



# Strategic Resource Planning Committee

Virtual

Friday, February 26, 2021  
10:00 – 11:30 AM

# Topics

- Welcome and Approval of Nov 19, 2020 SRPC meeting minutes
- New SRPC Member Introduction
- FY 2020-21 Budget Overview & Update
- Spring Enrollment Update and Outlook (Guest: H. Dang)
- FY 2021-22 Budget Planning Context and Call for Proposals
- HEERF II Update
- Q&A

Meeting Objective: *Discussion on FY 2021-22 Campus Planning*

# Strategic Resource Planning Committee (SRPC)

## Objectives

- Strengthen the relationship between campus planning and budgeting
- Ensure transparency and build awareness
- Advance the mission of the institution - service to our students and community

*The committee serves in an advisory capacity to the President on matters pertaining to the development of the University budget, alignment of fiscal resources to strategic priorities, and fiscal sustainability. The committee also serves as a conduit to enhance campus-wide understanding of the campus budget and engage stakeholders in the budget development process.*

# 2020/21 SRPC Committee – Fall 2020

## **Cabinet:**

Elizabeth Say, Interim Provost (co-chair)

Ysabel Trinidad, Vice President for Business and Financial Affairs (co-chair)

Richard Yao, Vice President for Student Affairs

Nichole Ipach, Vice President for University Advancement

Genevieve Evans Taylor, Chief of Staff

## **Faculty Representation:**

Gregory Wood, Associate Professor – Physics and Academic Senate Chair

Annie White - Assistant Professor - Early Childhood Studies and Senate Budget Representative

Alona Kryshchenko, Assist Prof – Mathematics and Faculty-at-Large

## **Staff Representation:**

Annie Block-Weiss - Staff Council Chair

Leticia Romero, Systems Analyst and Staff-at-Large

## **Committee Support:**

Barbara Rex, AVP of Budget, Planning, & Analysis

Lisa Woods, Manager, Budget & Information Systems

Teresa Montoya, Administrative Assistant

## **Student Representation:**

Isaiah Ball - Student Government Chief of Staff and Student-at-Large

Sergio Mercado - Associated Students Inc. - The CI View and Student-at-Large

# SRPC Membership Expansion - **Spring 2021**

President/VPs/Provost/Chief of Staff = 6 (*1 new*)

Faculty Representation = 4 TTF (*Library - new*)

Lecturer Representation = 1 (*new*)

Dean Representation = 1 (*new*)

Staff Representation = 3 (*+1*)

Student Representation = 2

**Total Members = 17** (*+5 new*)

*Ex Officio Members = 5 (primary divisional budget analysts + AVP Enrollment Management)*

# 2020/21 SRPC Committee – Spring 2021

## **Cabinet:**

Richard Yao, Interim President

Ysabel Trinidad, Vice President for Business and Financial Affairs

Mitch Avila, Provost

Nichole Ipach, Vice President for University Advancement

Toni DeBoni, Interim Vice President for Student Affairs

Kaia Tollefson, Interim Chief of Staff

## **Faculty Representation:**

Gregory Wood, Associate Professor – Physics and Academic Senate Chair (term ends Spring 22)

Annie White, Assistant Professor - Early Childhood Studies and Senate Budget Representative

Alona Kryshchenko, Assist Prof – Mathematics and Faculty-at-Large

Nikki Lewis, Lecturer - Business and Lecturer-at-Large

Colleen Harris, Head of Instruction, Engagement & Assessment and Faculty-at-Large

## **Dean Representative:**

Vandana Kohli, Dean for the School of Arts and Sciences

## **Staff Representation:**

Annie Block-Weiss - Staff Council Chair

Leticia Romero, Systems Analyst and Staff-at-Large

Christine Joyau, Analyst to the Dean of Students Office and Staff at Large

## **Student Representation:**

Isaiah Ball - Student Government Chief of Staff and Student-at-Large

Sergio Mercado - Associated Students Inc. - The CI View and Student-at-Large

## **Committee Support:**

*Barbara Rex, AVP of Budget, Planning, & Analysis*

*Lisa Woods, Manager, Budget & Information Systems*

*Teresa Montoya, Administrative Assistant*



# **FY 2020-21 Budget Overview**

# Budget Guidelines

*(Reviewed and discussed at May 7, 2020 SRPC meeting)*

In developing the budget, the following parameters are provided:

- Align available resource allocation to **support sustainable operations** in relation to our Strategic Initiatives and GI 2025 goals that support student success;
- Incorporate on-going **accountability** (reallocations or other actions to demonstrate how areas have adequately assessed capacity) into the resource allocation process;
- Engage in **planning** to respond to potential fluctuation in enrollment and changes to state appropriations and tuition;
- Ensure **transparency**;
- Protect resources for **strategic investment** during times of economic uncertainty; and
- Use challenging time as an opportunity for **innovation**.

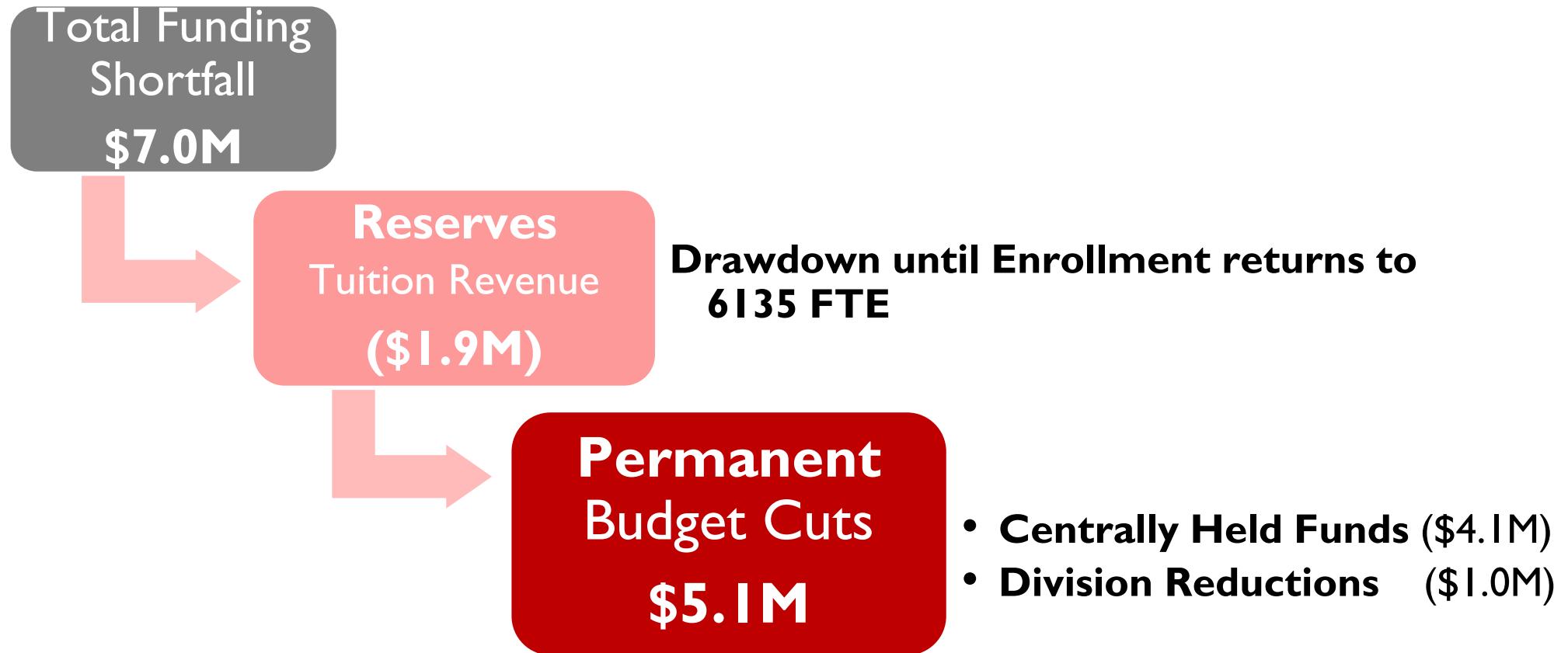


# Fall Planning Accomplishments

- Campus Engagement & Communications
- 2020-21 Budget Cuts
- Early Exit Program



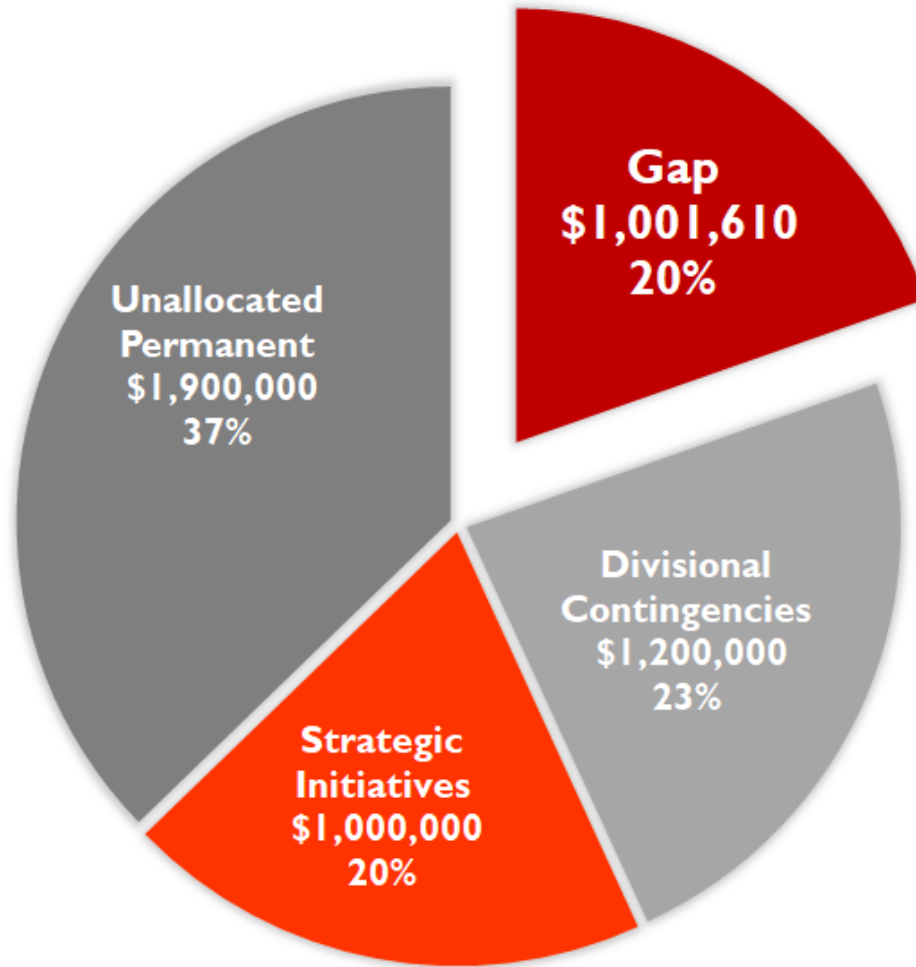
# 2020/21 Budget Reductions



UPDATE: February 17, 2020 - Governor proposes restoration of 2020-21 budget reduction.

<https://www.gov.ca.gov/2021/02/17/governor-newsom-legislative-leaders-announce-immediate-action-agreement-for-relief-to-californians-experiencing-pandemic-hardship/>

# FY 2020-21 Budget Reductions



## Division Reductions:

Office of the President	\$100,000
University Advancement	\$100,000
Student Affairs	\$200,000
Academic Affairs	\$101,600
Business & Financial Affairs	<u>\$500,000</u>
<b>Total</b>	<b>\$1,001,600</b>

*Effective July 1, 2021 (assumes no budget restoration)*

# **FY 2020-21 Enrollment Planning vs Actuals**

# FY 2020-21 Enrollment – Tuition Revenue Planning

**20-21 CO Funding**  
 Appropriations  
*(Funded FTE)*

6292 Fall  
5977 Spring\*  
**6135 Annual FTE**

*\*Spring = 95% of Fall*

**20-21 Budget**  
 Campus Plan  
*-5% enroll rev*

5977 Fall  
5678 Spring\*  
**5828 Annual FTE**

**Rev Impact= (\$1.9M)**

*\*Spring = 95% of Fall*

**20-21 Forecast**  
 Oct 8 SRPC  
*-2% below Approp.*

6194 Fall Actual  
5880 Spring Target\*  
**6037 Annual FTE**

*\*Spring = 95% of Fall*

**20-21 Actual**  
 Spring Census  
*-3% below Approp.*

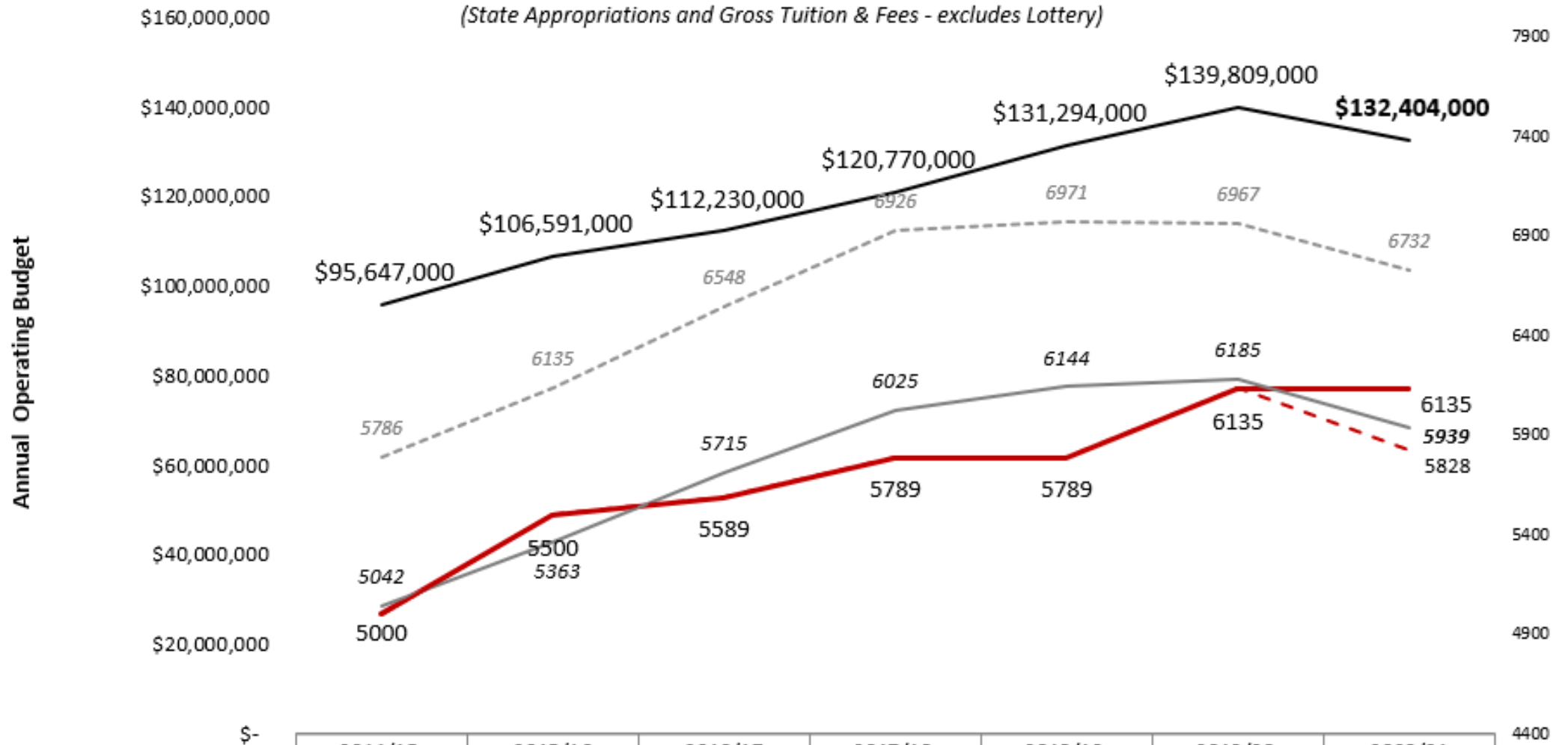
6194 Fall Actual  
5684 Spring Actual  
**5939 Annual FTE**

**Rev Impact = (\$1.1M)**

*Spring = 92% of Fall*

# University Operating Budget

(State Appropriations and Gross Tuition & Fees - excludes Lottery)



	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
— Operating Budget (excludes lottery)	\$95,647,000	\$106,591,000	\$112,230,000	\$120,770,000	\$131,294,000	\$139,809,000	\$132,404,000
— Funded FTE	5000	5500	5589	5789	5789	6135	6135
— Annual FTE (Actual) *	5042	5363	5715	6025	6144	6185	5939
--- Annual Headcount (Actual)*	5786	6135	6548	6926	6971	6967	6732
- - - FTE - Tuition Revenue Plan*	5000	5500	5589	5789	5789	6135	5828

\* Excludes summer enrollment

# Spring Enrollment Update and Outlook

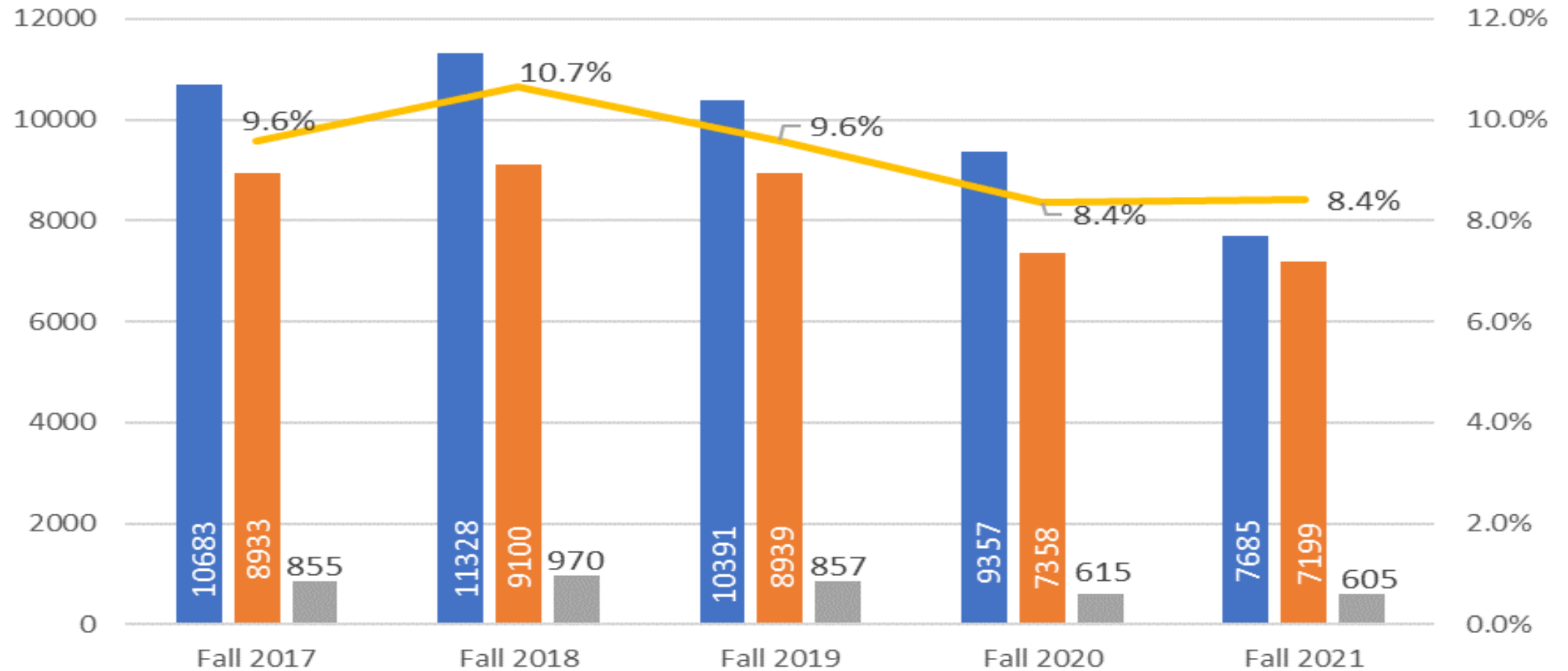
Hung Dang  
Associate Vice President for Enrollment Management  
Dean of Enrollment Services

- 6,135 - Stateside-Funded FTE
- 1-5% - Projected Annualized Enrollment Decline
- 5,939 – AY 2020-21 Annualized FTE (-3.2% or -196 FTEs)
- 6,197 – AY 2019-20 Annualized FTE





## Fall 2021 Admissions Projected FTF Yield

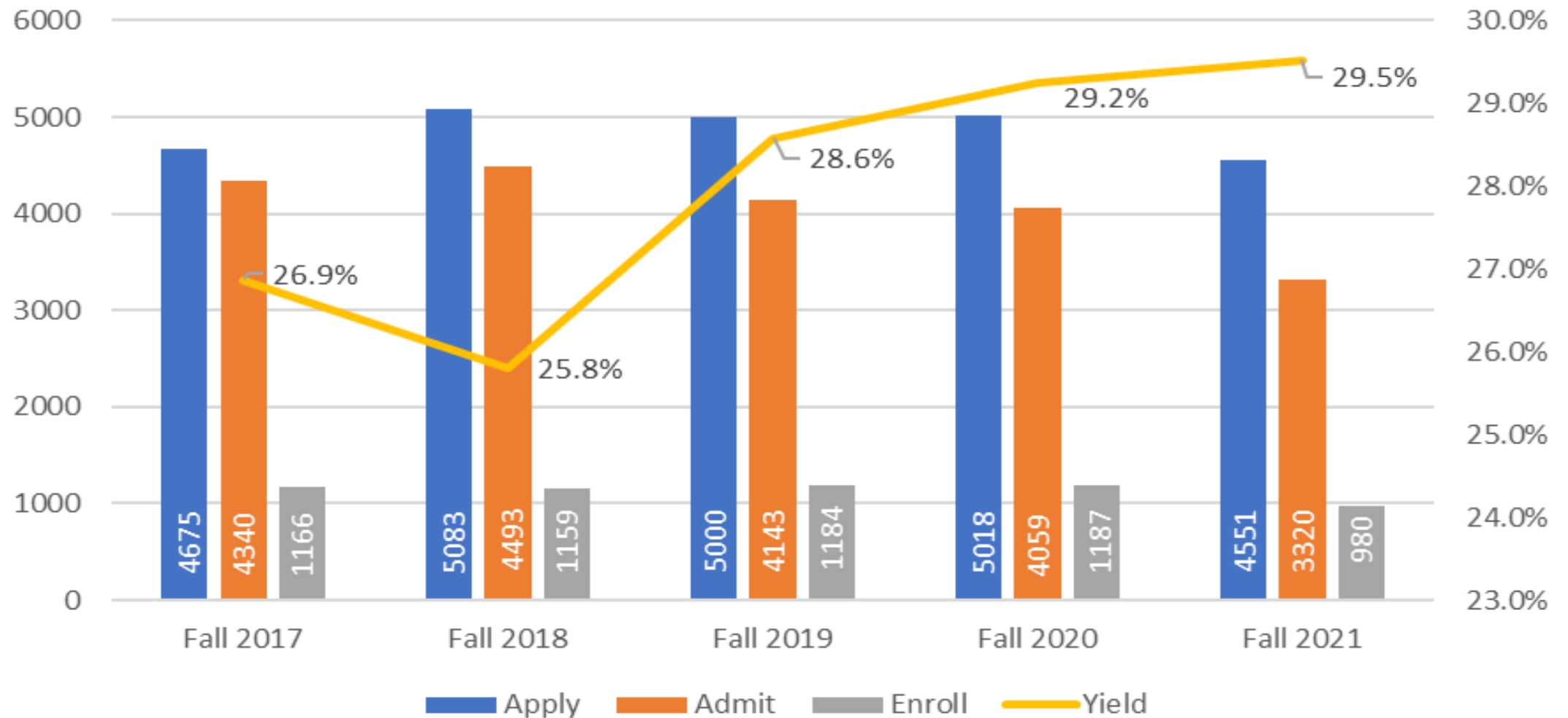


Note: Yield = rate of admit to enroll

Apply Admit Enroll Yield



## Fall 2021 Admissions Projected Transfer Yield



Note: Yield = rate of admit to enroll

## 2021-22 Academic Year Enrollment Scenarios

### Facts

- State-Funded FTE: 6135
- Spring 2021 enrollment (281 fewer FTEs than Spring 2020)
- Fall 2021 undergraduate applications declined by 14%
- Greater competition for students

### Assumptions

- Over 50% of Fall 2021 classes will meet in-person
- Covid-19 is considered under control
- Financial markets continue to remain strong

### Prediction

- Annualized enrollment will decline between 2-6%

2-4%

Decline between  
122 - 245 FTEs

4-6%

Decline between  
245 - 368 FTEs

# Fall 2021 Enrollment Timeline

**Dec 4, 2020**

**CSU Deadline to Apply**

**Jan 11, 2021**

**CSUCI Admission Decisions to be Issued**

**Feb 22, 2021**

**Spring 2021 Census**

**May 3, 2021**

**Intent to Enroll Deadline**

**May 7, 2021**

**Registration Completed for Continuing Students**

**July 30, 2021**

**Registration Completed for all Students**

# **FY 2021-22 Budget Planning**

- Current Planning Context
- Annual Call for Budget Proposals

# State of the State

## THE GOOD NEWS

The state entered the COVID-19 Recession on a **strong fiscal foundation** after years of building reserves, paying down debt, and a focus on maintaining structurally balanced budgets over the long term.

Several sectors of the California economy **faring better than expected** during the first nine months of the public health crisis.

With the increasing distribution of vaccines, **California is poised to begin an equitable and broad-based recovery.**

# State of the State

## THE CAUTIONS

There are **considerable risks** to the forecast

- bankruptcies
- fall in the stock market

**Economic inequality has intensified** since the pandemic began

- Approximately half of the jobs lost from the start of the pandemic have been recovered

**Expenditures are projected to grow faster than revenues**

- \$7.6 billion a structural deficit projected for 2022-23
- Deficit is expected to grow to over \$11 billion by 2024-25

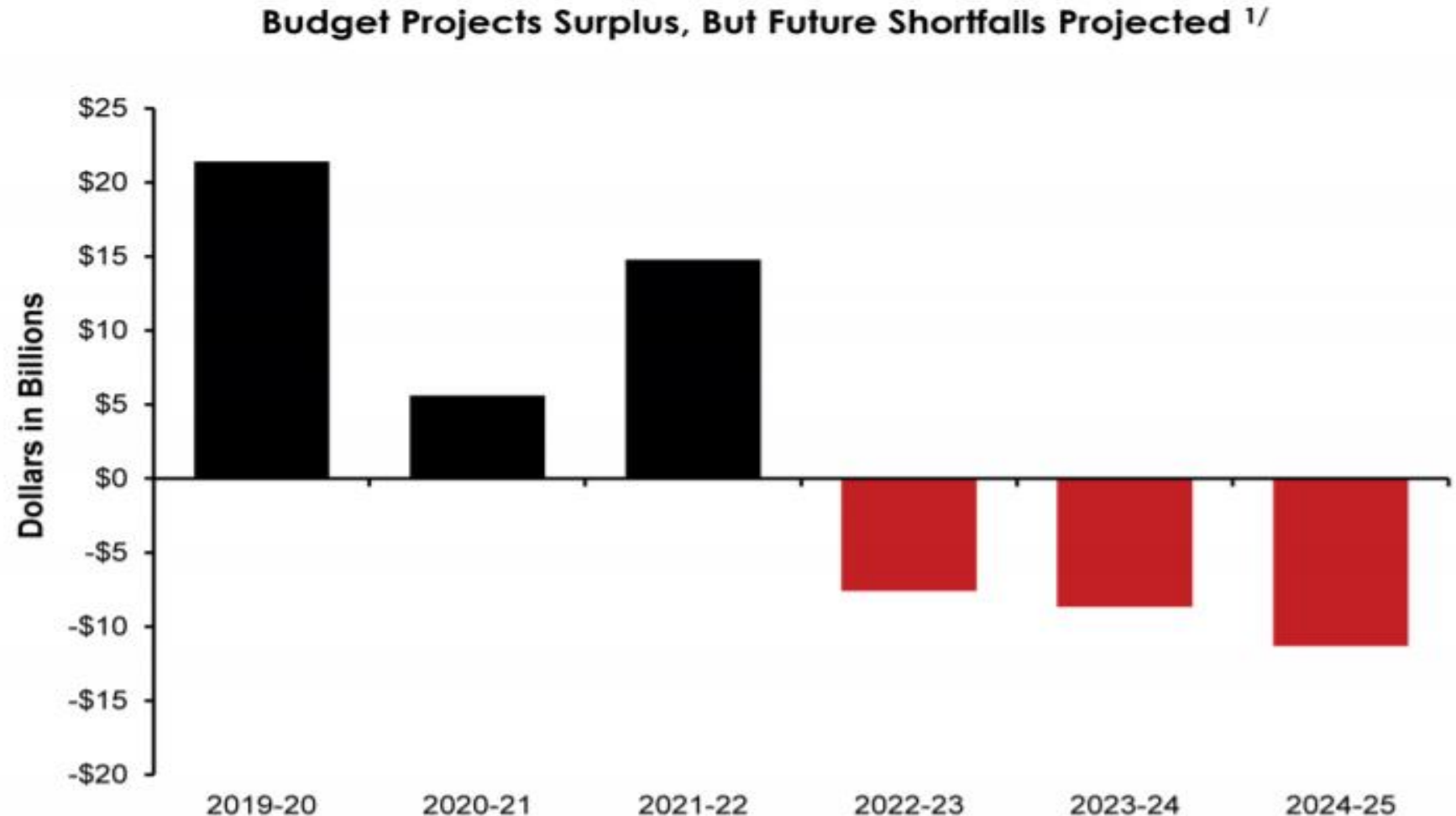
# Economic Outlook

## A Cautionary Tale that Points to Use of One-time Funding

*“Reserves will be critical to balancing the budget in future years along with other solutions to bring spending and revenues into alignment.”*

*“For now, the state must do all that it can to avoid further hardship by continuing to fight the COVID-19 Pandemic and support the populations most impacted, while also making targeted investments to accelerate an equitable and broad-based recovery.”*

*Governor Newsom*



<sup>1/</sup> Budget shortfalls or surplus, measured by the annual Governor's Budget.



# CSU Budget Request *(November 2020)*



## Proposed 2021-2022 Operating Budget Request

<b>Incremental Expenditures</b>		<b>in millions</b>
<b>Graduation Initiative 2025</b>		<b>\$150.0</b>
Highest Campus Priorities	120.0	
Basic Needs Initiative	30.0	
<b>Restoration of 2020-21 General Fund Reductions</b>		<b>299.0</b>
<b>Academic Facilities &amp; Infrastructure Needs</b>		<b>50.0</b>
<b>Mandatory Costs</b>		<b>57.0</b>
AB 1460 Ethnic Studies Requirement	16.5	
Health Benefits	23.8	
Maintenance of New Facilities	11.3	
Minimum Wage	5.4	
<b>Total Incremental Expenditures</b>		<b>\$556.0</b>

No One-Time requests included.



# Governor's Budget Priorities

## Higher Education

- Emergency assistance to **re-engage students** that left during pandemic
- More **ongoing funding**
- **No tuition** and fee increase
- Increased funding for **student aid**

*“Preserve, Respond, Protect and Recover”*

# Governor's Proposed Budget *(January 2021)*

**\$144.5 million increase - ongoing**      **\$225 million increase - one-time**

Category	In Millions
❑ Operating Costs	\$111.5M
❑ Graduation Initiative 2025 (Basic Needs Initiative)	15.0M
❑ Student Mental Health and Technology	15.0M
❑ Common learning management system (Canvas) across higher ed segments	2.0M
❑ Enrollment funding for Stanislaus State's Stockton Center	1.0M
<b>Total Ongoing</b>	<b>\$144.5</b>

Category	In Millions
❑ Deferred Maintenance	\$175M
❑ Emergency Financial Aid	30M
❑ Computing Talent Initiative	10M
❑ Professional Development	10M
<b>Total One-time</b>	<b>\$225M</b>

- Governor's budget reflects 3% increase for the General Fund.
- Assumes in-state resident tuition and fees remain flat for the coming academic year
- The Governor's proposed budget does not address enrollment growth.

# CSU Trustees 2021-22 Budget Request vs. Governor's Budget (\$M)

Investment Area	CSU Request	Governor's January Proposal
Graduation Initiative 2025	150.0	15.0
Mandatory Cost Increases	57.0	111.5
General Fund Restoration	299.0	
Academic Facilities/Infrastructure	50.0	0
Student Mental Health and Technology Needs		15.0
Other - Common Learning System (Canvas)		3.0
<b>Total (Ongoing)</b>	<b>\$556.0</b>	<b>\$144.5</b>
<b>Total (One-time)</b>	<b>0.0</b>	<b>\$225.0</b>
<b>Total Combined</b>	<b>\$556.0</b>	<b>\$369.5</b>

# Some Thoughts for CSU Budget Development

- California has benefited from years of **fiscal prudence** - enabling the state to weather economic setbacks in 2020
- Budget resiliency is critical for the future, as **State expenditures are projected to grow faster than revenues** - anticipate one-time funding as predominant color of money
- Governor's **January budget** proposal **reinstates less than 20% of the \$299M budget reduction** enacted in FY 2020-21 when accounting for CSU estimated mandatory cost increases
- CSU budget hearings and **advocacy**
- We are early in the budget cycle

# Latest CSU Budget News *(February 17, 2021)*

## Immediate Action Agreement for Relief to Californians Experiencing Pandemic Hardship

- **Full restoration of the \$299 million reduction from the CSU's base 2020-21 budget**
  
- **Effective July 1, 2021**



# FY 2021-22 Budget Memo - Call for Budget Proposal

- Assume No Enrollment Growth/Decline = FY 2020-21 Actual

*Tuition Revenue based on 5939 FTE (neutral scenario)*

- Strategic Initiative Proposals deferred until Fall 2021 *(\$650K funding)\**

- Proposal Categories:

a. Critical Needs *(\$400K funding)\**

- Life Safety
- Regulatory/Statutory/CO Compliance
- Essential Mission-Centric Needs

b. New Programs and Innovation *(\$500K funding)\**

c. Divisional Reallocations for Internal Discretionary Proposals

*\*one-time funding earmark*

# FY 2021-22 Budget Planning Timeline

January	Governor Issues Initial Budget Proposal
February (late)	Release Campus 2021/22 Budget Memo
April 16	Submit Budget Requests to B&P
April 30	Requests Presented to SRPC
May	Governor Issues May Revise
June	State Legislature passes annual Budget Act
June	President Approves Budget
July	CO final allocations
Early Fall	Call for Strategic Initiative Proposals



# CRRSAA: Higher Education Emergency Relief Fund II (HEERF II)

## **Coronavirus Response and Relief Supplemental Appropriations Act, 2021 (CRRSAA)**

- Evolving clarifications on supplemental program parameters
- Confirmed CSUCI Total Award: \$14,288,099 (all new funds)
  - Student Aid: \$4.2M and Institutional Support: \$9.9M
- Expected one year spend down

### **Program Expenditure Categories:**

- Student aid - 50% at \$7M (includes \$1M for Summer I and II)
- Student Success support
- Auxiliary revenue loss shortfalls
- Training
- Contingency (facilities modifications for fall, cost recovery, etc.)

### **Other Issues**

- Student Aid funding cannot be used for AB540, Undocumented, International students
  - Funding Source to be identified

# HEERF II - Student Aid

## Proposed Student Aid Distribution

Total: \$7.2 M

☐ Sources:

1. Student Aid distribution - \$4.29 M
2. Institutional distribution - \$2.91 M

☐ Uses:

1. Summer Session I & II: \$1.2M
2. Spring distribution: \$6M

## Proposed Spring Distribution

FAFSA		Students	Amount	Total
Spring 2021	0-4000	3221	\$1,200	\$3,865,200
	4001-99999	2277	\$900	\$2,049,300
		<b>5,498</b>		<b>\$5,914,500</b>

CADAA		Students	Amount	Total
Spring 2021	0-4000	101	\$1,200	\$121,200
	4001-99999	23	\$900	\$20,700
		<b>124</b>		<b>\$141,900</b>



**Q&A**

# 2021/22 Budget Planning

## Supporting Our University Strategic Initiatives

**Educational Excellence**  
**Student Success**  
**Inclusive Excellence**  
**Capacity and Sustainability**

**Thank You and Stay Well**