

**STATE OF CALIFORNIA
FINAL BUDGET: 2003-2004**

- ENACTED AUGUST 2, 2003
- BRIDGES \$38.2 BILLION BUDGET GAP WITH A COMBINATION OF SPENDING CUTS TAX SHIFTS, AND BORROWING
- HIGHER EDUCATION FEES EXPECTED TO INCREASE TO COVER A PORTION OF THE GENERAL FUND LOSS
- STATE FACES AN \$8 TO \$12 BILLION SHORTFALL IN 2004-2005
- BUDGET TRAILER BILL CALLS FOR NO ENROLLMENT GROWTH OR COMPENSATION INCREASES IN 2004-2005
- IS SILENT ON NEW CSU COSTS INCLUDING REQUIRED SALARY INCREASES, INCREASED EMPLOYEE BENEFIT COSTS AND RISING UTILITY PRICES

**STATE OF CALIFORNIA FINAL BUDGET
REDUCTIONS TO THE CSU BUDGET
2003-2004**

CSU JANUARY BUDGET REDUCTIONS	\$369.1 MILLION
Unallocated Budget Reduction	
Academic and Institutional Support	
Student Services	
Instruction	
Outreach	
Teacher Recruitment/CalTeach	
Public Service Programs	
LEGISLATIVE BUDGET ADJUSTMENT	\$ 83.3 MILLION
Post May Revision	
LESS NEW CSU REVENUE OFFSETS	\$227.0 MILLION
Net Revenue from fee increases less State University Grant allocation)	
Revenue for 2002-2003 Enrollment Growth	
Revenue for 2003-2004 Enrollment Growth	
NET REDUCTIONS	\$225.4 MLLION*

*Does not include certain adjustments related to PERS retirement contributions which do not impact the overall spending authority of the California State University.

SUPPLEMENTAL BUDGET LANGUAGE RELATED TO REDUCTIONS IN THE CSU BUDGET

It is the intent of the Legislature that reductions to the CSU budget in 2003-2004 be implemented to protect, to the greatest extent possible, the CSU primary educational mission of undergraduate and graduate instruction. The CSU shall give priority to funding core classroom instructional needs, student services and libraries. It is recognized that other functions such as academic support and maintenance and operations help to maintain the system's educational quality. In addition, the CSU shall:

1. Ensure that budget reductions are apportioned to mitigate their impact of the quality and availability of class offerings, student services, and libraries.
2. Use alternative funding sources, to the extent permissible by under law, to help mitigate the impact of budget reductions on students, faculty and staff.
3. Reduce administrative costs while at the same time, maintaining sufficient resources necessary for the campuses and the system to operate efficiently,, serve students effectively, manage the CSU system and remain accountable to the State.
4. Defer expenses in 20023-2004 for implementation of the Common Management System on campuses proposing new start-up projects where feasible.

Traditional Reports Prepared and Published by the CSU reflected in Supplemental Language

1. CSU Headcount and FTEF of tenured, tenure-track faculty, lecturers, represented staff and MPP personnel 10-02 & 10-03
2. CSU Headcount and FTEF of tenured, tenure-track faculty, lecturers, represented staff and MPP personnel 3-03 & 3-04
3. Total Full-Time Equivalent Students, Fall, 2002 and Fall 2003
4. Total Full-Time Equivalent Students and Headcount, Spring 2003 and Spring 2004
5. Average Class Size, 2002-2003 and 2003-2004
6. Total Course Sections Taught: 2002-2003 and 2003-2004
7. Actual Expenditures by Program and Sub-Program Area in 2002-2003 and 2003-2004

New Reports reflected in the Supplemental Language

1. Campuses, if any, where CMS was able to be deferred
2. Alternate Funding Strategies, if any, used to help mitigate the 2003-2004 budget reductions

**STATE OF CALIFORNIA IMPOSED BUDGET REDUCTIONS
SONOMA STATE UNIVERSITY
2003-2004**

	Executive Office	Academic Affairs	Student Affairs	Administration and Finance	TOTAL
Net Unallocated Reduction	\$ 36,384	\$ 918,004	\$ 36,104	\$ 408,903	\$1,399,395
Targeted: Academic Support		\$ 396,615	\$	\$ 74,200	\$ 470,815
Targeted: Institutional Support	\$ 92,503	\$ 31,722	\$ 13,561	\$ 669,399	\$ 807,185
Targeted: Student Services		\$ 771,725	\$ 288,300	\$ 157,975	\$1,218,000
Targeted: Instruction, SFR		\$1,119,600			\$1,119,600
Targeted: Outreach		\$ 26,000			\$ 26,000
SUB-TOTAL	\$ 128,887	\$3,263,666	\$ 337,965	\$1,310,477	\$5,040,995
Less New Revenue, Growth	\$ 48,522	\$1,688,375	\$ 61,340	\$ 312,758	\$2,110,995
Less One-Time Funds SSU Reserve (Alternate Funding Source)		\$1,300,000			\$1,300,000
Less One-Time Funds from ASI (Alternate Funding Source)			\$ 53,000		\$ 53,000
TOTAL NET REDUCTIONS	\$ 80,365	\$ 275,291	\$ 223,625	\$ 997,719	\$1,577,000

**MANDATORY NEW COSTS
SONOMA STATE UNIVERSITY
2003-2004**

- Negotiated Salary Increases for Faculty Employees
- Negotiated Salary Increases for Trades Employees
- Benefit Increases for all Employees

**SONOMA STATE UNIVERSITY
 IMPLICATIONS OF NEW MANDATORY COSTS ON THE DIVISIONS
 2003-2004**

	Executive Office	Academic Affairs	Student Affairs	Administration and Finance	TOTAL
Salary Increases Faculty		\$ 719,810			\$ 719,810
Salary Increases Trades				\$ 71,190	\$ 71,190
Benefit Increases Faculty		\$ 469,793			\$ 469,793
Benefit Increases Non-Faculty	<u>\$ 26,745</u>	<u>\$ 287,938</u>	<u>\$ 28,165</u>	<u>\$ 370,759</u>	<u>\$ 713,607</u>
TOTAL	\$ 26,745	\$1,477,541	\$ 28,165	\$ 441,949	\$1,974,400

Note: Budget overruns, if any, in utilities will be handled as a campus Reserve item.

**SONOMA STATE UNIVERSITY
DIVISION FINANCIAL PLANS
2003-2004**

EXECUTIVE OFFICE FINANCIAL PLAN: 2003-2004

Net Budget Reduction – State of California Unallocated Reduction Institutional Support	\$ 80,365
Benefit Increases Non-Faculty	<u>\$ 26,745</u>
TOTAL	\$ 107,110

Funded by:

Reduce operating expenditures in the President's Office, Development and University Affairs*	\$ 52,970*
Contribution from Administration and Finance	<u>\$ 54,140</u>
TOTAL	\$107,110

* The Executive Office will also allocate \$25,000 to support a 50% photographer position in University Affairs.

ACADEMIC AFFAIRS FINANCIAL PLAN: 2003-2004

Net Budget Reduction – State of California	\$ 275,291
Unallocated Reduction	
Academic and Institutional Support	
Student Services	
Instruction	
Outreach	
Salary Increases Faculty Employees	\$ 719,810
Benefit Increases Faculty Employees	\$ 469,793
Benefit Increases Non-Faculty Employees	<u>\$ 287,938</u>
TOTAL	\$1,752,832

Academic Affairs is in the process of developing specific plans to meet both the net budget reduction of \$275,291 as well as the new Academic Affairs mandatory costs outlined above. In addition, the Division is exploring how it will address the loss of \$1,300,000 of one-time funds in 2004-2005.

STUDENT AFFAIRS FINANCIAL PLAN: 2003-2004

Net Budget Reduction – State of California Unallocated Reduction Student Services	\$ 223,625
Benefit Increases Non-Faculty	<u>\$ 28,165</u>
TOTAL	\$ 251,790

STUDENT AFFAIRS

Reduce Operating Expenses and Student Assistants: Vice-President's Office	\$ 40,527
Reduce operating expenditures in Athletics Reassignment of staff position General operating expense and temporary help	\$ 90,024
Reduce Operating Expenses and Temp. Help: Counseling Center	\$ 36,623
Reduce Operating Expenses and Temp. Help: Health Center	\$ 125,583
Reduce Student Assistants, Salary Savings Office of Campus Life	\$ 8,533
Reduce student assistants in the Women's Resource Center	\$ 3,500
Less One-Time Contribution from Associated Students Incorporated	<u>\$ -53,000</u>
TOTAL IMPACT TO STUDENT AFFAIRS IN 2003-2004	\$251,790

Student Affairs is exploring how it will address the loss of \$53,000 of one-time funds in 2004-2005.

ADMINISTRATION AND FINANCE FINANCIAL PLAN: 2003-2004

Net Division Budget Reduction-State of California	\$ 997,719
Unallocated Reduction	
Academic and Institutional Support	
Student Services	
Contribution to the Executive Office	\$ 54,140
Salary Increases Trades	\$ 71,190
Benefit Increases Non-Faculty	\$ 370,759
TOTAL	\$1,493,808

Funded by:

Reduce expenditures in Information Technology	\$ 252,219
Eliminate dial-in PPP and general fax service	
Reduce support to Service Center and Help Desk	
Reduce student assistant hours	
Defer the employee workstation program	
Close one computer laboratory and one video conference facility	
Eliminate vacant positions in the Office of the Vice-President	\$ 303,000
GMC Administrative Coordinator, Division Temporary Help	
Senior Director, Planning and Analysis	
Eliminate the Classroom Renovation & Deferred Maintenance Program	\$ 300,200
Eliminate vacant Senior Director: Facilities Management Position	\$ 158,755
Eliminate the Staff Training and Development Program	\$ 72,000
Reduce operating expense funding to CMS	\$ 223,125
Eliminate vacant positions in Financial Services	\$ 89,000
Eliminate vacant position in Police Services	\$ 39,441
Reduce General Operating Expense, Division-Wide	\$ 56,068
TOTAL	\$1,513,963