

A stone wall sign for the University of California, Irvine. The sign is made of light-colored rectangular stones and features the university's name in large, dark, serif letters. To the left of the name is a circular seal of the University of California. The sign is set against a background of green trees and a clear blue sky. In the foreground, there is a field of tall, green grasses.

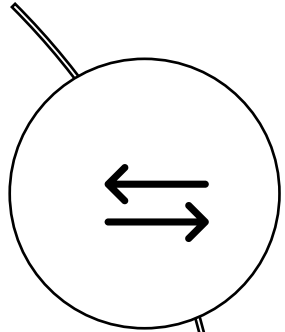
University of California, Irvine

Budgeting & Financial Planning

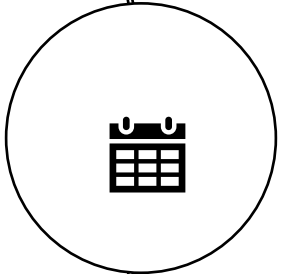
Budget Office

UCI Division of Finance and Administration | With U • For U

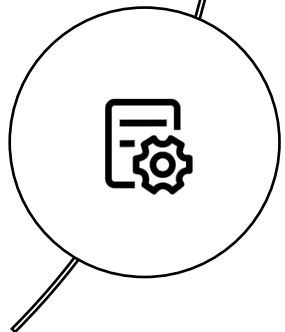
Agenda



Budgeting changes



Developing the Budget Plan



Financial planning

Systemic Change

Full overhaul of a system to create lasting change.



- 1. Financial Stability Plan (FSP)**
Initiated in 2022, the multi-year plan strives to achieve annual savings or new recurring revenues to bring the budget into balance (i.e., solvent).
- 2. Mission-Based Budget Framework**
Model developed to determine the distribution of financial resources, prioritize how funds are allocated, and support strategic initiatives.
- 3. Multi-Year Planning (MYP)**
Change in annual budget process to enable long-term strategic decision-making and help prepare the university for future challenges.
- 4. All Funds Usage**
Change in planning to utilize all available funds to maximize resource efficiency and support comprehensive financial planning.
- 5. Nomenclature/Terminology**
Standardized terminology ensures clear communication and understanding across all levels of budgeting.

Re-defining “Budget”

KFS Budget Ledger

Base Budget (“permanent”)

- Initial base budget loaded from KFS balance type BB-Base Budget to CB-Current Budget
- Base budget load is applied to the BB period each year (7/1) using KFS document type-ACLO
- Updates to balance type BB-Base Budget include Transaction Type A-Adjustment for transactions that include a current budget change and I-Increment to update the budget for next year.

+ Current Budget Adjustments

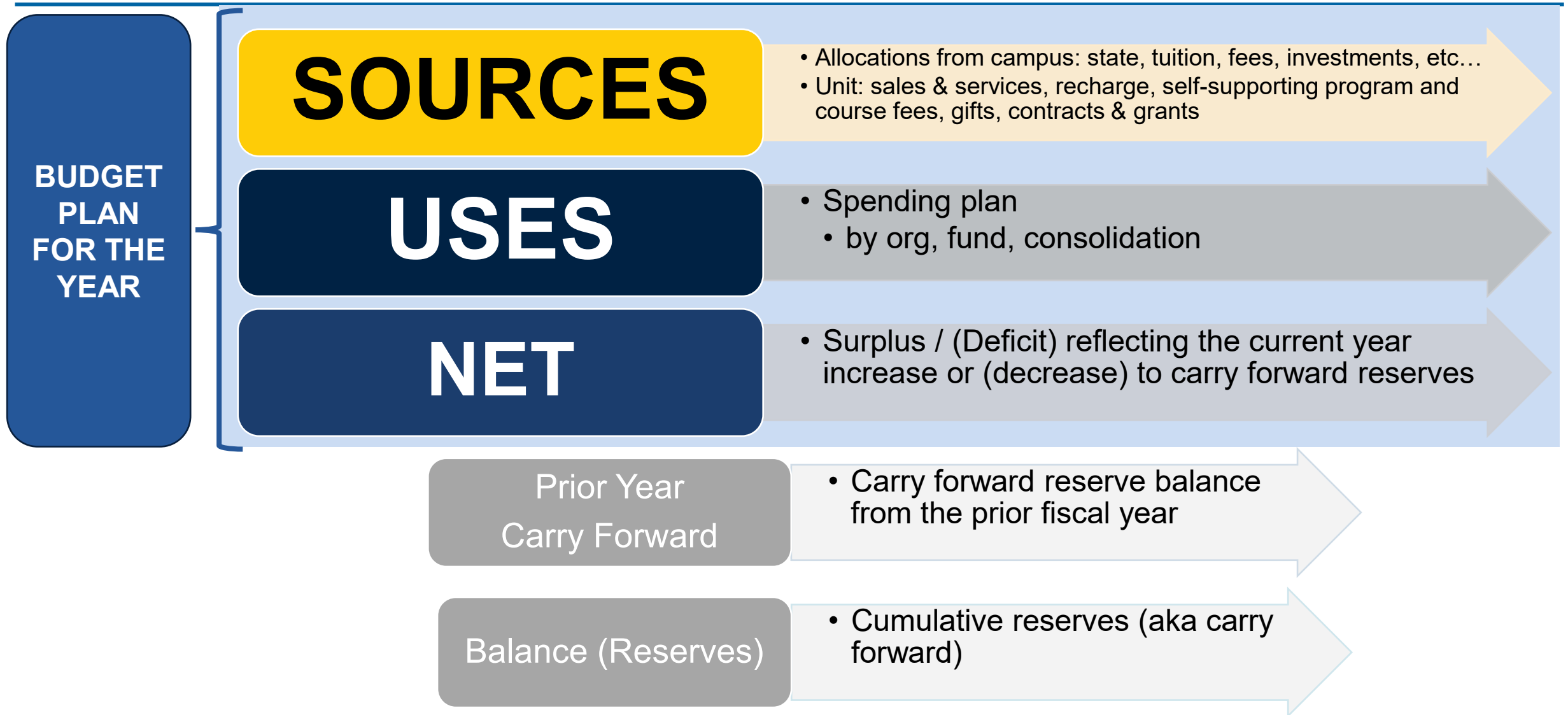
- Incremental budget updates processed after the start of a new fiscal year (after BB period)
 - New base and Temp budget allocations per the approved via budget process
 - Salary and benefits adjustments for merit, range, and other salary updates (includes base & temp)
 - GAEL budgets to match actuals (for specific Core funds-see slide 16 for detailed list)
 - Temporary allocations like faculty setup, retention support, budget transfers between units

**BUDGET
PLAN
FOR THE
YEAR**

+ Carry Forward

Total Funds Available

Sources & Uses, Budget = Plan for Year



Typical Campus Financial Report



KFS Fund Summary Report

FS0150D

Fiscal Year: 2024 As of: 11 - MAY 2024

This period is Open. The closing date for this period is 06/07/2024

Control Account: IR-UC05397 EDUCATIONAL FUND

Control Account	Org	Account	Account / Object Name	Consolidation	Object	MTD Actuals	YTD Budget	YTD Actuals	Variance W/Out Encumbrance
EXPENSES									
UC05397	7602	EP12470	662038-05397 DF/DEBT/EDU FUNDS	SUPL		\$0.00	\$130,774.13	\$0.00	\$130,774.13
UC05397	7602	EP12470	662038-05397 DF/DEBT/EDU FUNDS	GENX		\$0.00	\$0.00	\$5,181,370.65	(\$5,181,370.65)
UC05397	7602	EP12470	662038-05397 DF/DEBT/EDU FUNDS	UNAL		\$0.00	\$17,760,223.00	\$0.00	\$17,760,223.00
		EP12470 662038-05397 DF/DEBT/EDU FUNDS				\$0.00	\$17,890,997.13	\$5,181,370.65	\$12,709,626.48
	7602	DEBT				\$0.00	\$17,890,997.13	\$5,181,370.65	\$12,709,626.48
UC05397 EXPENSES						\$0.00	\$17,890,997.13	\$5,181,370.65	\$12,709,626.48

UC05397 SUMMARY	MTD Actuals	YTD Budget	YTD Actuals	Variance W/Out Encumbrance
EXPENSES	\$0.00	\$17,890,997.13	\$5,181,370.65	\$12,709,626.48
Fund Total:	\$0.00	(\$17,890,997.13)	(\$5,181,370.65)	\$12,709,626.48

Old Report Format

Report Format Used for: Account Summary, Fund Summary, Org Ledger Summary			
FY23 Actuals	FY23 BUDGET	FY23 ACTUALS	FY23 VARIANCE
Salaries	\$50,000	\$45,000	\$5,000
Benefits	\$24,000	\$23,000	\$1,000
Operating	\$10,000	\$12,000	(\$2,000)
Unallocated	\$16,000	\$0	\$16,000
TOTAL	\$100,000	\$80,000	\$20,000

New Report Format

		BUDGET PLAN		
Anteater Financials Source/Use		FY22	FY23 Budget	FY23 Actuals
Sources <ul style="list-style-type: none"> Allocation Income Transfers Recharge 		\$50,000	\$64,000	\$64,000
			\$10,000	\$8,500
			\$10,000	
	TOTAL SOURCES		\$50,000	\$84,000
Uses <ul style="list-style-type: none"> Salaries Benefits Operating 		\$20,000	\$50,000	\$45,000
			\$14,000	\$23,000
			\$0	\$12,000
	TOTAL USES		\$34,000	\$84,000
Surplus/(Deficit)		\$16,000	\$0	(\$7,500)
Reserves (carry forward from prior year)		\$0	\$16,000	\$8,500

All Funds Multi-Year Budget Planning

- By FY27, campus and units will conduct financial planning across multiple years and in the context of all funds.
- Budget and financial review are more holistic, looking at how:
 - resources are being used;
 - funding relates to enrollment, faculty and staff FTE, & space;
 - non-core resources might be leveraged to support core operating needs.

<i>Sample Planning Template</i>		Prior Year	Year 1	Year 2	Year 3
DATA	Filled Faculty FTE				
	Filled Staff FTE				
	Enrollment				
	Space				
METRICS	<i>TBD</i>				
ALL FUNDS	Sources				
	Uses				
	Net Surplus / (Deficit)				
	Cumulative Reserves				
\$ CORE	Sources, Uses, Net				
\$ NON-CORE	Student Fees, Gifts, Grants, Auxiliary, Unit Income				

Multi-Year Planning Template

INCREMENTAL MODEL

NEW BUDGET FRAMEWORK

Source v Use	Budget/Consol_Cd (Non-Core: Sources / Uses)	Actuals FY22	Actuals FY23	Projection Unit Forecast FY24
SUPPORT				
Sources	Allocation	65,423,364	68,701,199	70,917,608
	INCO - INCOME	830,000	960,000	640
	ICRC - INTERCAMPUS RECHARG	-	-	51,000
	TRCD - TRANSFERS	-	-	-
	RCHG - RECHARGES	-	-	40,000
	Total	66,253,364	69,661,199	71,009,248

Budget/Consol_Cd (Non-Core: Sources / Uses)	Budget Plan FY25	Projection FY26	Projection FY27
Budget Framework			
Student Based			
Net Tuition & Non-Resident Fees	26,007,524	27,820,765	30,722,060
Application			
Lottery	437,997	449,744	480,630
Fee - SSF	858,582	909,685	991,981
Designated			
PDST	2,043,851	2,125,605	2,210,629
Targeted State Allocations	-	-	-
Recharge	-	-	-
Intercampus Recharge	-	-	-
Summer	1,362,567	1,417,070	1,473,753
Research Based			
ICR - Indirect Cost Recovery	1,268,758	1,319,509	1,372,289
State & Other Campus Resources			
Faculty FTE	26,234,525	26,094,289	26,261,626
Staff FTE	2,469,521	2,428,157	2,387,485
Cost of Instruction	4,607,797	4,795,124	4,994,440
Subvention	4,400,000	2,933,333	1,466,667
Strategic	2,512,746	1,967,500	1,967,500
Total	72,203,871	72,260,781	74,329,059

Questions & Challenges



Multi-Year Planning Template

BUDGET PLAN

INCREMENTAL MODEL

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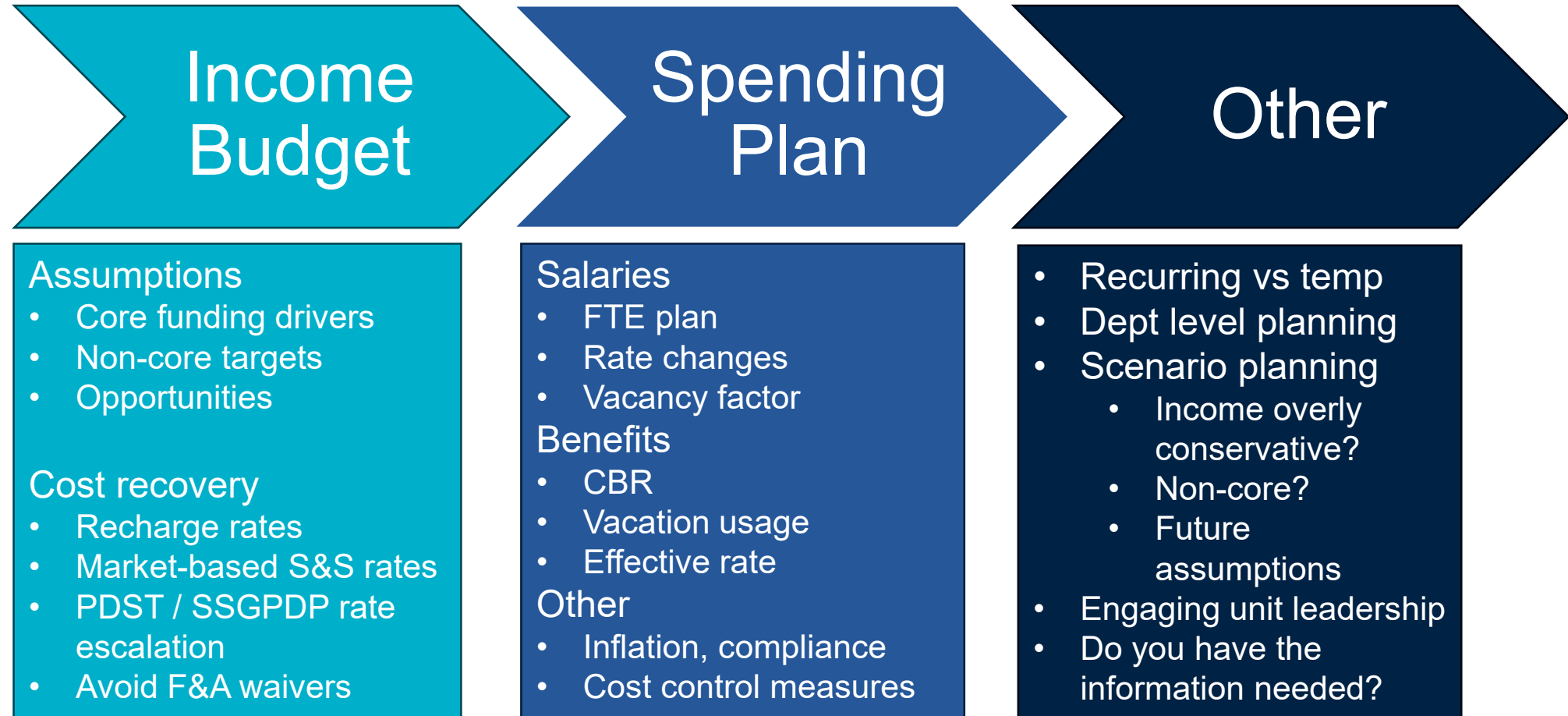
Allocation includes base + temp
 Budget Office is working on allocation detail:

- Initial base → recurring elements of framework
- Budget adj (FY22-24) → mid-yr base+temp
- Budget adj (FY25-27) → Strategic / Temp

Recur-
ring

TEMP

Budget Planning Considerations



Discussion Exercise