



2018-19 Budget Update and Planning Framework

Campus Budget Forum

April 19, 2018

CSU Budget Plan and Status

Dr. Mary A. Papazian
President

SOURCES OF FUNDS		
General Fund Increase		\$263,015,000
Operating Budget	\$248,015,000	
Academic Facilities and Infrastructure	\$15,000,000	
Tuition from 1% Increase in Enrollment Growth (3,641 Full-Time Equivalent Students)		\$19,878,000
TOTAL SOURCES		\$282,893,000

USES OF FUNDS		
Graduation Initiative 2025		\$75,000,000
Compensation		\$122,100,000
1% Increase in Enrollment Growth		\$39,905,000
Academic Facilities and Infrastructure		\$15,000,000
Mandatory Costs Increases		\$30,888,000
Health Benefits	\$12,029,000	
Retirement	\$11,100,000	
Minimum Wage Increase	\$4,158,000	
Maintenance of New Facilities	\$3,601,000	
TOTAL USES		\$282,893,000

CSU The California State University

2018-2019 CSU Operating Budget

in millions

Trustees Request to State	\$263
Governor's Budget Proposal	\$92
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Budget Gap	\$171

CSU The California State University

What CSU Needs To Do

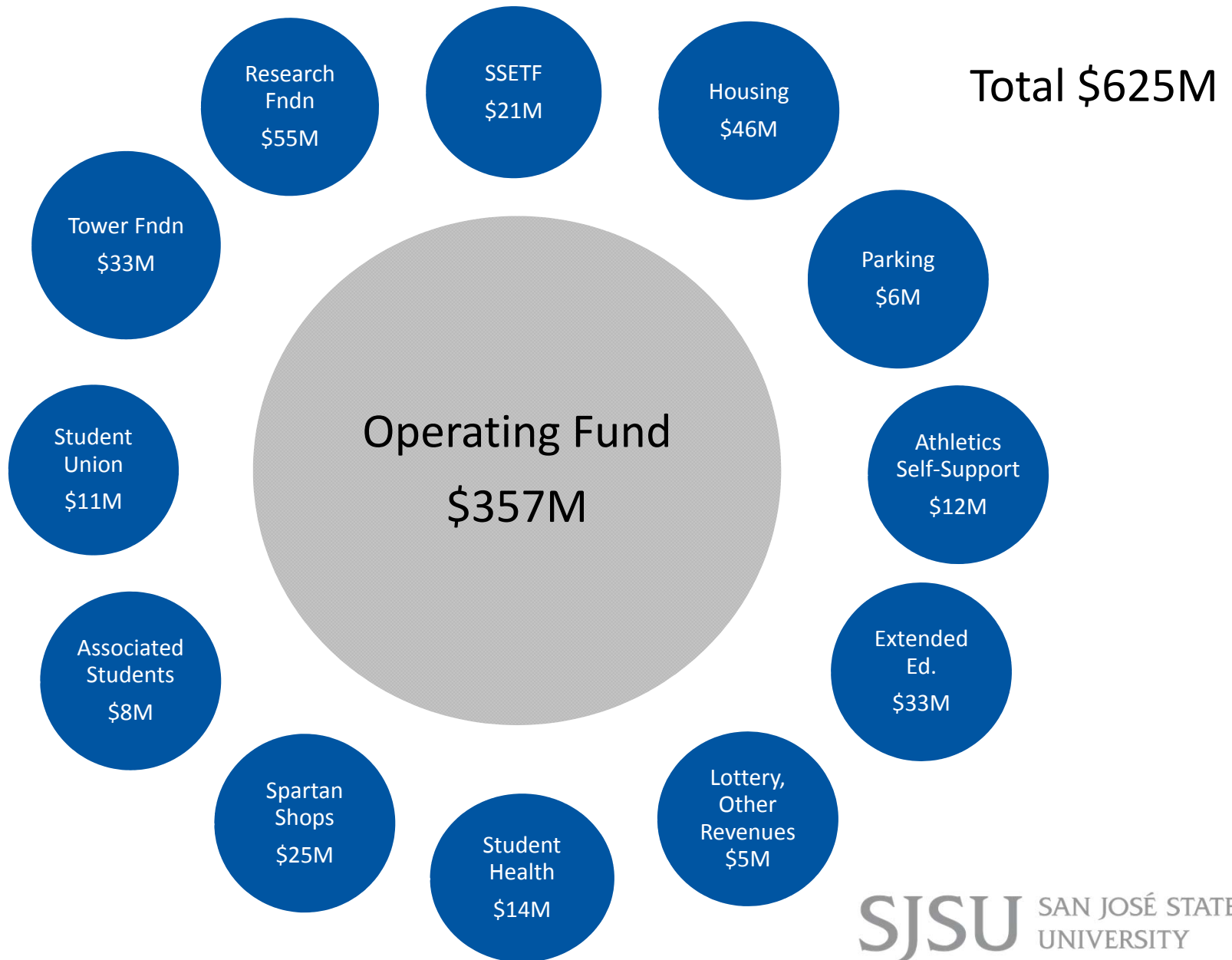
Top Priority: Seek additional state funding

Contingency: Pursue CSU-controlled strategies

- Plan to reduce programs and services
- Consider potential \$228 per year tuition increase
 - Provides \$70 million in operating revenue
 - Commits \$35 million more for State University Grants

Campus Budget Planning

Charlie Faas, Chief Financial Officer and
Vice President for Administration & Finance



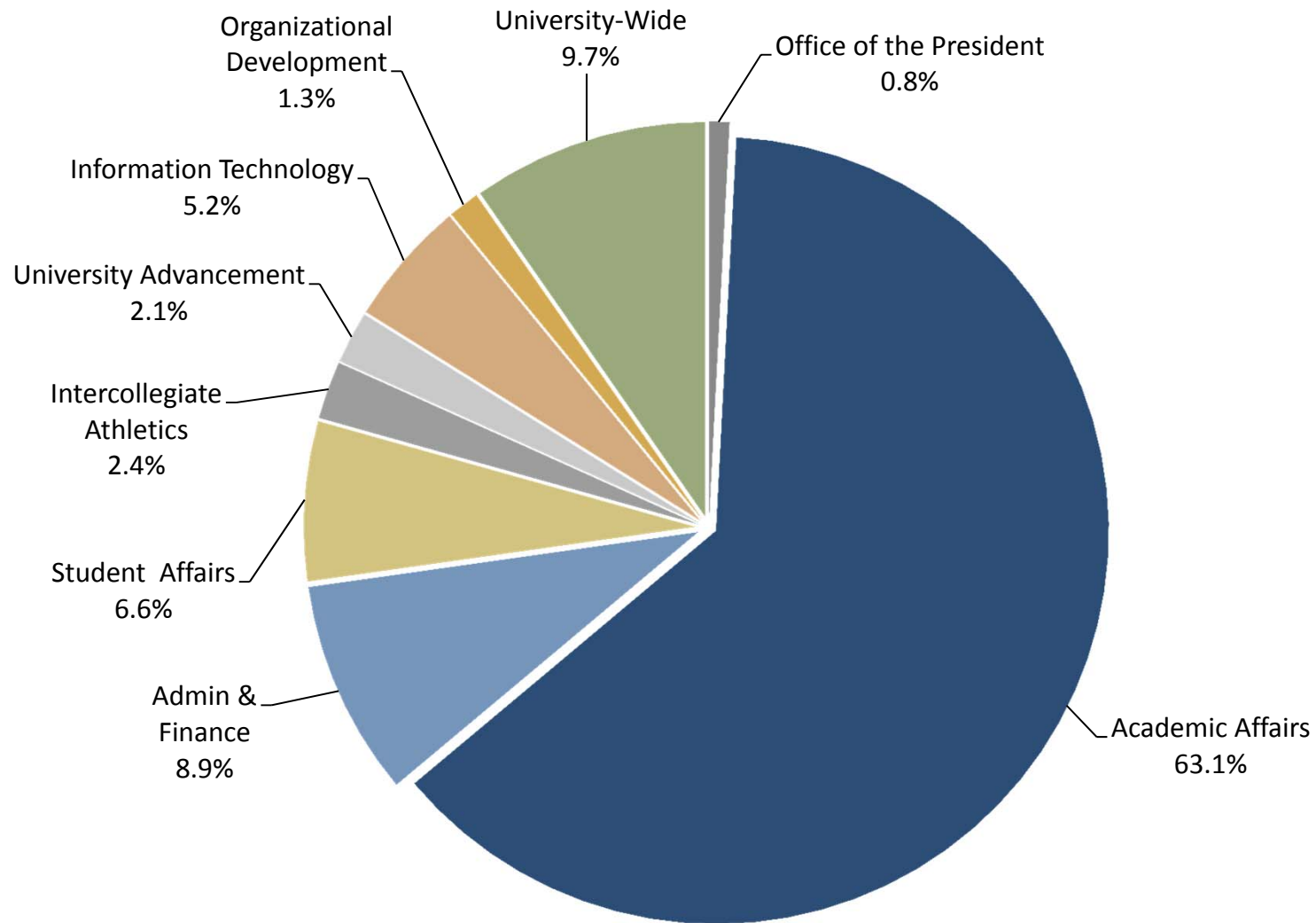
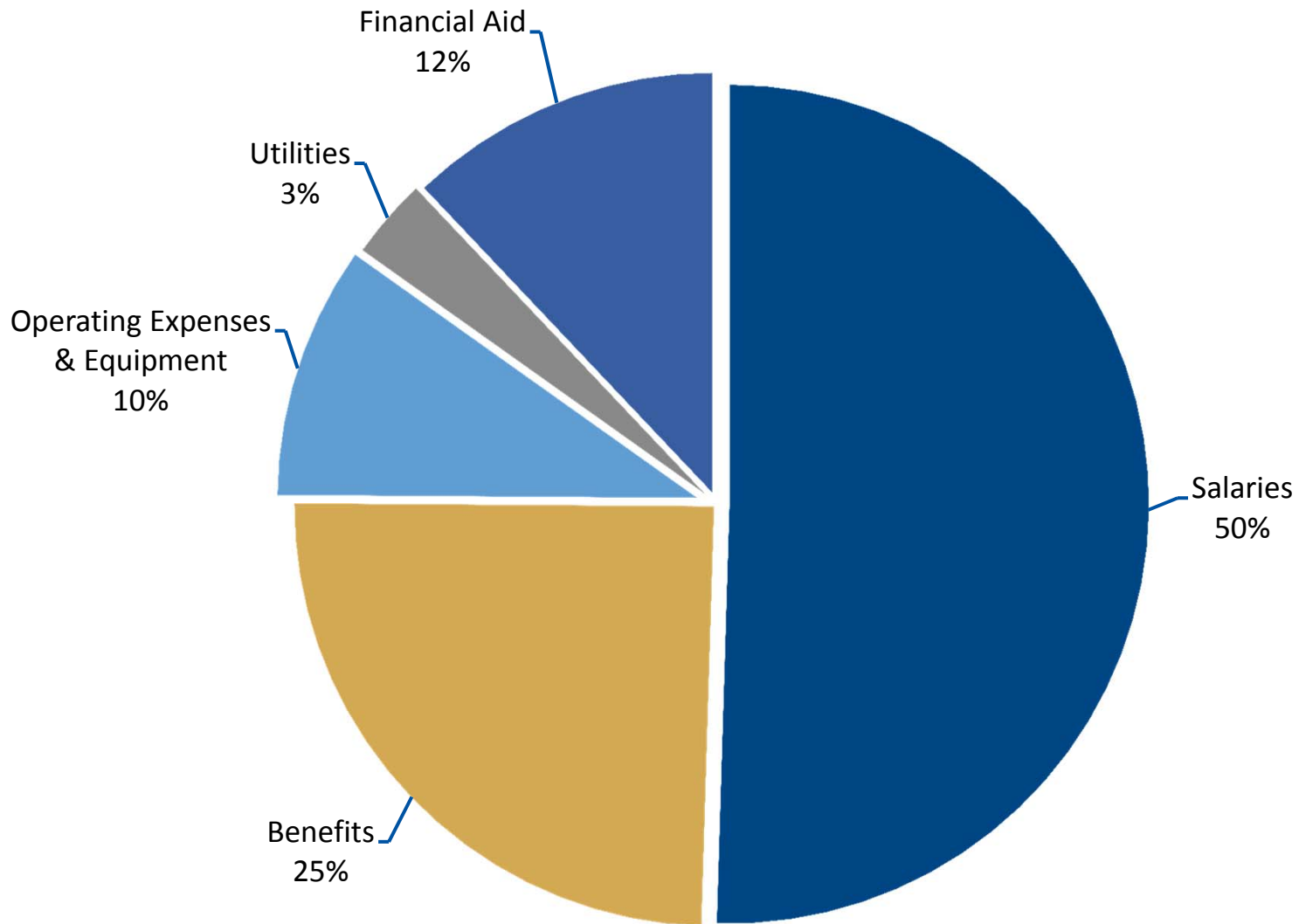


Chart above displays the breakdown of the Operating Fund Base expenditure budget. Budget excludes Restricted Student Aid (primarily a U-Wide tuition discount). Consistent with FY2016/17 chart, the benefits are distributed across Divisions. Intercollegiate Athletics does not include one-time funding as reported last year. More details are available in the Annual Budget Report (p. 8).



- How do we move forward, given:
 - Uncertain funding situation...and late decisions
 - *Challenges will continue, and could be significantly worse in coming years*
 - Compensation adjustments are bargained for the next three years, yet no guarantee of state support
- We need to take immediate action to ensure the university's highest priorities are addressed:
 - Instruction (timely graduation)
 - Student Success and Retention
 - Safety & Security

- Divisions agreed to return unused salary savings from 2017-18 to help with the budget

- Salary budgets will be centralized next year so vacancy savings can be applied to help the budget situation, and to ensure resources are used most effectively
 - Salary budgets will be allocated monthly to cover actual salary costs – the same mechanism used for benefits
 - Temporary and contract worker costs will be covered

- Vice Presidents have been asked for:
 - Updates to 3-year budget plans
 - Requests for items previously funded through division salary savings (otherwise unbudgeted)
 - New requests that meet one or more of the following:
 - Mandates or safety/security requirements
 - Strategic Plan priorities

Budget plans will continue to be based on a 3-year rolling budget model to ensure adequate support for prioritized investments

The 2018-19 budget plan will continue to develop as additional information becomes available:

- *Governor's May Revision (by May 15)*
- *Tuition proposal vote by Board of Trustees (May 15-16)*
- *Final State Budget (June)*
- *Final allocations to campuses (July)*

The strategy is to have a comprehensive 2018-19 budget plan "ready to go" that will be funded to the extent resources are available

Questions & Answers