



Business and Financial Affairs Budget Town Hall

Virtual
Thursday, September 16, 2020

Topics

- Budget Overview
 - FY 2019-20
 - FY 2020-21
- Fall and Spring Campus Planning
 - Strategy
 - Process
 - Guidelines

COVID-19 Related Losses

FY 2019/20 - February - June

- **Lost Revenue - \$12 M** (February - June)
 - Auxiliary Enterprises and UAS Catering
 - Refunds: Housing, Dining, Parking and Ext Univ - \$5.5 M
- General Fund Unbudgeted Expenses - \$125,000 (all funds = \$424,000)

FY 2020/21 - Summer

- **Lost Revenue - \$2.7 M** (July - August)
 - Summer Conferencing & Events, UAS Catering, Extended University

FY 2020/21 - Fall Estimate

- **Lost Revenue - \$11.6 M** (Sept - Dec)
 - Housing/UAS Catering/Parking/Extended University

General Fund Reserve June 30, 2020

Reserve Balance

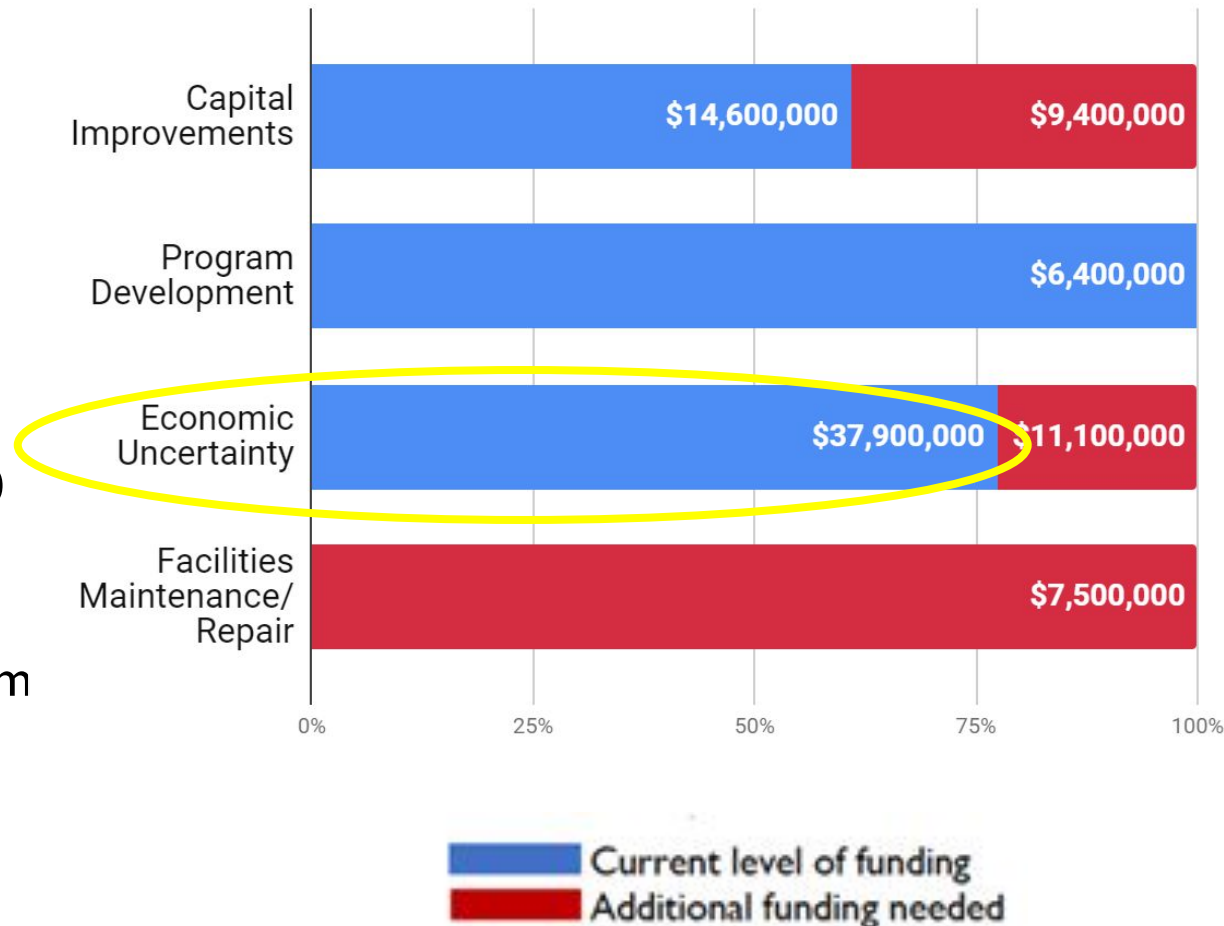
Economic Uncertainty: \$37.9M

Uses in 2020/21: **ALL ONE-TIME**

- Bridge \$5.1M permanent reduction
- Bridge \$1.9M reduction in tuition
- Bridge unfunded mandatory costs of \$700,000
- Bridge auxiliary shortfalls
- Adjustment for benefits shortfalls
- Earmark funds for employee early exit program
- in planning stages

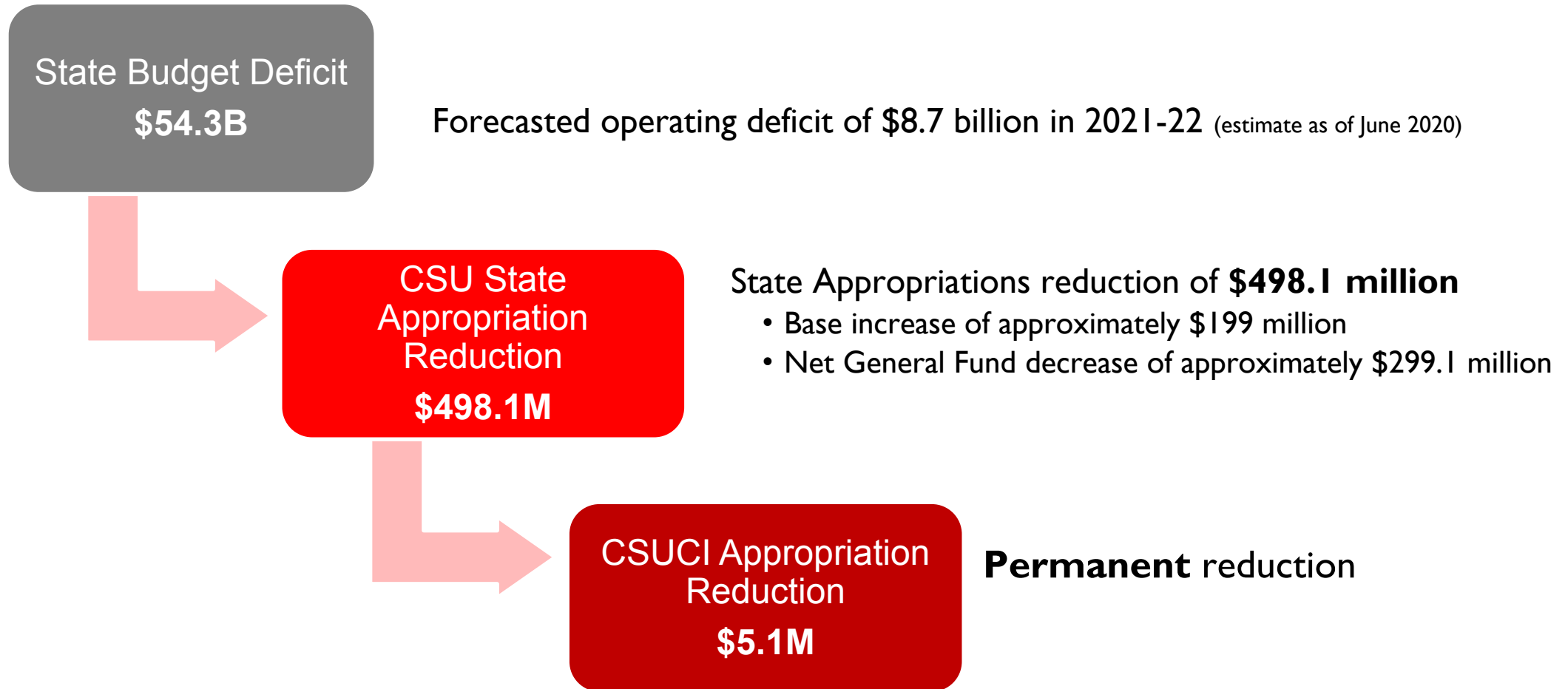
Uses in 2021/22 and 2022/23:

- Bridge funding for future shortfalls



Reserve Designations as mandated by CSU Reserve Policy
(ICSUAM 2001)

2020/21 Budget – Permanent Appropriation Reductions



2020/21 Budget – CSUCI Funding Shortfall

Appropriation (Permanent Reduction) (\$5.1M)	+	5% Enrollment* Decrease (\$1.9M)	=	Total Funding Shortfall (\$7.0M)
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*Projected

Summary of Campus Budget Changes

Prior Year Campus Operating Budget (excludes lottery)		\$139,808,750
State Appropriation Change	(5,101,610)	
Tuition Revenue Change	(1,918,070)	
Total State and Tuition Revenue Change		(7,019,680)
Category II Fee Change		(335,940)
Application Fee Revenue Change		(49,500)
FY 2020-21 Operating Budget		\$132,403,630
Restricted Funds - Lottery		585,000
Prior Year Auxiliary Enterprise and Operations Budget	54,267,750	
Auxiliary Activities Revenue Change	(24,206,880)	
FY 2020-21 Auxiliary Activities		\$30,060,870
Total Revenues		\$163,049,500

Budget Planning Strategy, Guidelines & Timeline

Budget Planning Goal

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.

For FY 21, develop a framework to mitigate anticipated challenges.

(presented at May 7, 2020 SRPC meeting)

2020/21 Budget Guidelines - Amended

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

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 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**.

Short-term Strategy to Address Reduction

Reduction total: \$7 million*

*To balance the 2020-21 budget now temporarily on a **one-time basis**, use of Reserves for Economic Uncertainty and modest operating adjustments are recommended.*

Application to address reduction

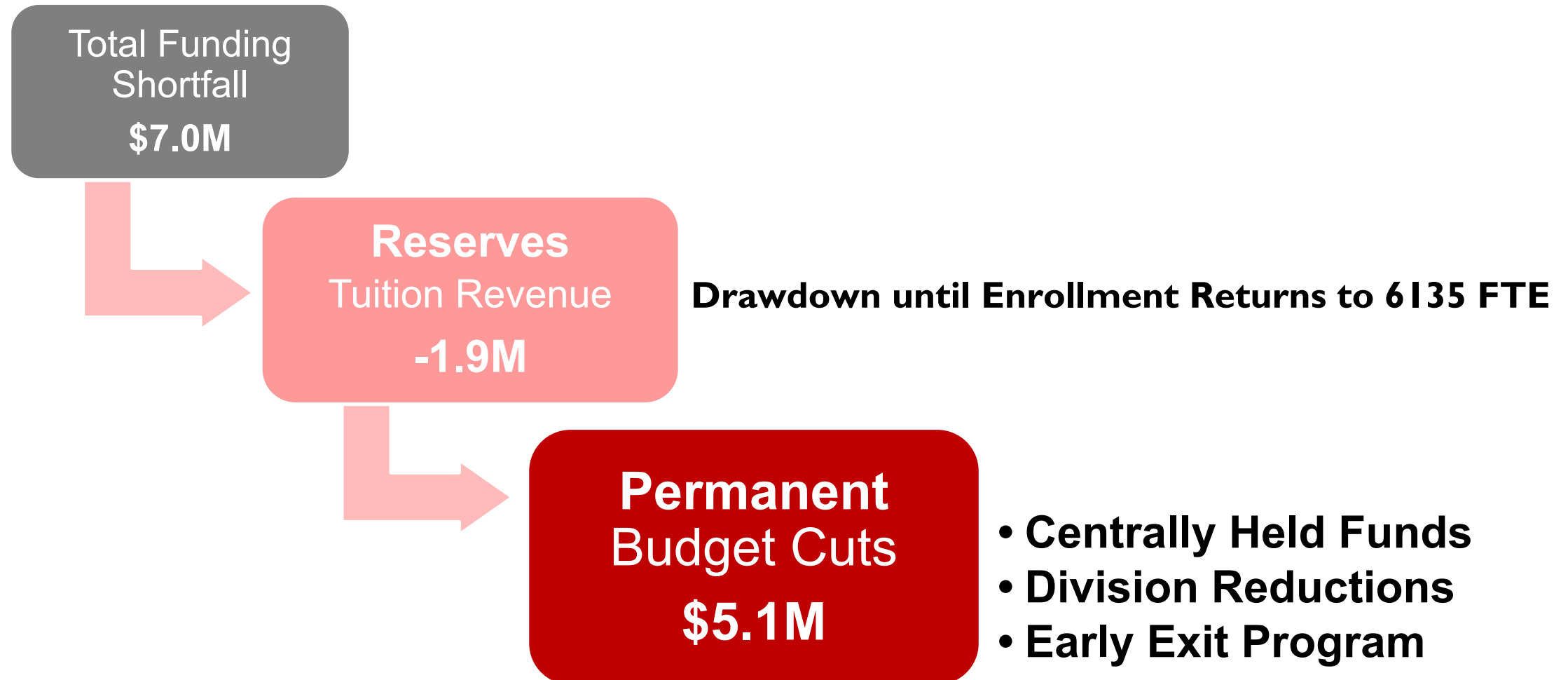
One-Time Funds

- Use of Reserves for Economic Uncertainty to bridge the gap - \$6.4 million
- Operating budget freeze of most Travel - \$600,000
- Limits on new employee hiring
- Create greater operational efficiencies
- Cost avoidance

Early Exit Program

*Not included in \$7M reduction: Unfunded Mandatory Costs (health, min. wage, etc.) ~ \$700,000

2020/21 Budget – Strategy for Permanent Reductions



Process to Address Permanent Reductions

2020/21 Budget (*FALL*)

- SRPC convenes at the beginning of the fall semester
- Host Town Hall to discuss 2020-21 budget status
- Identify permanent funds to address 2020-21 reduction
 - Identify any central funds to help close the gap
 - **Each Division convenes to discuss options to help address permanent reduction**
- Permanent reductions are identified by Spring 2021 with recommendation to the President

2021/22 Budget (*SPRING*)

- Delay launch of annual planning from Fall 2020 to Spring 2021
 - Allows for information to be gathered to inform campus discussions, i.e., CSU 2021/22 budget, State forecasts (LAO), Governor's January 2021 budget, etc.
- Goal: Respond to external factors and aim for a balanced budget

BFA Budget Planning Timeline - FY 2020-21

Sep 4, 2020	President Beck's Budget Memo (<i>SRPC website - Campus Budget Plan</i>)
Sep 11, 2020	Campus Town Hall
Sep 17, 2020	BFA Town Hall
Oct 8 - Nov 11	Unit Staff Meetings
Oct 16, 2020	Application Deadline for Early Exit Program (EEP)
Nov 12, 2020	Prioritize Unit Plans
Early Dec	Finalize Division Plan

Budget Planning for 2021-22 and 2022-23

Multi-year Forecast

- Develop assumptions
 - Enrollments for 2021-22 and 2022-23
 - Support for new funding from the state and other sources
 - Future use of Reserves for Economic Uncertainty
 - New Program Investments
- Opportunities and strategies to address future reductions
 - Furloughs - contemplating in 2021/22
 - Continuation of Hiring Chill
 - Limits to travel
 - Reallocations
 - Create greater operational efficiencies
 - Cost avoidances

Planning Schedule with Milestones

2020/21

Sep 2020

President Beck's Budget Memo

Sep 2020 - May 2021

SRPC and Campus Discussions -

Fall semester: 2020-21 Budget

Spring semester: 2021-22 Budget

Oct 1, 2020

Deadline for Congress to Fund HEROs

Nov 17-18, 2020

CSU Board of Trustees Meeting

Jan 2021

Governor's January Budget Released for 2021-22

Fall 2020 SRPC Meeting Dates

SRPC Meeting #1

Sep 3 Thursday 1:00 - 2:30 pm

Budget Town Hall - Budget Overview

Sep 11 Friday 1:00 - 2:00 pm

Budget Town Hall - Divisional Updates
SRPC Meeting #2

Oct 8 Thursday 1:00 - 2:00 pm
2:00 - 2:30 pm

SRPC Meeting #3

Oct 22 Thursday 1:00 - 2:30 pm

SRPC Meeting #4

Nov 12 Thursday 1:00 - 2:30 pm

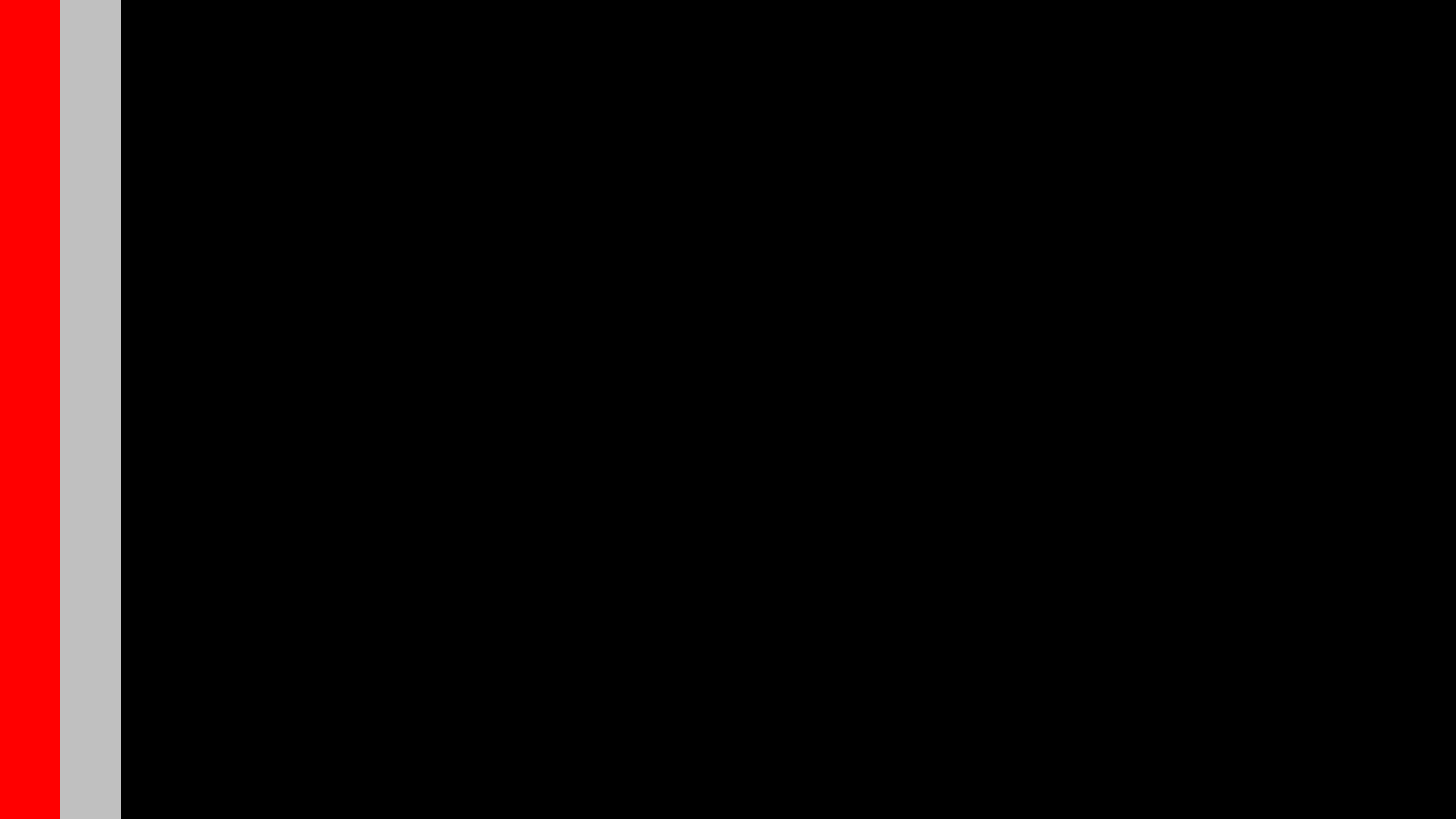
SRPC Meeting #5

Dec 4 Friday 1:00 - 2:30 pm

Finals Quiet Week

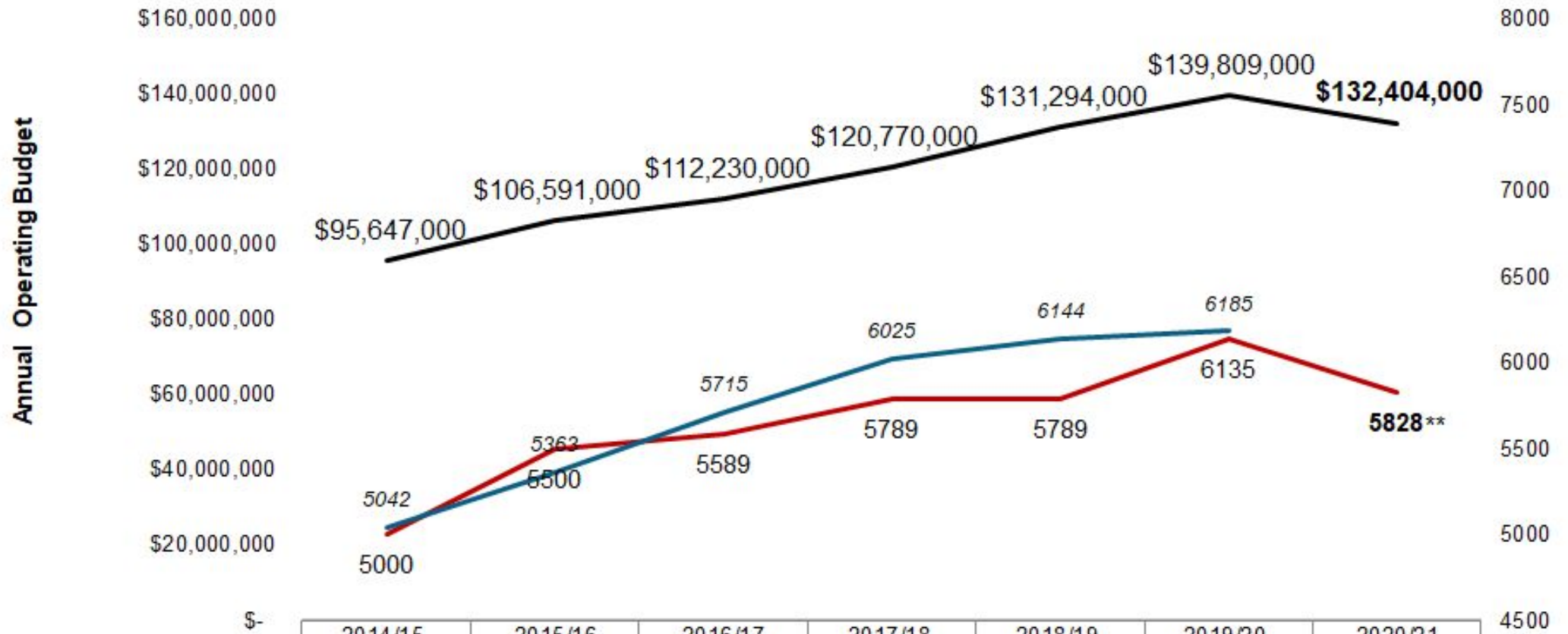
Dec 7 - 11

Questions?



California State University Channel Islands 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	5363	5589	5789	5789	6135	5828**
Annual FTE *	5042	5300	5715	6025	6144	6185	

* Excludes summer enrollment

** Campus Planning Target

2020/21 SRPC Committee

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

Budget Overview

2020/21 Budget Overview

State Budget

- Deficit = **\$54.3 billion**

Forecasted operating deficit of \$8.7 billion in 2021-22

CSU Budget

- State Appropriations reduction of **\$498.1 million**
 - Base increase of approximately \$199 million
 - Net General Fund decrease of approximately \$299.1 million

Strategic Resource Planning Committee (SRPC)

Charge and Objectives

Charge:

Advisory committee to the President on matters pertaining to the development of the University budget, alignment of fiscal resources to strategic priorities, and fiscal sustainability.

Objectives:

- Strengthen the relationship between **campus planning and fiscal resource allocation** (budgeting)
- Ensure **transparency** and build **awareness**
- **Advance the mission** of the institution - service to our students and community