

The background of the slide is a grayscale photograph of a building with a tiled roof and palm trees. A solid red vertical bar is on the left side of the image. A red horizontal banner is overlaid on the middle of the image, containing the title text in white.

# Strategic Resource Planning Committee

Virtual Meeting  
Thursday, May 7, 2020  
1:30 pm

# Topics

- I. Introductions and Opening Comments
- II. Our Current Environment
- III. 2020/21 Budget Planning
- IV. Enrollment Planning (H. Dang)
- V. Budget Planning Scenarios and Assumptions
- VI. Next Steps

Email Address to submit questions by 3:00 pm for response at the end of meeting: [srpc@csuci.edu](mailto:srpc@csuci.edu)

# Our Current Environment

## 1. State

- a. Impact of the COVID-19
- b. Shuttering of businesses in the state
- c. Three-month extension of income tax collections to July 15
- d. State baseline budget likely enacted for the 2020-21 fiscal year in June
- e. Revised State budget - September or October

## 2. CSU System

- a. No preliminary budget for 2020-21 to be issued
- b. Anticipate and plan for financial consequences

# Our Current Environment

## 2. CSU System (continued)

- c. Mandatory cost increases (some covered by state)
  - Retirement (threshold applied)
  - Medical insurance
  - Other mandatory fixed costs likely (not covered)
- d. Collective bargaining agreements
  - Negotiations in process

# Our Current Environment

## CSUCI

- a. Auxiliaries losses - current fiscal year
    - Auxiliary enterprises and organizations
      - 1. Refunds: \$5.4 million (UAS, Housing, Parking and Extended University)
    - Catering - \$1.3M
    - Summer Programs 19/20 - \$1.9M
    - Summer Programs 20/21 - \$2.7M
- Total: \$11.3M

Summer Programs includes events, camps and some EU.

# Our Current Environment

## Actions to Mitigate Shortfall

1. Reduce Spending in the Current Year
  - Implemented CO System Hiring Chill
  - Cabinet review on spend over \$5,000
  - Limited spending of funds from vacant positions salary savings
  - Restricted Procurement Card usage
  - Required review of travel restrictions
2. Increase Revenue - Federal SBA CARES Forgivable Loan:  
\$699,000 for UAS
3. Operational Efficiencies
  - LEAN opportunities for administrative activities

## Support to our Students

Disbursing \$4.2 million of Federal CARES financial aid funding

# Our Current Environment

## Support to our Students

1. Disbursing \$4.2 million of Federal CARES funding
  - Total eligible students is 5,511
  - Rubric established includes an automatic grant of \$300 for each student
  - Grant options per student range from \$300 to \$925 depending on financial aid eligibility, excluding options for emergency grant applications
  - CSU CARES Initiative Application (emergency grant program) pool totals \$436,443 million for additional supplemental distribution
2. For students who do not qualify for the Federal CARES funding, other University funds will be identified using a similar award structure -- to be finalized.

# 2020/21 Budget Planning

## State Budget

### 2020/21 Baseline Budget

- Extension of state income tax filing to July 15
- Legislature likely to enact a baseline budget by June 15
- 2019/20 State budget serves as a placeholder for the new 2020/21 fiscal year

### Revised Budget

- Earliest anticipated date - August to October

## CSU System - 2020/21 Budget

- No preliminary budget to be issued
- Model scenarios
- Final budget for the CSU in the fall

## CSUCI - 2020/21 Baseline Budget

- 2019/20 budget serves as a placeholder for the new 2020/21 fiscal year
- Earliest anticipated Revised Budget - August to October



# 2020/21 Budget Planning

## CSUCI - 2020/21 Budget

### Goal\*

The goal of the budget resource planning process is to create a balanced and sustainable ongoing budget that supports the University's Strategic Initiatives and GI 2025 goals. This involves strategic investments, assessing capacity, and reallocating existing resources to align with divisional and university priorities.

**Consider addition:** For FY 21, develop a framework to mitigate anticipated challenges.

## Committee Discussion

\* From November 8, 2019 Budget Planning Memo to campus  
<https://www.csuci.edu/budget/documents/fy21-budget-instructions.pdf>

# 2020/21 Budget Planning

## Guidelines\*

In developing the FY21 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 the has adequately assessed capacity) into the resource allocation process;
- Engage in planning to ~~successfully support the targeted 2% new student FTE enrollment growth~~ 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**.

## Committee Discussion

\* From November 8, 2019 Budget Planning Memo to campus

# 2020/21 Enrollment Planning



## Enrollment Scenarios

Academic Year 2020-21  
April 30, 2020

*Pre-Coronavirus FTE Projection: 6,244*

### Scenario 1: Best Case

- Social distancing and other mitigation efforts relaxed but not eliminated
- Infection and hospitalization rates decline through summer 2020
- Testing and contact tracing become widespread by fall 2020
- Majority of fall 2020 classes offered online
- Financial markets begin recovery phase

### Enrollment Declines 1-5%

- FTE range: 6,129 – 5,885
- Potential FTE reduction between 66-310

### Scenario 2: Conservative Case

- Limited availability of testing and contact tracing
- State sees uptick in Covid cases/hospi. re-imposes mitigation efforts
- Remote instruction through fall with face-to-face may resume spring 2021
- Financial markets react to uptick in Covid cases
- No new treatment options or vaccine in sight

### Enrollment Declines 6-12%

- FTE range: 5,824 – 5,427
- Potential FTE reduction between 371-738

# 2020/21 Enrollment Planning

## FALL 2020

SCENARIO	PRE-COVID 19		BEST CASE									
	PRE-COVID 19		-1%		-2%		-3%		-4%		-5%	
	HC	FTE	HC	FTE	HC	FTE	HC	FTE	HC	FTE	HC	FTE

## RETURNING STUDENTS

Undergraduate	4680	4254	4615	4195	4549	4136	4484	4076	4419	4017	4353	3957
Post Bacc & Graduate	144	137	142	135	140	133	138	131	136	129	134	127
Sub Total	4824	4391	4757	4330	4689	4269	4622	4207	4555	4146	4487	4084

## NEW STUDENTS

Freshman	938	876	910	851	909	850	908	849	907	848	906	847
Transfer	1286	1071	1248	1040	1247	1039	1245	1038	1244	1036	1242	1035
Post Bacc & Graduate	58	55	56	53	56	53	56	53	56	53	56	53
Sub Total	2282	2002	2214	1944	2212	1942	2209	1940	2207	1937	2204	1935

## ALL STUDENTS

Undergraduate	6904	6201	6773	6086	6705	6025	6637	5963	6570	5901	6501	5839
Post Bacc & Graduate	202	192	198	188	196	186	194	184	192	182	190	180
GRAND TOTAL	7106	6393	6971	6274	6901	6211	6831	6147	6762	6083	6691	6019

## ANNUAL AVERAGE

Summer	85	20	85	20	85	20	85	20	85	20	85	20
Fall	7106	6393	6971	6274	6901	6211	6831	6147	6761	6084	6691	6020
Spring	6764	6075	6639	5964	6572	5905	6505	5846	6438	5788	6372	5729
Annual	6978	6244	6848	6129	6779	6068	6711	6007	6642	5946	6574	5885
Funded FTE:	6135											
2019-20 Annual Average FTE	6195											
Scenarios calculated using:	6195											

# 2020/21 Enrollment Planning

## FALL 2020

SCENARIO	PRE-COVID 19	
	PRE-COVID 19	
	HC	FTE

### RETURNING STUDENTS

Undergraduate	4680	4254
Post Bacc & Graduate	144	137
Sub Total	4824	4391

### NEW STUDENTS

Freshman	938	876
Transfer	1286	1071
Post Bacc & Graduate	58	55
Sub Total	2282	2002

### ALL STUDENTS

Undergraduate	6904	6201
Post Bacc & Graduate	202	192
<b>GRAND TOTAL</b>	<b>7106</b>	<b>6393</b>

### ANNUAL AVERAGE

Summer	85	20
Fall	7106	6393
Spring	6764	6075
<b>Annual</b>	<b>6978</b>	<b>6244</b>

Funded FTE:	6135
2019-20 Annual Average FTE	6195
Scenarios calculated using:	6195

CONSERVATIVE CASE							
-6%		-8%		-10%		-12%	
HC	FTE	HC	FTE	HC	FTE	HC	FTE

4288	3898	4157	3779	4026	3660	3896	3542
132	125	128	122	124	118	120	114
4420	4023	4285	3901	4150	3778	4016	3656

905	846	903	844	902	843	900	841
1241	1034	1238	1032	1236	1030	1233	1028
56	53	56	53	56	53	56	53
2202	1933	2197	1929	2194	1926	2189	1922

6434	5778	6298	5655	6164	5533	6029	5411
188	178	184	175	180	171	176	167
<b>6622</b>	<b>5956</b>	<b>6482</b>	<b>5830</b>	<b>6344</b>	<b>5704</b>	<b>6205</b>	<b>5578</b>

85	20	85	20	85	20	85	20
6622	5957	6482	5830	6344	5704	6204	5577
6305	5670	6171	5552	6039	5435	5906	5317
<b>6506</b>	<b>5824</b>	<b>6369</b>	<b>5701</b>	<b>6234</b>	<b>5580</b>	<b>6098</b>	<b>5457</b>

# 2020/21 Budget Planning

## What We Know . . .

### Funding from the Chancellor's Office

- CO informs us that the state will cover retirement and health mandatory increases  
    . . . . to a certain point; campus will likely need to supplement

### Recession

- Bloomberg: *The novel coronavirus has spurred what will likely be the worst recession in generations as the U.S. economy grinds to a halt and millions lose their jobs. (April 8, 2020)*  
<https://www.bloomberg.com/graphics/us-economic-recession-tracker/>

# 2020/21 Budget Planning

## What We Know . . .

### Collective Bargaining

- Following contracts expire June 30, 2020: CSUEU, CFA APC and Teamsters Local 2010
- Negotiations with APC and Teamsters have not begun
- Negotiations with CSUEU and CFA began in February and currently restarting talks
- Emergency pay provided to CSUEU and Teamsters Local 2010
- SUPA (University Police Association) - contract expired June 2018; impasse February 2020
- UAW (Academic Student Employees) - contract expires September 2020

# 2020/21 Budget Planning

## What We Know . . .

### Federal CARES Funding

- CSUCI will receive \$8,580,009 from the CARES Act Emergency Aid
- Designated for Emergency Financial Aid for Students: \$4,290,005
- Campus Funds: \$4,290,004
  1. Detailed guidance and instructions forthcoming
  2. Potential categories for distribution
    - Summer Session and Faculty Development - 35%
    - Technology - 25%
    - Auxiliaries Shortfalls and Staff Emergency Pay - 25%
    - Potential Fall Expenses (PPE, testing, additional cleaning supplies, etc.) - 15%



# 2020/21 Budget Planning

## Next Steps

### CSUCI

Continue to develop budget assumptions to:

- Adjust for **enrollment change(s)**
- Respond to actions taken by the state **legislature and governor.**
- Support any **state appropriations adjustments** based on state actions and Chancellor's Office guidance
- Pursue CARES Funding for Strengthening Institutions Award
- Reflect a **multi-year approach**
- **Virtual town halls** - faculty-focus (2); staff (1)

# **2020/21 Budget Planning**

## **Supporting Our University Strategic Initiatives**

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

**Thank you and Stay Well**