- Priorities / New Programs
- Budget Process
- Strategy for Temporary vs. Permanent Cuts
- Furlough Program
“Everybody invited to the party”
- Academic, Support, Auxiliary, Hospital
- Furlough Savings Sweep
- Suspend Programs
- Summer Session Income
- Debt Restructuring
- Unfunded Gap
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2009-10 and 2010-11 Planning:
UCI Approach – Going Forward

**Knowns**
- Mandatory Costs
- UCRP full year
- Student Fee incr.
- Benefit Cost Incr.
- Enrollment targets
- New program requirements

**Unknowns**
- State funding uncertainties
- Regent Actions
  - Furlough Program
  - Student Fees
  - Benefit Programs
- Student Situations
  - Enrollments
  - Affordability

**New Initiatives**
- Space Efficiencies
- Non-res enrollment
- New program Revenues
- Target Fundraising
- Extramural Fund Revenues

2010-11 Budget Plan
Some Final Thoughts and Observations
Impacts of Cuts to Core Support
2009-10

Indirect Recovery and G&A Assessment
Core Fees
State Funds
Funding Patterns Differ By Unit

Academic - Degree Granting ($215 million)
- Core Funding: 92%
- Self-support: 2%
- Fees: 5%
- Other: 1%

Administrative & Business Services ($65 million)
- Core Funding: 75%
- Self-support: 22%
- Other: 3%

Student Affairs ($132 million)
- Core Funding: 7%
- Self-support: 86%
- Fees: 7%

University Advancement ($10 million)
- Core Funding: 38%
- Self-support: 60%
- Other: 2%
Being a Business Officer – Within your unit

• Understand that it's your responsibility to maintain the financial and administrative integrity of your unit

• Keep your management informed about the financial facts

• Position yourself as a resource not a regulator

• Be active and accessible within your unit
Being a Business Officer – Beyond your unit

• Partner and network on campus and across campuses
• Seek help early
• Be a creative thinker
• Have a relationship with your Campus Budget Office
THANK YOU!

QUESTIONS?