FY 2018/19 Budget Town Hall

El Dorado Hall 110
Friday, March 9, 2018
8:30 am
AGENDA

I. Context for the 2018/19 Budget
II. Multi-Year Planning
III. Draft Budget Principles to Guide Discussions
IV. Budget Timeline Key Dates
V. Next Steps
CONTEXT FOR THE 2018/19 BUDGET

- State-level Budget
- Proposed Tuition Increase
State-level Budget

- California’s economic climate remains healthy, but the future is uncertain. The Governor continues to focus on preparing for the next economic downturn.

- The CSU requested a $283M increase, the governor has proposed a $92M increase in CSU funding. (This is less than the rate of inflation). The Governor’s budget proposal also assumes no change in tuition and does not reflect any enrollment growth.

- Coordinated advocacy at all levels will be critical to promote full funding for the CSU budget request.

- The campus should also prepare for a potential budget reduction.
Proposed Tuition Increase

- 4% increase ($228 annually) for resident undergraduates; annual tuition would rise from $5,742 to $5,970.
- 4% increase for credential programs
- 6% increase for graduate programs and doctoral programs.
- 7.6% increase for non-residents
- 4.4% increase in Graduate Business Professional fees.

- New Revenue would support GI 2025, enrollment growth, mandatory costs, employee compensation, and academic and infrastructure needs.

- With no tuition increase and no additional funding from the state, the CO has introduced the potential of budget cuts to campuses.
MULTI-YEAR PLANNING

- Assumptions
- FY 2018/19 Budget - Preliminary Draft
Assumptions

- 2% unfunded enrollment growth
- Redirects not funded
- No tuition increase
- Chancellor’s Office advice: plan for a 1-2% reduction in the operating budget
- Budget reductions are absorbed in FY 2018/19 and FY 2019/20 expenditure projections
# FY 2018/19 Budget - Preliminary Draft

## Summary

<table>
<thead>
<tr>
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<th>2018/19 Preliminary</th>
<th>2019/20 Projected</th>
<th>2020/21 Projected</th>
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<tbody>
<tr>
<td>Total Revenue</td>
<td>648,333</td>
<td>738,628</td>
<td>753,401</td>
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<tr>
<td>Total Expenditures *</td>
<td>(3,124,724)</td>
<td>(2,405,255)</td>
<td>(2,278,074)</td>
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<tr>
<td>Total Permanent Uncommitted for FY</td>
<td>(2,476,391)</td>
<td>(1,666,627)</td>
<td>(1,524,673)</td>
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<tr>
<td>Total One-Time Uncommitted</td>
<td>1,571,458</td>
<td>-</td>
<td>-</td>
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<td>Cumulative Permanent Budget Change**</td>
<td>23,609</td>
<td>(1,643,018)</td>
<td>(3,167,691)</td>
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<tr>
<td>Total FTES (5,789 Funded)</td>
<td>5,905</td>
<td>6,023</td>
<td>6,143</td>
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* Reductions are absorbed in FY 2018/19 and FY 2019/20 expenditure projections

** FY 2016/17 permanent budget unallocated of $2.5 million applied to shortfall balance
DRAFT

BUDGET PRINCIPLES TO GUIDE DISCUSSIONS
Draft Budget Principles to Guide Discussions

- Strive for a balanced and sustainable annual budget.
- Reallocate and prioritize resources to support strategic initiatives.
- Emphasize a long-term planning perspective.
- Enhance revenue generation (new revenue streams, strategic use of fees, etc.).
- Remain flexible in an effort to preserve momentum toward strategic initiatives.
## Budget Timeline Key Dates

<table>
<thead>
<tr>
<th>Date</th>
<th>Event</th>
<th>Description</th>
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<tbody>
<tr>
<td>Fri, March 9</td>
<td>SRPC Meeting/Town Hall</td>
<td>Discuss Budget Principles and broad strategies.</td>
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<td>Tues, April 3</td>
<td>Final Division Budget Submissions</td>
<td>Final documents due to Budget &amp; Planning</td>
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<tr>
<td>Mon, April 16</td>
<td>Budget Forum/Town Hall</td>
<td>Present divisional budget requests; general budget update.</td>
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<td>Mon, April 16</td>
<td>Budget Units</td>
<td>Hyperion opens for data entry.</td>
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<tr>
<td>Fri, May 4</td>
<td>SRPC Meeting</td>
<td>Finalize potential budget scenarios.</td>
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<tr>
<td>Fri, May 11 (T)</td>
<td>Governor's May Revise</td>
<td>Tentative release date only.</td>
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<tr>
<td>Tue/Wed, May 15-16</td>
<td>CSU Board of Trustees Meeting</td>
<td>Final budget approval may occur pending release date of Governor's May Revise.</td>
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<tr>
<td>Fri, June 8</td>
<td>Campus Deadline</td>
<td>Final budgets, with budget reductions (if necessary), must be entered into Hyperion.</td>
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NEXT STEPS
Next Steps

- Incorporate feedback from today’s Budget Town Hall and share with the Strategic Resource Planning Committee (SRPC)

- Host additional Budget Town Hall on:
  - Monday, April 16

- Await the release of the Governor’s May Revise