



California State University, Sacramento
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March 29, 2021

MEMORANDUM

TO: Provost Steve Perez
Vice President Jonathan Bowman
Vice President Lisa Cardoza
Vice President Mark Hendricks (Interim)
Vice President Edward Mills
Vice President Diana Tate Vermeire
Chief of Staff, Cely Smart
Director of Athletics, Mark Orr

FROM: Robert S. Nelsen
President

SUBJECT: Campus Operating Fund Budget Call for Fiscal Year 2021-22

I am hereby requesting that each division complete the 2021-22 Campus Operating Fund Budget Call based upon the budget assumptions and scenarios recommended by the University Budget Advisory Committee (UBAC). These assumptions, along with an overview of the State and campus' fiscal outlook, are included. Instructions and forms for completion are included as supplemental attachments. Please use them to complete the division's responses and submit all necessary documents to the University Budget Office by **Thursday April 22, 2021**. For assistance in completing the budget requests, please contact Rose McAuliffe, Associate Vice President – Budget Planning and Administration.

Governor's Proposed Budget

The Governor's proposed 2021-22 budget includes an ongoing increase of \$144.5 million in the California State University's (CSU) General Fund for general operating costs (this would include basic mandatory compensation and benefit needs). However, on a positive note, we have since then received communication that these funds are in addition to CSU receiving the \$299 million that was reduced in the current year budget of 2020-21. Additionally, \$225 million in one-time funds is also being proposed for the CSU. This is all good news.

The Effect of the Governor's Proposed Budget on Sacramento State

For the new fiscal year, the campus' enrollment target for resident students will remain constant of Full-time Equivalent Students (FTES) at 23,771 FTES. Thus, the budget call will focus on one scenario. As in the past, these initial forecasts will change due to adjustments with the final State budget and as the Chancellor's Office releases new information.

Budget Call

For the 2021-22 fiscal year, the campus is preparing for positive news. Therefore, we are asking the divisions to prepare for one budget scenario with the assumption that the Sac State campus' allocation will increase:

- An increase of \$6.87 million in ongoing funds that I have asked the UBAC committee to provide me with their recommendation. Each of the divisions and campus initiative programs can apply for this ongoing funding. Examples of campus initiatives include the Graduation Initiative, Anti-racism, Diversity & Inclusion, and the Anchor University initiative to name a few.
- An increase of \$11.0 million to the divisions budgets as displayed below:

<h2>Budget Planning Scenario</h2> <h3>2021-22 Annual Budget Call</h3>		
Divisional Categories	\$	11,000,000
Academic Affairs	66.00%	7,260,000
Administration & Business Affairs	12.00%	1,320,000
Student Affairs	8.00%	880,000
Information Resources & Technology	5.00%	550,000
University Advancement	2.50%	275,000
Athletics	3.00%	330,000
President's Office	2.00%	220,000
Inclusive Excellence	1.00%	110,000
Public Affairs & Advocacy	0.50%	55,000
	100.0%	11,000,000

As in the past, no General Operating Fund budget lines are exempt from review or change, including the All University Expense budget lines. In order to make optimal use of resources, it is critical that we identify one-time expenditure needs from on-going baseline costs and that we manage both strategically.

Budget Planning Assumptions and Scenarios

In concurrence with the University Budget Advisory Committee recommendation, as noted above, the 2021-22 Annual Budget Call requests division heads to address the one budget scenario (\$11 million to Divisions and \$6.87 million up for strategic prioritization).

The planning assumptions details are as follows:

- The campus imperatives as well as safety and health serve as general guidelines for planning and allocating the 2021-22 resources and for identifying baseline budget changes.
- Determine the optimum utilization of resources available and determine how your decisions positively influence the progress towards the university's imperatives (biggest bang for the buck). Include and notate any significant expense changes within your division's departments.
- Review the other divisional sources of funds (report attached) to determine how they can be used in conjunction with the new resources. Be careful to follow the appropriate fund rules regarding uses.
- Review the division's carry forward balances.
- Divisions should only list critical or urgent projects for consideration as it relates to one time funds. Divisions may list self-funded projects for informational purposes.
- Increases in All University Expenses (AUE) requests are to be presented and explained. The AUEs reduce overall available funding for the divisions. AUE funding is taken off the top.
- Narratives should articulate assumptions, priorities, and strategies to address the topics noted on the "instructions" form.
- Divisions must develop a balanced budget and operate within available resources as noted in the documents below:
 - 2021-22 Operating Fund Budget Scenario Spreadsheet
 - 2021-22 Impact to Divisions Scenario
 - 2020-21 Unspent Carry Forward Funds
 - 2021-22 All University Expenditure Line Items
 - 2021-22 One-time Projects List (Informational Item only) and
 - The division's special funding sources such as Lottery, Miscellaneous Course Fees, charges for services, and other similar sources of funding (a list is included and is to be used to identify how the division will utilize them to meet the division's mission while helping students graduate in a timely fashion).

The budget call request requires entering data into the EXCEL and Word forms provided. The instructions and forms are attached. Rose McAuliffe, the Associate Vice President of Budget Planning and Administration, and her staff are prepared to assist you with questions you may have about completing the budget call.

As additional information on the state, CSU, and the campus budget becomes available, I will provide updates to incorporate changes into the budget planning process. Divisions

are responsible for informing their departments of the latest developments and budget updates as they unfold. I look forward to working with you and the University Budget Advisory Committee to develop a balanced budget while incorporating the anchor university concept, improving graduation rates, and making our campus inclusive for all.

Attachments

cc: University Budget Advisory Committee
Budget Planning & Administration