UCR Palm Desert Budget Narrative FY 2011/12

The UCR Palm Desert Graduate Center has been severely impacted by the budget cuts. The general fund permanent operating budget has been reduced from $1,798,000 in FY 2009/10 to $610,778 in FY 2010/11, a 66% reduction. In October 2010, 6.25 permanent staff members on general funds were laid off, reducing the number of state funded staff to 5 FTE, a 55% reduction in staffing. The OMP funds for Palm Desert have been reduced from $453,000 to $427,580. The budget reduction planning target figure for Palm Desert in FY 2011/12 is $72,476, bringing Palm Desert’s combined permanent operations and OMP budget down to $965,882 ($189,423 of which is reserved for utilities use only).

Going forward, Palm Desert will need to utilize our remaining staff and resources wisely and seek new revenue streams in order to continue to carry out UCR’s mission of transforming the lives of the diverse people in the region and enriching the community’s economic, social, cultural and environmental future. As they are in Riverside, the overarching strategic goals for Palm Desert are academic excellence, access, diversity and engagement. To continue to support these goals, Palm Desert will need guidance, support and commitment from the executive leadership and faculty at UCR.

Revenue from sales and services activities, including facilities rental, conference services, and non-state academic program support, will need to increase in FY 2011/2012 and continue to grow each subsequent year. The challenge of increasing sales and services activities in Palm Desert will require a change in focus for some of the administrative staff. The percentage of staff time dedicated to revenue-generating activities will be transferred from general funds to sales and services funds. The goal for FY 2011/12 is a shift of $66k in staffing and benefits costs from general funds to sales and services funds.

Measures to help increase revenue include:

- Administrative support to other UCR programs, once provided at no charge, are now quantified and charged directly to each program being supported (i.e. MFA, SOM and EMBA).
- Current facilities rental rates will be increased in FY 2011/12 and additional fee for service offerings will be added.
- An aggressive but low-cost ($5K-10K) marketing plan for promoting facilities rental and conference services is in development.
- A partnership with University Extension is being discussed as a way to increase revenue for both organizations.
- Long term space rental in the non-state funded building, a viable option for increasing revenue, is being considered.
- A fee structure for public lectures and programming is in development.
- Partnership with neighboring CSUSB Palm Desert for facilities rental referrals has been developed.

Concurrently, Palm Desert has focused on decreasing expenditures:

- Strategic staff scheduling to maximize coverage and minimize costs has been implemented.
- Administrative office hours have been reduced.
- Administrative costs, such as additional telephones and telephone lines, have been eliminated.
- Fifteen percent of the security contract cost has been moved from general funds to sales and services in FY 2010/11. In FY 2011/12, this percentage will increase from 15% to 25%, for a total of $27K.
- A volunteer workforce to assist with special events is in development.
- Partnerships with local agencies to reduce costs of outreach and engagement activities (e.g., City of Palm Desert, The Living Desert, Coachella Valley Economic Partnership) have been established and will continue to be more fully developed.
- Partnership with our neighbor, CSUSB Palm Desert, for emergency preparedness and other operational functions is in development.

While the challenges facing UCR Palm Desert are great, the small Palm Desert staff is highly motivated and dedicated to the mission of the University. We are working hard to extend UCR’s reach in the Coachella Valley by supporting the degree programs, research, and community outreach activities, such as the Business Leaders Roundtable and our very popular faculty lecture series. With involvement and support from the executive leadership and faculty at UCR, Palm Desert will make it through these difficult economic times and will emerge strong and continue to be an ideal site to develop new initiatives, support innovative research, incubate new self-supporting academic programs, and positively impact a growing and engaged region.