

Strategic Resource Planning Committee

December 17, 2024

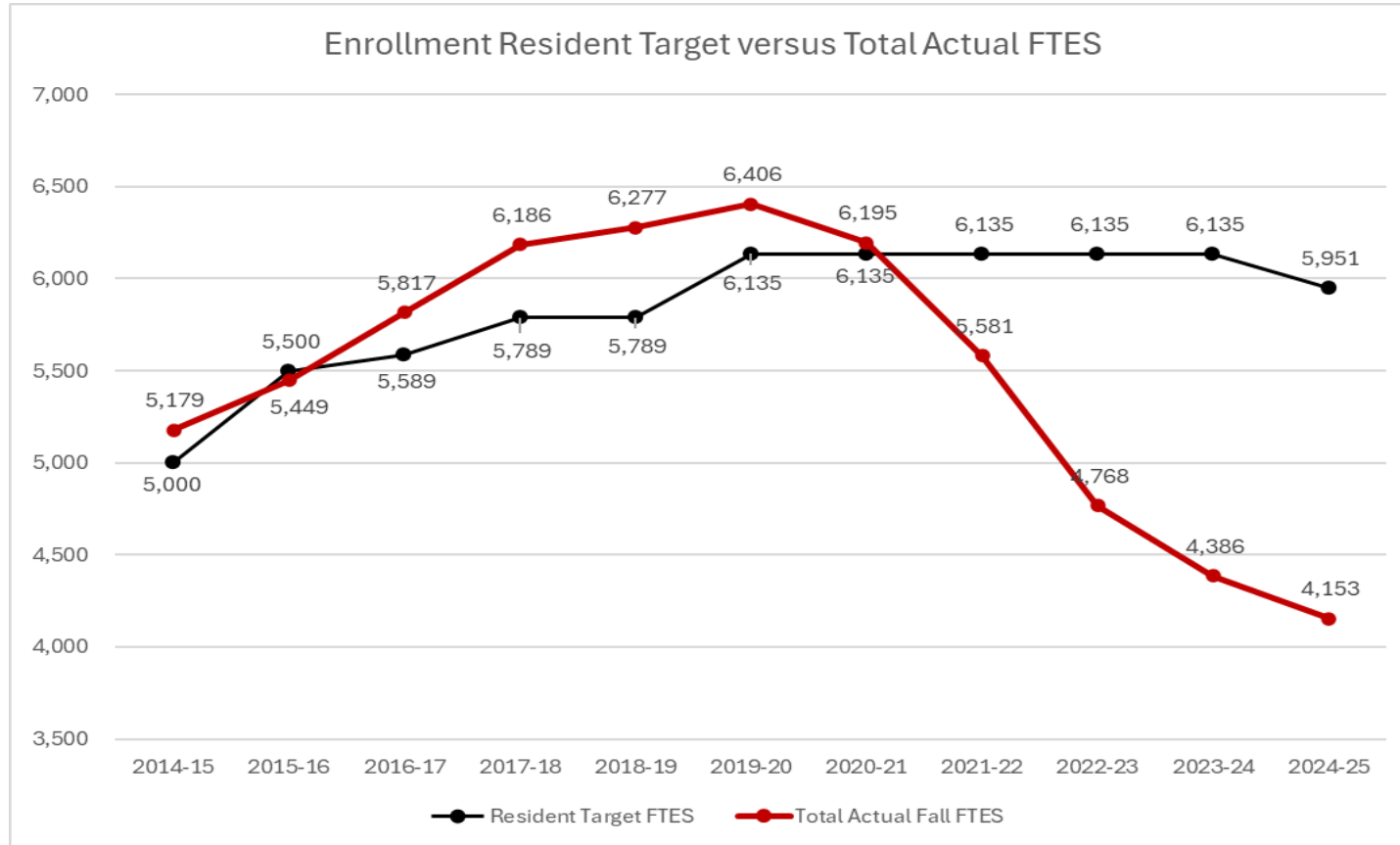


Channel Islands
CALIFORNIA STATE UNIVERSITY

Meeting Overview

1. Overarching Approach: Budget to GF Allocation v. Budget to Enrollment
2. Benchmarking: System and Campus Levels
3. 2025-26 Planning: \$17M structural deficit
4. Linear Process + Concurrent Planning
 - a. Workforce Response Plan & Timeline
 - b. Organizational Restructuring/Strategic Priorities
5. Timeline and Next Steps
6. Q & A

Overarching Approach: Budget to Current Enrollment

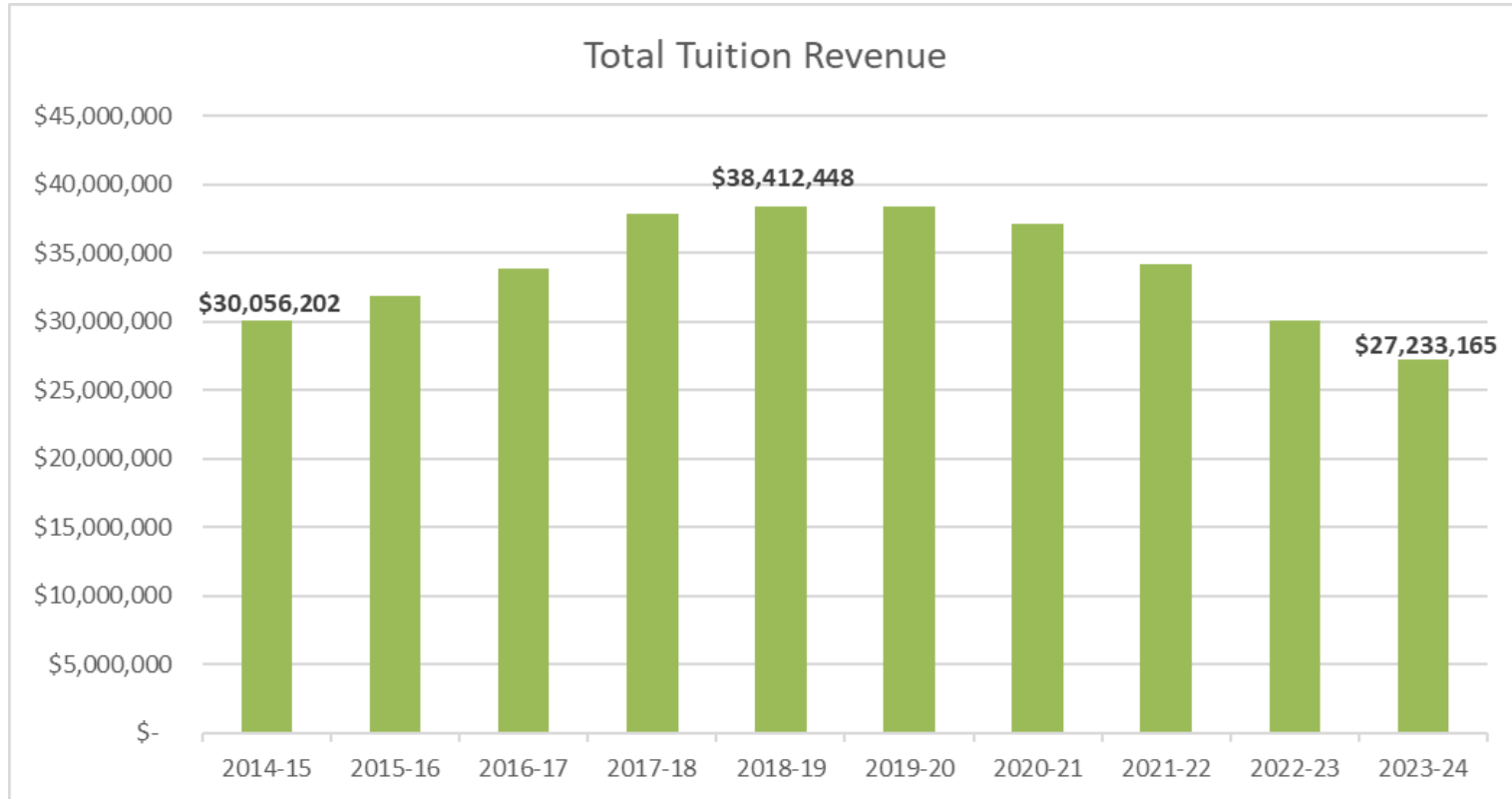


Data Sources:

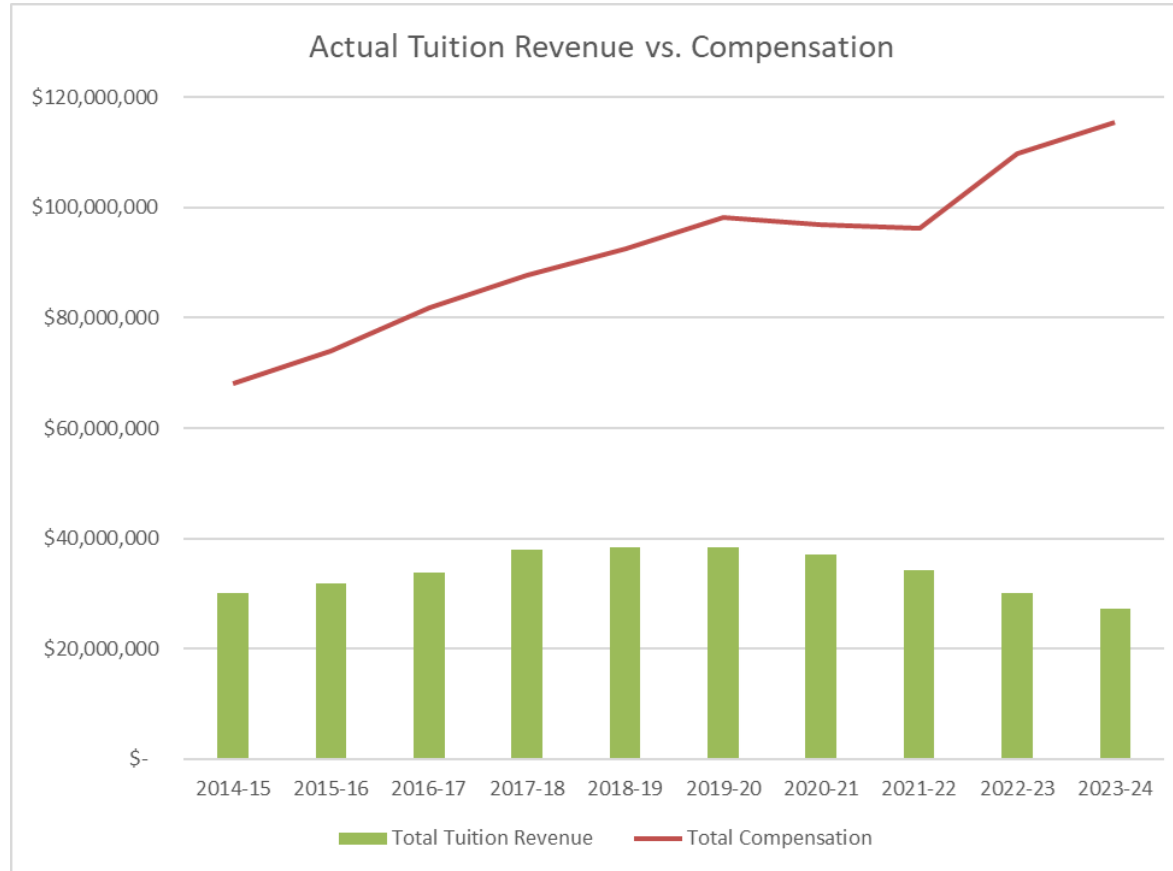
Resident
Target FTES -
[CSU Final
Budget
Allocation
Memos](#)

Total Actual
Fall FTES -
[CSU Data
Dashboard,
Enrollment](#)

Benchmarking: Campus Level



Benchmarking: Campus Level



Benchmarking: Campus Level

DASHBOARD	Employee Headcount	Full Time Equivalent Employees	Tenure/Tenure Track Faculty	Non Tenure/Tenure Track Faculty	Management Personnel Plan (MPP)	Staff (including Confidentials)
2013	814	690	95	252	87	363
Fall 2024	970	853	170	243	121	436
% Change	19%	24%	79%	-4%	39%	20%

- 2013: 4152 FTES – most closely matched to our current enrollment (4154 FTES)
- Imperfect comparison: Title IX/DHR, NAGPRA, Basic Needs, GI 2025, etc.
- Since 2013, we have increased by 163 FTE

Benchmarking: System Level

- Board of Trustees: Sustainable Funding Model Workgroup Report (Spring 2023)
- Work has continued: CO examination of expenses per FTES across system (IPEDS categories)
- \$33,974 per FTES; exceeds systemwide average by \$12,851 (also higher compared to campuses most similar in size and other under-enrolled campuses)
- SFR TTF 27.2; all instructional faculty 14.6; systemwide average 36.3 (TTF) and 20.4 (all instructional faculty) - comparisons to like sized campuses and under-enrolled campuses are similar
- All employees: 1 FTE per 4.9 FTES; systemwide average 1 FTE per 8.2 FTES - comparisons to like sized campuses and under-enrolled campuses are similar

2025-26 Budget Planning

\$5.7 million budget deficit carry forward from 2024-25

+ \$2.9 million resident target reallocation cut

+ \$6.8 million State allocation cut

+ \$1.6 million mandatory costs increase

= \$17 million cut / (Estimated 116 FTE) for 2025-26

- 2013-14 GF allocation was \$75M; inflation estimate \$102M for 2024
- 2024-25 cut \$11M + \$17M for 2025-26; adjusted base budget approximately \$127M

2025-26 Budget Planning

Operating Fund Allocation Cuts

- Resident target reallocations are \$1.5 million cut in 2024-25, \$2.9 million cut in 2025-26, and \$2.8 million cut in 2026-27 (\$7.14 million cut total)
- State's signaled 8% cut to CSU would mean a \$6.8 million cut to CI

Tuition Revenue Losses

- 6% Tuition rate increase will not make up for the ongoing revenue losses due to the enrollment decline
- Campuses have been expected to cover mandatory costs with the tuition rate increase funds due to CSU budget gaps stemming from State General Fund

Increased Costs

- General Salary Increases (GSIs) and Steps
- Benefits escalation
- Property and Liability Insurance Premiums increases
- Compliance requirements

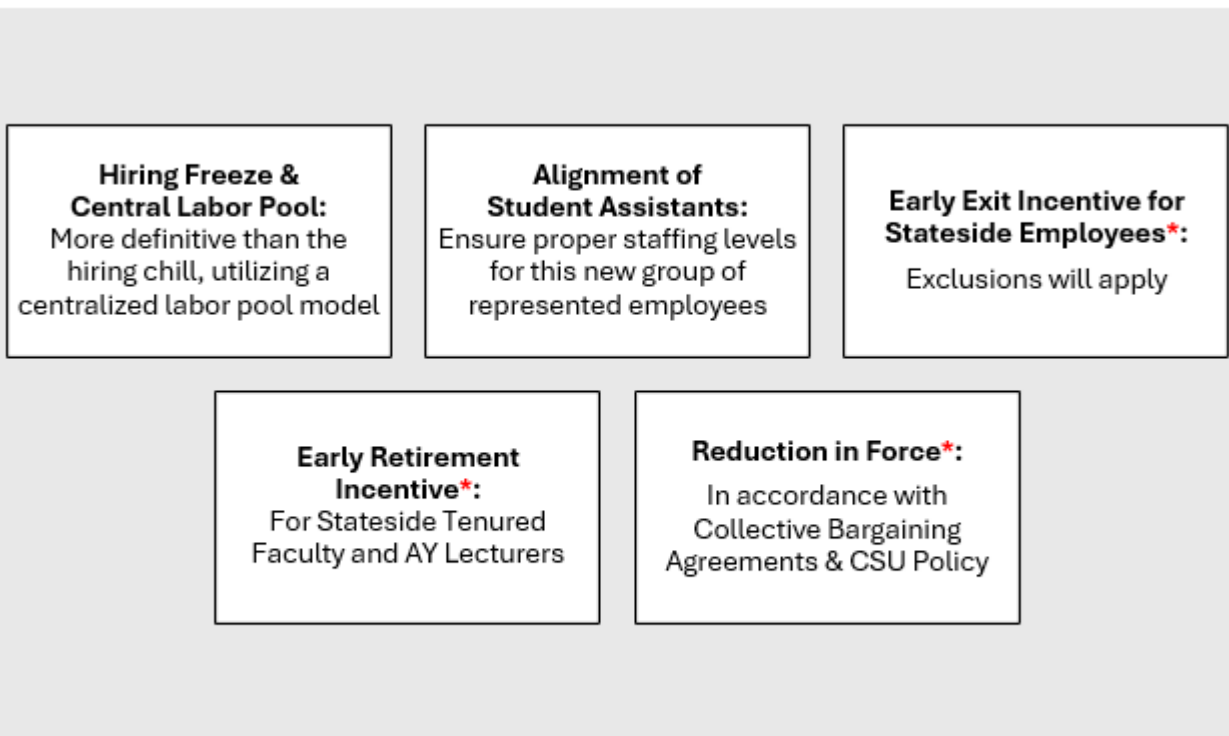
Workforce Response Plan (WRP)

- 84% of the University's operating budget is allocated to personnel costs.
- In response to declining enrollment and budget constraints, the Workforce Response Plan (WRP) is designed to align labor costs with the needs of the campus.
- This plan is a strategic response to right-size to our current and projected enrollment.
- The mitigating strategies are intended to protect jobs and protect our campus priorities.
- Mitigating strategies applicable to faculty will be carried out concurrently with those actions involving staff.

Governance ≠ Negotiations

Workforce Response Plan details must be addressed at the bargaining table.

WRP Mitigating Actions

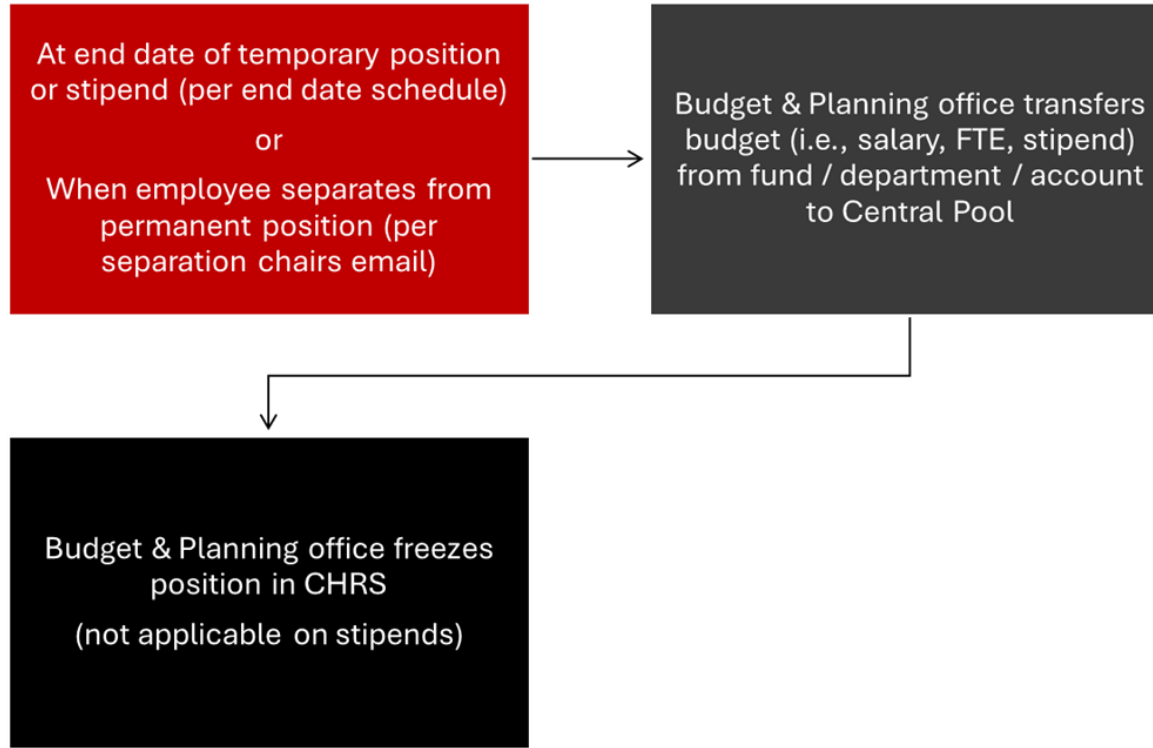


* = Requires Meet and Confer

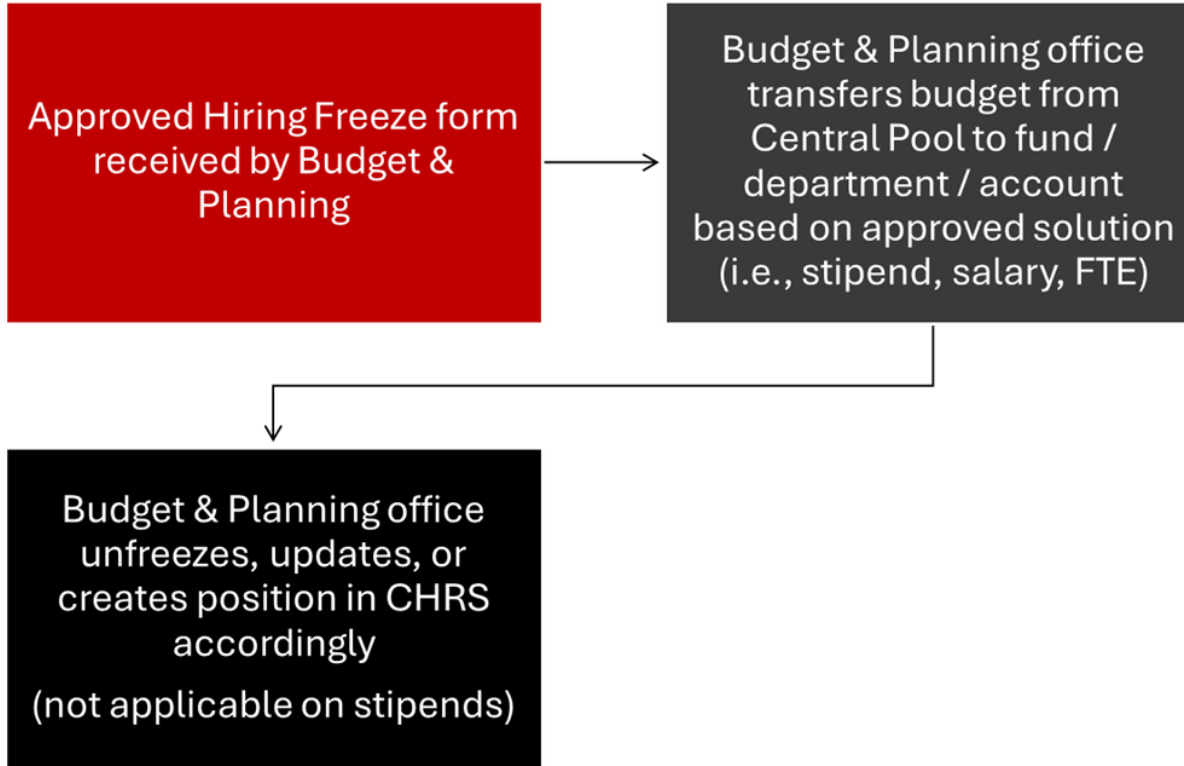
Hiring Freeze and Central Labor Pool

- Introduction of standardized procedures through Workforce Analysis
 - Redefines how positions are filled, for the short and long term
- Establishment of centralized labor pool moves away from 1:1 replacements when vacancies occur

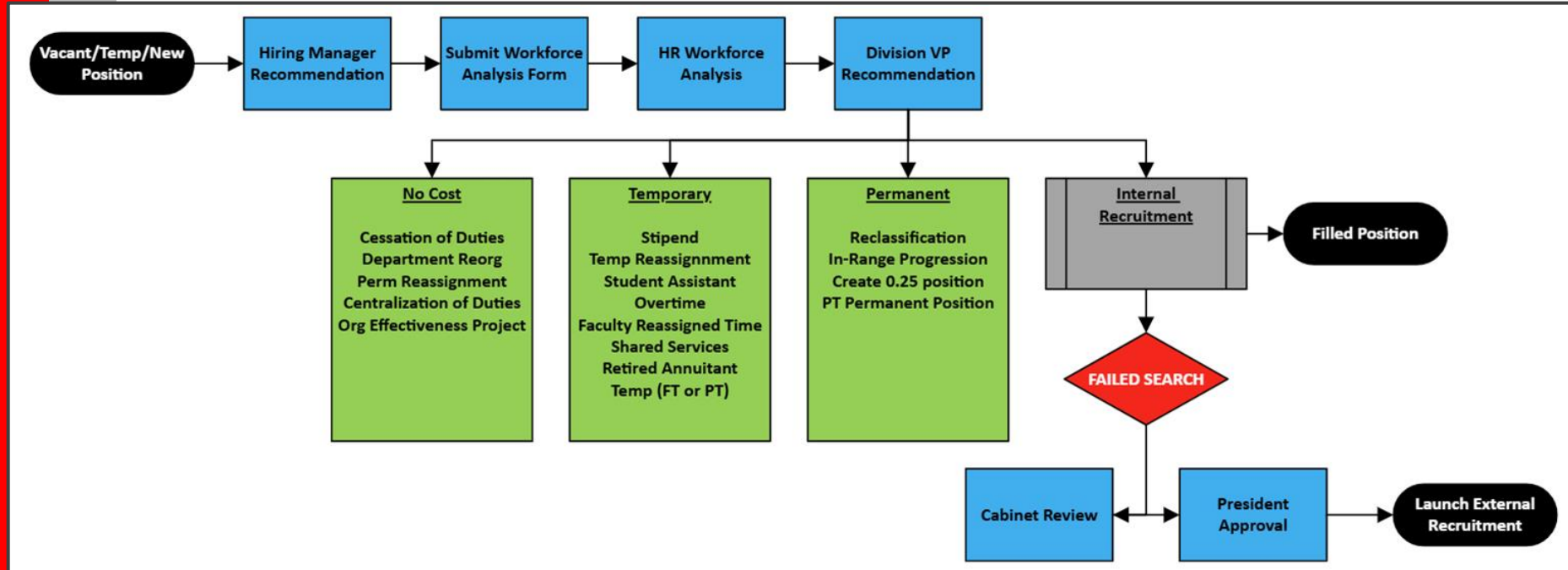
Central Labor Pool Inflow



Central Labor Pool Outflow



Hiring Freeze and Central Labor Pool



Early Exit Incentive Program*

- Voluntary
- Stateside employees
- Employee does not need to be retirement eligible
- Includes exclusion for specific employee groups that are required for compliance or key operations
- Restrictions on re-employment at University

* = requires Meet and Confer

Faculty Early Retirement Program*

- Voluntary
- Stateside employees
- Employee must be retirement eligible
- Includes exclusion for specific employees in particular divisions/departments
- Severance package mirrors that of Early Exit, including FERP buyout

* = requires Meet and Confer

Reduction in Force* Procedures

Reasons for represented employee groups:

1. Lack of Work
2. Lack of Funds
3. Programmatic Changes (CFA)

Time Frame for Notice and Action:

Depends on CBA for each employee Group

* = requires Meet and Confer

Workforce Response Plan (continued)

- The mitigating actions provide voluntary opportunities to save costs and reduce the need for involuntary reductions.
- Collective Bargaining Agreement (CBA) Provisions and varied timelines will be followed for each employee group.
- Furloughs were last used as a mitigation action in 2009 and can not be implemented by individual universities (would need to be systemwide).
- For effective implementation, WRP requires creative/critical thinking, discipline and consistency.
- Training on Vacancy Management will be provided to Supervisors.
- Refer to Employee Assistance Program as needed

Workforce Response Plan: Timeline

- Workforce Response Plan & Timeline
 - Hiring Freeze & Central Labor Pool (Effective January 1, 2025)
 - Staff Early Exit Program (February 2025 Communication)
 - Faculty Early Retirement Program (February 2025 Communication)
 - Reduction in Force Procedures - (Mid-Spring Communication)

Concurrent Planning

- Reorganization: need to assess organizational structures in relation to strategic priorities and long-term success
- Development of organizational structures and controls necessary for organizational effectiveness, efficiency, and resource allocation in relation to our priorities (i.e., position management, fund management, marketing, IT, tutoring/writing center, HIP's)

Concurrent Planning

- Strategic Priorities: CI2030+ planning underway
 - Distinctive features of CI education
 - Integrating academic and co-curricular programming directly into our communities (interdisciplinary, experiential, place-based learning; service learning; community-based research; internships)
 - Robust student life/co-curricular supports
 - Leveraging technology to enhance campus experience
 - “Servingness” to student success and region

Concurrent Planning

- Early Exit and Early Retirement outcomes/data will contribute/inform restructuring process
- Avoid blanket cuts based on allocation percentages across divisions
- Prioritizing student success while balancing the need to right size our academic offerings (and co-curricular services and supports) to our actual enrollment

Concurrent Planning: Other Cost Mitigation Strategies

- Use of designated reserves
- Hiring chill
- No exceptions for vacation rollover
- Divisional cuts
- Cuts to travel and supplies & services budgets
- Funding deferred maintenance with alternative sources
- Exploring multi-university collaboration initiatives
- Determining one-time funds available for strategic initiatives

Timeline and Next Steps

- Workforce Response Plan & Timeline
 - Hiring Freeze & Central Labor Pool (Effective January 1, 2025)
 - Staff Early Exit Program (February 2025 Communication)
 - Faculty Early Retirement Program (February 2025 Communication)
 - Reduction in Force Procedures - (Mid-Spring Communication)
- Enrollment Management Forums: January 2025
- Ongoing campus engagement opportunities: budget updates; reorganization work; strategic planning

Questions?