



University Budget Committee

November 17, 2022
(3rd meeting FY22-23)



Agenda

- Welcome
- November CSU Board of Trustee Update
- DH Transparency Resources
- DH Annual Budget Book/Report Discussion

- 2022-23 Enrollment Update
- 2023-24 CSU Budget Request
- Budget Request Process & Topics

- Q & A



WELCOME



November CSU BoT updates



- The 2021-22 CSU audit plan was completed in September 2022
- Completed audit reports (including DH) are posted at <https://www2.calstate.edu/csu-system/transparency-accountability/audit-reports>
- CSU Five-Year Capital Plan (2023-24 through 2027-28 (over \$26.9 billion) is posted



Endowment Management (Audit Report 21-38)

CALIFORNIA STATE UNIVERSITY, DOMINGUEZ HILLS – ENDOWMENT MANAGEMENT

EXECUTIVE SUMMARY

OBJECTIVE

The objectives of the audit were to ascertain the effectiveness of operational, administrative, and financial controls related to endowment management and to ensure compliance with relevant federal and state regulations, Trustee policy, Office of the Chancellor (CO) directives, and campus procedures.

CONCLUSION

Based upon the results of the work performed within the scope of the audit, except for the weaknesses described below, the operational, administrative, and financial controls for endowment management as of March 4, 2022, taken as a whole, provided reasonable assurance that risks were being managed and objectives were met.

Overall, we found that California State University, Dominguez Hills (CSUDH) had an effective framework for the endowment management process that generally aligned with systemwide, state, federal, and campus requirements. However, the review did identify opportunities for improvement in some areas. We found that the campus was unable to provide signed and completed gift agreements, account set-up forms, or deposit documentation for some of the endowments reviewed. Additionally, the campus did not have a process for sending periodic performance reports to donors and did not consistently provide donors with the reports. Further, the campus did not have a formal governance structure in place to ensure oversight of Payment Card Industry (PCI) compliance requirements.

Specific observations, recommendations, and management responses are detailed in the remainder of this report.

Full report is available at:

<https://www.calstate.edu/csu-system/transparency-accountability/audit-reports/Documents/endowment-management/2021/2138EndowmentManagementDominguezHills.pdf>



Audit and Advisory Services
401 Golden Shore
Long Beach, CA 90802-4210

June 7, 2022

Dr. Thomas A. Parham, President
California State University, Dominguez Hills
1000 E. Victoria Street
Carson, CA 90747

Dear Dr. Parham:

Subject: Audit Report 21-38, Endowment Management, California State University, Dominguez Hills

Vlad Marinescu
Vice Chancellor and
Chief Audit Officer
562-951-4430
vmarinescu@calstate.edu



Endowment Management (Audit Report 21-38)

DH management agreed to implement the following changes:

- Complete and maintain fully executed gift agreements as required by campus gift acceptance policies and procedures.
- Complete a gift agreement to be signed by the vice president of university advancement, and the donor or donor representative, for the 11 endowments noted above, where possible.
- Maintain bank deposit receipts and journal entry postings of original gift receipts.
- Maintain account set-up forms to show establishment of endowments, including documentation for authorized signers and donor intent for endowment funds.
- The campus will establish a process to provide periodic performance reports to donors.
- The campus will implement formal governance to provide ongoing oversight to ensure that all PCI requirements are being addressed on an annual and ongoing basis.

Projected completion date: October 2022



Center for Science and Innovation (Audit Report 21-52)

CALIFORNIA STATE UNIVERSITY, DOMINGUEZ HILLS – CENTER FOR SCIENCE AND INNOVATION

EXECUTIVE SUMMARY

OBJECTIVE

The objectives of the audit were to ascertain the effectiveness of operational, administrative, and financial controls related to construction activities; identify cost recovery opportunities; and ensure compliance with relevant governmental regulations, Trustee policy, Office of the Chancellor (CO) directives, construction contract general conditions, and campus procedures.

CONCLUSION

Based upon the results of the work performed within the scope of the audit, except for the weaknesses described below, the operational, administrative, and financial controls for the Center for Science and Innovation project as of January 28, 2022, taken as a whole, provided reasonable assurance that risks were being managed and objectives were met.

However, the review did find that improvement was needed in the review of final project costs, the campus document retention process, and the process to separately identify and track project allowances.

Specific observations, recommendations, and management responses are detailed in the remainder of this report.

Full report is available at:

<https://www.calstate.edu/csu-system/transparency-accountability/audit-reports/Documents/construction/2021/2152ConstructionDominguezHills.pdf>



Audit and Advisory Services
401 Golden Shore
Long Beach, CA 90802-4210

May 12, 2022

Dr. Thomas A. Parham, President
California State University, Dominguez Hills
1000 E. Victoria Street
Carson, CA 90747

Dear Dr. Parham:

**Subject: Audit Report 21-52, Center for Science and Innovation,
California State University, Dominguez Hills**

Vlad Marinescu
Vice Chancellor and
Chief Audit Officer
562-951-4430
vmarinescu@calstate.edu



DH management agreed to implement the following changes:

- The campus will review the final reconciliation to determine whether the campus should pursue recover of the unsubstantiated project costs, document the determination, and document the resulting recovery.
- The campus will develop a process to obtain and maintain appropriate documentation in project construction files for future construction projects.
- The campus will review the credit change orders and determine whether the campus should pursue recovery of the general contractor's fees, document the determination, and document the resulting recovery.
- The campus will provide refresher training to relevant personnel regarding the administration of allowance costs, which will include the proper identification and segregation of allowances in the GMP, separating tracking and accounting for allowance costs, and return of unused allowances.

Projected completion date: June 2022

Note: DH filed a Notice of Completion on January 27, 2020. The total project costs were \$71,705,414 at the time of completion. Campus presidents have been delegated the authority to directly manage state and non-state funded capital outlay projects.



Five-year Capital Planning, Design and Construction

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Vlad Marinescu, *Vice Chancellor
and Chief Audit Officer*

Full report is available at:

<https://www.calstate.edu/csu-system/doing-business-with-the-csu/capital-planning-design-construction/Documents/2023-24%20through%202027-28%20Five-Year%20Plan.pdf>

Five-Year Plan 2023/2024 through 2027/2028

California State University
OFFICE OF THE CHANCELLOR
Capital Planning, Design and Construction



DH Capital Projects

Projects in Budget Year

Critical Facilities Renewal

\$27,558,000

This program will address the campus's highest priority deficiencies in deferred maintenance, infrastructure and building system renewal, minor capital improvements, and accessibility. The project included in this program is the electrical substation infrastructure upgrade.

Capital and Infrastructure Improvements

\$6,912,000

This program will address the campus's priorities in infrastructure, capital improvements, and modernizations. Projects included in this program are Cain Library seismic completion and path of travel upgrades.

Academic Projects

Natural Sciences and Mathematics Building Renovation (Seismic)

CE

\$90,523,000

This project will renovate the existing 51,300 ASF/85,500 GSF Natural Sciences and Mathematics (#50) building as a subsequent phase to the construction of the new Center for Science and Innovation building. The renovation of the 1974 facility will provide faculty offices, interactive classrooms, dry instructional laboratories, and support facilities for the departments in the College of Natural and Behavioral Sciences that remain in the existing facility. The building is classified as Seismic Performance Rating Level VI and currently has a 10-year recurring and non-recurring renewal need of \$31.96 million. At completion, this project will render a total of 198 net new FTE students in classrooms and laboratories and bring the building into ADA compliance.

Self-Support / Other Projects

Affordable Student Housing (ASH) Compton College Partnership

PWC

\$60,000,000

This project will construct a 235-bed dormitory with suite-style units consisting of bedrooms, a living room, bathrooms, and a kitchen and will be submitted to Department of Finance and Legislature as part of the 2023/2024 submission for the Higher Education Student Housing Grant Program. The project will be implemented in partnership with Compton College, a major feeder school for CSU Dominguez Hills. Approximate bed counts between Compton College and CSU Dominguez Hills is yet to be determined and is likely to remain flexible. Proceeding with this project is dependent upon the approval of the legislature and of the project's financial plan by the Chancellor's Office Financing and Treasury, a viable financial plan, and qualification for placement in the Systemwide Revenue Bond Program.



DH Future Capital Projects

Future Projects (2024/25–2027/28)

Critical Facilities Renewal

This program will address the campus's highest priority deficiencies in deferred maintenance, infrastructure and building system renewal, minor capital improvements, and accessibility. Projects included in this program are roof and deck repairs, HVAC replacement in La Corte Hall, emergency phone replacement, and glazing replacement.

Capital and Infrastructure Improvements

This program will address the campus's priorities in infrastructure, capital improvements, and modernizations. Projects included in this program are path of travel upgrades, fire/life safety improvements at La Corte Hall, virtual classroom systems, University Theater performance technology, security systems, pool deck and boiler upgrade, SBS seismic and fire safety upgrades, and restroom upgrades for code compliance.



DH Future Capital Projects

Future Projects (2024/25–2027/28) (continued)

Academic Projects

Child Care and Child Development Center

This project will construct a new 25,000 ASF/38,000 GSF Child Care and Child Development Center to replace the existing Child Care and Child Development Center (#120) which is a series of modular buildings that are at the end of their useful life. The new building will include classrooms and play spaces for 200 infants and toddlers, to support the students, faculty, and staff at CSU Dominguez Hills with excellent child development and child care facilities and programs.

Multi-Purpose Building (Student Affairs, International Library, Occupational Therapy Skills, Educational Opportunity Program Center, University Police, Facilities Office Building)

This multi-purpose building will meet a variety of campus space needs. It will provide office and meeting space for Student Affairs, International Library, the Educational Opportunity Program, and the University Police. The project will also support the accredited Master's program in Occupation Therapy by building a space for its graduate programs and classes and instructional activity labs where therapists receive their practical training, which is currently housed in leased space off campus. The FTE impacts of this project will be determined in a future feasibility study.

Social and Behavioral Sciences Building Renovation and Code Compliance

This project will renovate 34,900 ASF/55,300 GSF in the Social and Behavioral Sciences (#30) building, which was constructed in 1980, to meet health, safety, seismic, and other code issues. Programmatic upgrades will be made to the laboratories to meet changing technologies. The project will upgrade the HVAC and electrical systems and address ADA requirements.

La Corte Hall and University Theater Renovation Safety and Code Compliance

La Corte Hall (#040) is a 53,208 ASF/71,281 GSF major classroom faculty office building for the College of Arts and Humanities. This project will address ADA compliance both in path of travel, as well as in music practice rooms and restrooms which have ADA stalls with curtains. It will also address roof leaks, replace west facing glazing with high e-glazing to reduce energy consumption, and address leakage. The project would address high energy consuming reheat coils, modify components of the chilled water/hot water lines and mechanical systems, install fire sprinklers, and upgrade the fire alarm system. The project would also address renovation of art and media labs to provide the technology needed for students, soundproof music faculty rooms, and provide instrument storage.

Music and Dance Classrooms and Faculty Offices

This project will build a 35,000 ASF/50,000 GSF facility to provide classrooms and faculty offices for the music and dance departments within the College of Arts and Humanities.



DH Future Capital Projects

Self-Support / Other Projects

Health and Human Services Professional Building

This project will construct a new 65,000 ASF/100,000 GSF Health and Human Services Professional building that would include medical office space, retail uses, university office space, and clinics with labs. The project would be located in the northwestern portion of the University Village area of the campus on the parcel fronting Victoria Street. Proceeding with this project is dependent upon approval of the Land Development Review Committee.

Parking Structure, Phase 1

This project will construct a 1,600-space parking structure at the site of the current Parking Lot 4A south of the academic core near University Drive. Proceeding with this project is dependent upon a transportation demand management plan, an alternative transportation analysis, a viable financial plan, and qualification for placement in the Systemwide Revenue Bond Program.



DH Transparency Resources (1 University + 4 Auxiliaries)

***Financial proverbs:
If one acts alone, one stands alone.
Sunlight is the best disinfectant.***



Transparency Resources – CSUDH

CSUDH Financials @ OpenGov

<https://csudhca.opengov.com/>

Filters **Views**

Changing filters will update visualization automatically.

SHOW

Expenses ▾

BROKEN DOWN BY

Expense Type ▾


FILTERED BY All >

- Funds >
- Departments >
- Class >
- Program >
- Project >
- Expense Type >

FISCAL YEAR

2019
○
○
 2023

DOCUMENTS

 Budget_Plan_-1516.pdf

OPTIONS

Expand All	2018-19 Actual	2019-20 Actual	2020-21 Actual	2021-22 Actual	2022-23 (Q1) Actual
▶ Capital Outlay Projects	\$ 116,898,625	\$ 198,817,594	\$ 237,102,681	\$ 252,632,097	\$ 251,815,715
▶ Financial Aid	147,860,267	169,092,191	169,522,318	177,452,470	62,394,890
▶ Salaries & Wages	109,615,900	119,937,980	118,232,415	125,538,560	37,495,503
▶ Benefits	50,836,542	56,700,633	57,483,563	58,449,892	16,357,461
▶ Expenses	22,323,588	33,205,213	22,888,102	20,254,865	9,138,567
▶ Operating Transfers Out	17,402,163	20,018,904	19,032,016	23,329,847	7,258,217
▶ Other Expenses	11,783,366	13,146,480	16,411,713	18,951,286	3,367,923
▶ Supplies and Services	12,472,255	11,751,965	8,843,076	17,057,209	4,537,933
▶ Contractual Services	5,300,606	6,366,097	6,312,773	7,962,220	3,146,546
▶ Cost Recov Chrgs Fr Other Funds/CO	3,554,646	4,426,750	3,902,591	4,465,297	264,198
▶ Insurance Premium Expense	2,615,512	2,912,665	3,035,895	3,592,809	3,748,670
▶ Utilities	2,966,921	2,596,136	2,319,925	2,702,630	909,728
▶ Work Study	883,906	887,913	606,491	716,183	-6,777
▶ CO/SCO Cost Recovery Charges	83,017	92,879	98,264	100,836	19,975
Total	\$ 504,597,314	\$ 639,953,402	\$ 665,791,823	\$ 713,206,203	\$ 400,448,552



Transparency Resources – CSUDH Foundation

CSUDH Foundation Transparency

<https://www.csudhfoundation.com/about-us/transparency/>

CSUDH | FOUNDATION

About Us ▾ Foundation Covid-19 Updates Policies Forms Dining at CSUDH Human Resources ▾ More Services ▾ Filming

TRANSPARENCY

- Board Meeting Schedules, Agendas, Minutes, and Resolutions
- FY 2022-23 Operating Budget
- FY 2021-22 Operating Budget
- FY 2020-21 Operating Budget
- FY 2019-20 Operating Budget
- FY 2018-19 Operating Budget



Transparency Resources – CSUDH Philanthropic Foundation

CSUDH Philanthropic Foundation Financials

<https://www.csudh.edu/pf/financial-info/>

FINANCIAL INFO

About ▼

Board ▼

Financial Info

Contact Us

Give Now

LATEST NEWS

Helping Student Vets Chart A Path To Success

CSUDH Is Changing The Face Of Sustainability

Student Janelle Nelson Attends Reproductive Rights Summit With Vice President Harris

Audited Financial Statements

- [2020-2021 \[PDF\]](#)
- [2019-2020 \[PDF\]](#)
- [2018-19 \[PDF\]](#)

Previous Reports

- [2017-18 \[PDF\]](#)
- [2016-17 \[PDF\]](#)
- [2015-16 \[PDF\]](#)

Other Documents

- [CSUDH Policy Update, July 15, 2020 \[PDF\]](#)
- [Gift Policies Updates, July 2020 \[PDF\]](#)
- [Philanthropic Foundation Investment Policy \[PDF\]](#)



Transparency Resources – Associated Students, Inc. (ASI)

CSUDH ASI Annual Reports

<https://asicsudh.com/annualreport/>

ANNUAL REPORT

The ASI Annual Report is an end of the year report detailing spending, event attendance, student funding and more. All information is collected by the staff of ASI and presented to the students, staff and faculty of CSUDH. If you are looking for information on a specific year, please refer below.

- ANNUAL REPORT 2020 - 2021
- ANNUAL REPORT 2019 - 2020
- ANNUAL REPORT 2018 - 2019
- ANNUAL REPORT 2017 - 2018
- ANNUAL REPORT 2016 - 2017
- ANNUAL REPORT 2015 - 2016
- ANNUAL REPORT 2014 - 2015
- ANNUAL REPORT 2013 - 2014



Transparency Resources – Locker Student Union (LSU)

CSUDH LSU Annual Reports

<https://www.lsucsudh.org/annual-reports/>



Annual Reports
Annual Report 2019-2020
Annual Report 2018-2019
Annual Report 2017-2018
Annual Report 2015-2016



Transparency Resources – Aramark & Space Planning

TRANSPARENCY & ACCOUNTABILITY

Aramark

University Space
Planning



California State University, Dominguez Hills strives to become the model urban university. Part of that charge requires acknowledging when change is necessary, actively listening to our campus community, and maintaining flexibility to evolve our processes and the ways that we engage with one another.

LATEST NEWS

Helping Student Vets
Chart A Path To
Success

CSUDH Is Changing
The Face Of
Sustainability

Student Janelle
Nelson Attends
Reproductive Rights
Summit With Vice
President Harris

EVENTS

Hunger And
Homeless Awareness
Panel

During our 2022-23 academic year, we have hosted difficult conversations on a number of topics. As an institution grounded in social justice, equity, and inclusion, we know that difficulty can create reform. We will not shy away from the discourse. After all, we are a learning institution, and at all levels, we can learn from one another. As such, we have created this Transparency and Accountability website—a space for us to share information and be transparent about our decisions and our direction. We welcome your thoughts and hope you will help us build solutions to make our community healthier, stronger, and more just.

[View Aramark page](#)

[View Space Planning page](#)

[Ask Teddy](#)

Space Planning
Aramark RFP & Contract

<https://www.csudh.edu/transparency-accountability/>



CSUDH Annual Budget Book/Report Discussion



BUDGET & MANAGEMENT REPORTS

Budget & Management Reports

Budget Presentation

Student Fee Advisory

Budget Information & Forms

Related Links

Contact Information

University Budget Committee (UBC)

Student Success Fee

Campus Budget Reports (Blue Book)

- [FY 2018/19](#) [PDF]
- [FY 2017/18](#) [PDF]
- [FY 2016/17](#) [PDF]
- [FY 2015/16](#) [PDF]
- [FY 2014/15](#) [PDF]

Previous years:

(Prior Years' Reports) ▾

Campus Management Reports

FY 2018/19

- [Operating Fund Reports by Cost Center – 4th Quarter](#) [PDF]
- [Operating Fund Reports by Cost Center - 2nd Quarter](#) [PDF]



HOW ARE WE DOING: CENSUS UPDATE

- Campus Budget Reports (Blue Book) served a purpose until 2018/19
- Since then, reporting has moved to OpenGov
<https://csudhca.opengov.com/>
- What do we need going forward? How to achieve it? A discussion.



2022-2023 ENROLLMENT UPDATE



HOW ARE WE DOING: CENSUS UPDATE

- Fall census is 1% under the Chancellor's Office funded FTEs
- Fall census is 10% under projected target for base budget
- Spring efforts can make up the difference
 - Retention increase from 80% to 94%
 - Recent peak =90%, pre-COVID
 - New student enrollment 600



2023-2024 CSU BUDGET REQUEST



Budget Priorities: CSU Core Mission & Values

- Expand the work of **Graduation Initiative 2025** to support the CSU's broader mission to advance educational equity
- Provide competitive **salaries and benefits** to faculty and staff
- Ensure safe, modern sustainable **facilities** where teaching, learning and student well-being can thrive
- Grow **enrollment** to provide access for more California students and to meet the state's growing need for a diverse, educated workforce.



2023-24 CSUDH Budget Planning

Incremental, New Expenditures	2022-23 Allocation	2023-24 Scenario 1 Within Compact*	2023-24 Scenario 2 Within Compact	2023-24 Scenario 3 Within Compact	2023-24 Scenario 4 Within Compact
Graduation Initiative	\$1,615,000 <i>4.61% of \$35m</i>	\$0	\$1,383,000 <i>4.61% of \$30m</i>	\$1,383,000 <i>4.61% of \$30m</i>	\$1,383,000 <i>4.61% of \$30m</i>
Strategic Resident Enrollment Growth	\$2,325,000 <i>250 FTES</i> <i>2.65% of \$84.8m</i>	\$0 <i>No enrollment growth</i>	\$0 <i>No enrollment growth</i>	\$900,000 <i>90 FTES</i> <i>2.65% of 34.5m</i>	\$2,500,000 <i>250 FTES</i> <i>7.25% of 34.5m</i>
Total Allocation	\$3,940,000	\$0	\$1,383,000	\$2,283,000	\$3,883,000

**Scenario 1: Additional General Fund within compact will fund mandatory costs and designated programs.*



2023-24 CSUDH Budget Planning - Considerations

- Unfunded 2022-23 Compensation Increases
- Unfunded 2022-23 UBC Items
- 2022-23 UBC Multi-year Commitments (Go Far Together)
- Enrollment Decline (Tuition)



BUDGET REQUEST PROCESS & TOPICS



Budget Request Process

- Budget request process evolved into a more cohesive and cross-divisional approach, eliminating silos when evaluating and deciding university priorities
- Cabinet review needs and present a **consolidated request** to the University Budget Committee
- Request process will focus on targeted goals and outcomes



Budget Topics

- If UBC is not reviewing budget allocation requests, there are other budget topics to focus on:
 - Reprioritization of current funds
 - Develop Infrastructure around multi-year planning
 - Review Presidential Memo
 - Planning around all-funds budgeting
 - How does the budget process advance the Strategic Plan?
 - Review audited Financial Statements
 - Define relationship with University Planning Committee



Further Discussion



UBC AY 2022-23 Meeting Schedule

Time: 2 to 4pm (Thursdays)

09/29/2022: Kickoff meeting

10/27/2022: Share budget request form with UBC

11/17/2022: FY23-24 budget topics for review

12/15/2022: Last meeting before holidays, VP budget discussions update

02/23/2023: FY23-24 Governor's budget update, CSUDH budget priorities)

03/23/2023: FY23-24 finalized Cabinet budget priorities

04/06/2023: FY23-24 Budget Approval Meeting

04/20/2023: Tentative, most likely not required

