

# Fiscal State of the University

## Presentation to the Academic Senate

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*President*

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*Finance/Chief Financial Officer*

*May 7, 2020*



CALIFORNIA STATE UNIVERSITY  
**FULLERTON**<sup>TM</sup>

# Governor's Multi-Year Budget Plan

For CSU:

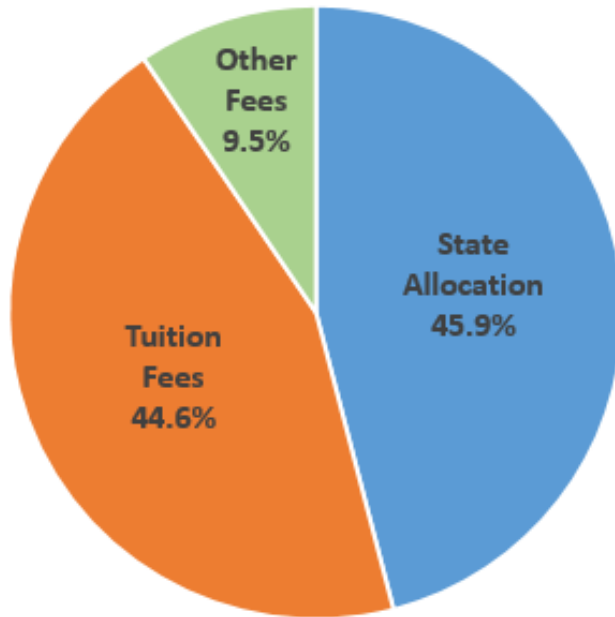
- Original: \$142.2 million in FY 2014-15 - Final Adopted: \$142.2m  
CSU Requested: \$334.3 million
- Original: \$119.5 million in FY 2015-16 - Final Adopted: \$225.0m  
CSU Requested: \$269.0 million
- Original: \$140.4 million in FY 2016-17 - Final Adopted: \$154.0m  
CSU Requested: \$297.6 million
- Original: \$157.2 million in FY 2017-18 - Final Adopted: \$182.2m  
CSU Requested: \$343.7 million
- Original: \$92.1 million in FY 2018-19 - Final Adopted: \$197.3m  
CSU Requested: \$282.9 million
- Original: \$300 million in FY2019-20 – Final Adopted: \$332.9m  
CSU Requested: \$376m
- Original: \$199.0 million in FY 2020-21 - *Final Adopted (TBD)*  
CSU Requested: \$489.0 million

# FY 2019-20 Q3 Financial Performance

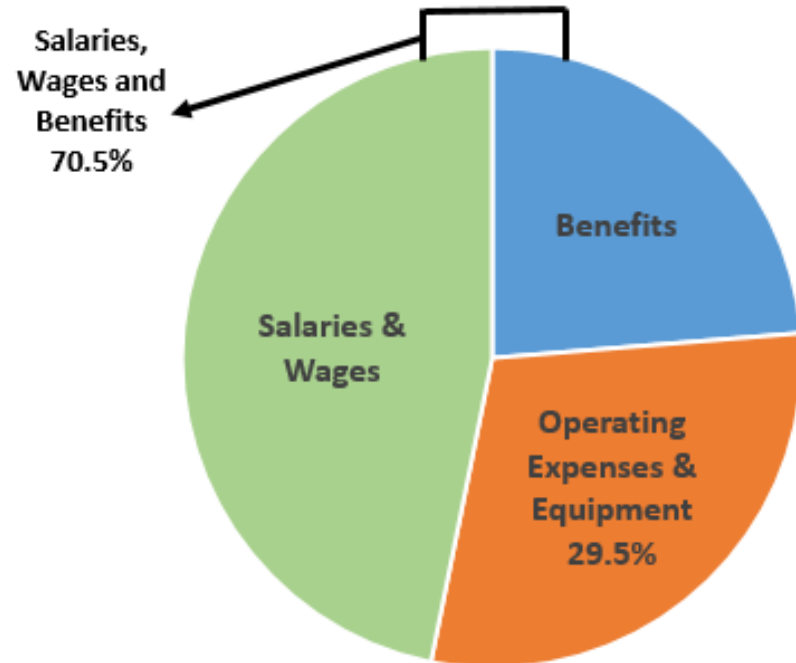
# FY 2019-20 Operating Fund Budget

Total Budget (\$494.1M)

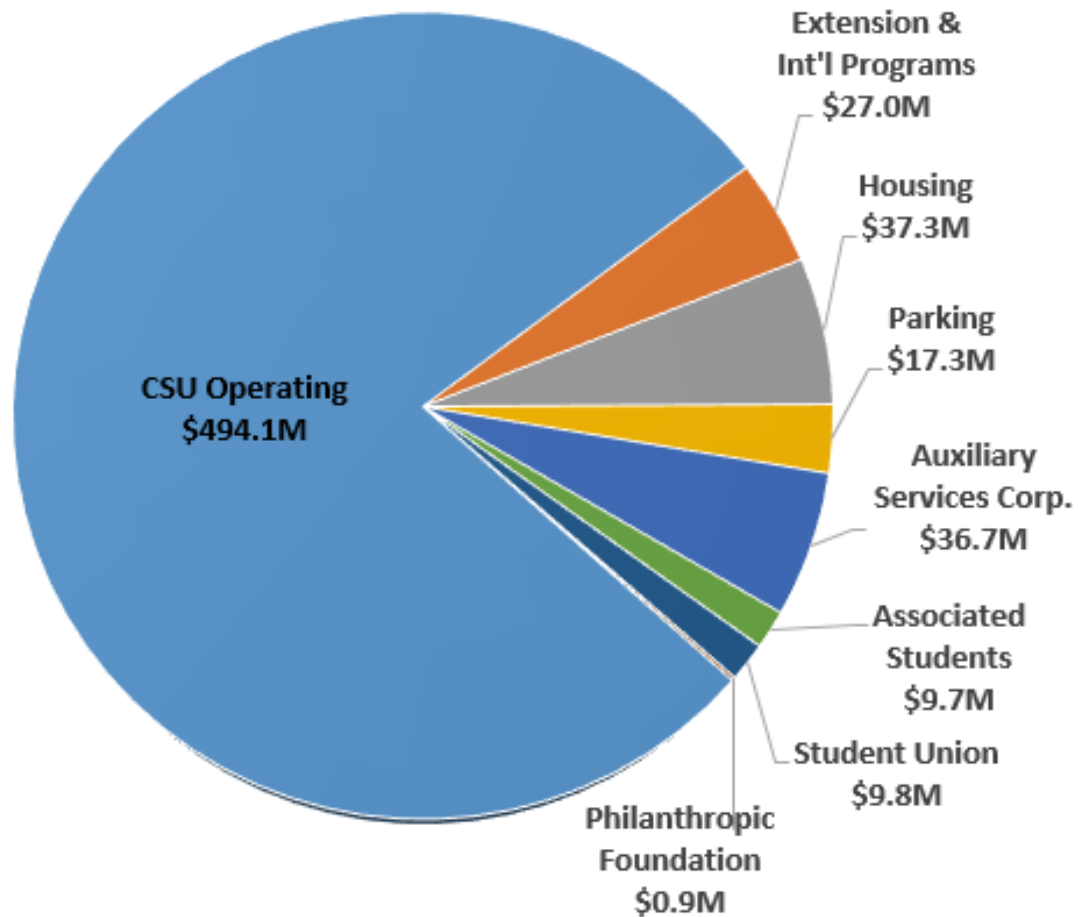
Revenue



Expenditure



# FY 2019-20 Budget Consolidated (\$632.8M)



# FY 2019-20 Core Operating Funds (Thru Q3)

Division	Baseline Budget	Revised Budget	Expenditures (3rd Quarter)	Balance
Academic Affairs	158,774,892	254,651,220	199,620,280	55,030,939
Administration and Finance	23,965,010	41,735,424	38,217,803	3,517,622
HRDI	5,377,275	7,588,214	6,540,199	1,048,014
Information Technology	16,997,624	24,122,604	21,590,420	2,532,184
President	1,847,149	2,699,132	1,630,155	1,068,977
Student Affairs	24,513,447	60,261,856	35,933,509	24,328,348
University Advancement	8,514,040	15,929,146	11,745,439	4,183,708
University-Wide	220,335,202	185,766,691	88,063,765	97,702,926
<b>Total</b>	<b>\$ 460,324,641</b>	<b>\$ 592,754,287</b>	<b>\$ 403,341,569</b>	<b>\$ 189,412,718</b>

Spent to date: 68%

# FY 19-20 and 18-19 Expenditures

Expenditure Category	FY 2019-20 (3rd Qtr)	FY 2018-19 (3rd Qtr)	Change (%)	FY 2018-19
Salaries and Wages	182,240,897	173,822,543	4.8%	230,915,897
Work Study	228,772	309,845	-26.2%	323,110
Benefits	94,161,495	88,113,304	6.9%	117,125,326
Communications	941,585	604,981	55.6%	893,215
Utilities	6,595,183	7,319,806	-9.9%	6,917,029
Travel	793,379	937,965	-15.4%	1,654,890
Library Acquisitions	2,175,070	1,465,827	48.4%	2,174,808
Financial Aid	57,716,675	54,351,002	6.2%	56,295,192
Contractual Services	3,079,218	2,651,630	16.1%	3,853,375
Information Technology	10,377,793	7,291,989	42.3%	12,444,394
Equipment	849,672	556,308	52.7%	1,395,265
Misc. Operating Expenses	44,181,829	34,605,346	27.7%	58,152,227
<b>Total</b>	<b>\$ 403,341,569</b>	<b>\$ 372,030,545</b>	<b>8.4%</b>	<b>\$ 492,144,728</b>

# FY 2019-20 Projected Year-End Balance

<b>Division</b>	<b>Amount</b>
Academic Affairs	7,765,351
Administration & Finance	1,999,037
Human Resources	(624,856)
Information Technology	(1,458,481)
Office of the President	9,915
Student Affairs	11,859,704
University Advancement	772,710
University-Wide	49,250,000
<b>Total</b>	<b><u>\$ 69,573,380</u></b>

**CSU Guidelines for Reserves \$230M**



# **COVID19 Impact on 2020-21**

# COVID19 Ramifications

- State Budget Process
- State Budget (vis-a-vis Income Tax Revenues 2019-2020)
- CSUF Implications

# State Budget Process for 2020-21

- May Revise – not informative
- Income Tax Deadline Postponed – July 15, 2020
- Nominal Budget Adoption (per statute) – June 15 (midnight)
- Real Budget Adoption – August, September?

# State Budget for 2020-21

## Governor's January Preliminary Budget for CSU \$199M

### Subsequent COVID Impacts:

- *Estimated 2019-20 Revenues Shortfall (due to economy) - \$8B to \$20B*
- *Projected statewide COVID expenses - \$8B (50% potential recovery from Feds)*

### Positives:

- *Budgets Structurally in Better Shape Relative to 2008*
- *Relatively Strong Reserve Balance – Rainy Day Fund \$20B*

### Writing on the Wall

- *Revenue shortfall under which January Preliminary Budget was proposed*
- *\$199M not tenable*
- *Possible further budget and enrollment reduction*

# January Preliminary Budget for 2020-21

Governor's Preliminary Budget: \$199.0M

Estimated CSU Preliminary Allocations: \$12.8M

Budget Categories	CSU	Fullerton
Salary Increase	\$88.5	\$6.1
Health and Retirement Increase	\$20.1	\$0.9
Non targeted (including GI2025)	\$90.4	\$5.8

# Possible Budget Ramifications

- Budget Reductions
- Furloughs (System-wide decision)
- Salary Reduction
- Enrollment Reduction (double edge sword)
- ???

# Additional Budget Implications: CSUF 2020-21

## COVID-19 Campus Projected Losses

Non-Auxiliary/Enterprise Campuses Losses to be Determined

University Fund/Unit	Projected COVID-19 Revenue Loss
Operating Fund	TBD
Housing & Residential Engagement	7,270,234
Parking & Transportation Services	4,700,460
Extension and International Programs (EIP)	49,200
Associated Student Inc.	1,014,280
CSUF Auxiliary Services Corporation (ASC)	4,154,772
Philanthropic Foundation	206,000
Other (Athletics/Miscellaneous Trusts)	464,745
<b>Total Projected Loss</b>	<b>\$17,859,691</b>

# CARES Act

- CSU - \$525,326,834
- CSUF - \$41,021,512
  - Student Aid/Grants \$20,510,756
  - Institutional Grant \$20,510,756



## March Bond Measure (Prop 13)

- Science Lab/Surge Building Seismic \$84M
- McCarthy Hall Life Safety \$25M
- DM \$10M

**The End**