

Presentation to the PRBC

Danny C. Kim

Vice President for Administration and Finance/Chief Financial Officer

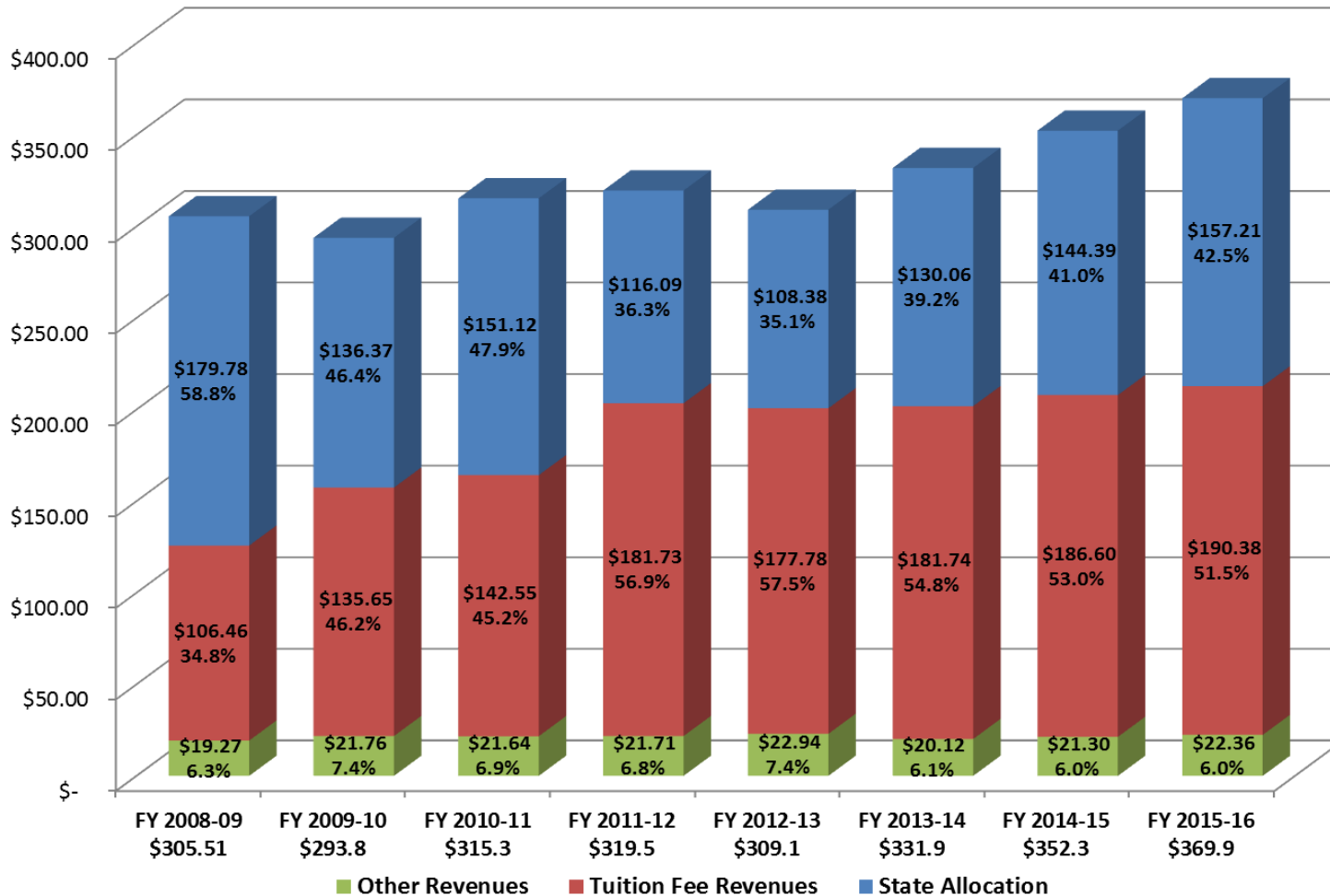
November 20, 2015



CALIFORNIA STATE UNIVERSITY
FULLERTON[™]

State Operating Fund (Millions\$)

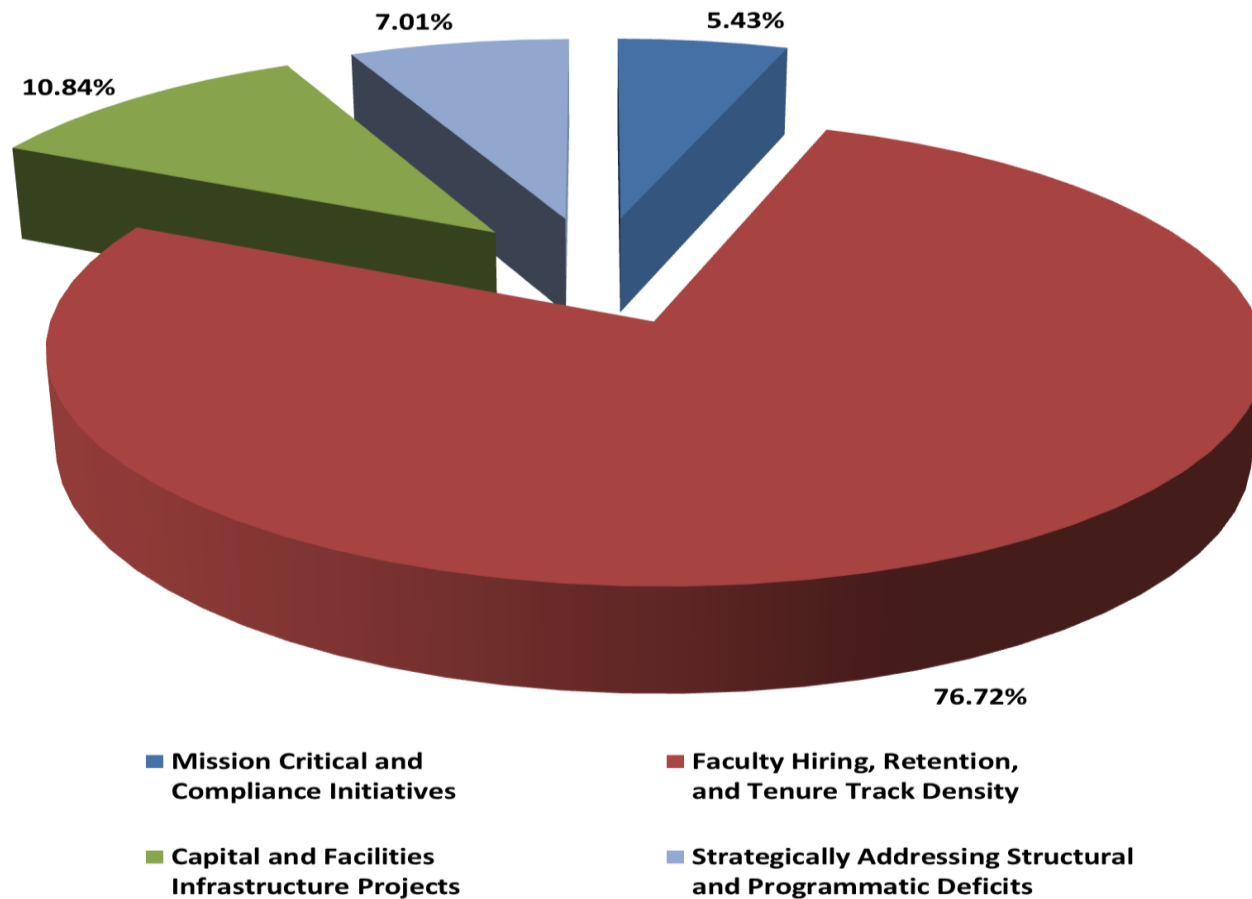
CSUF State Operating Fund
Sources of Revenue
FY 2008-09 to FY 2015-16
(Millions \$)



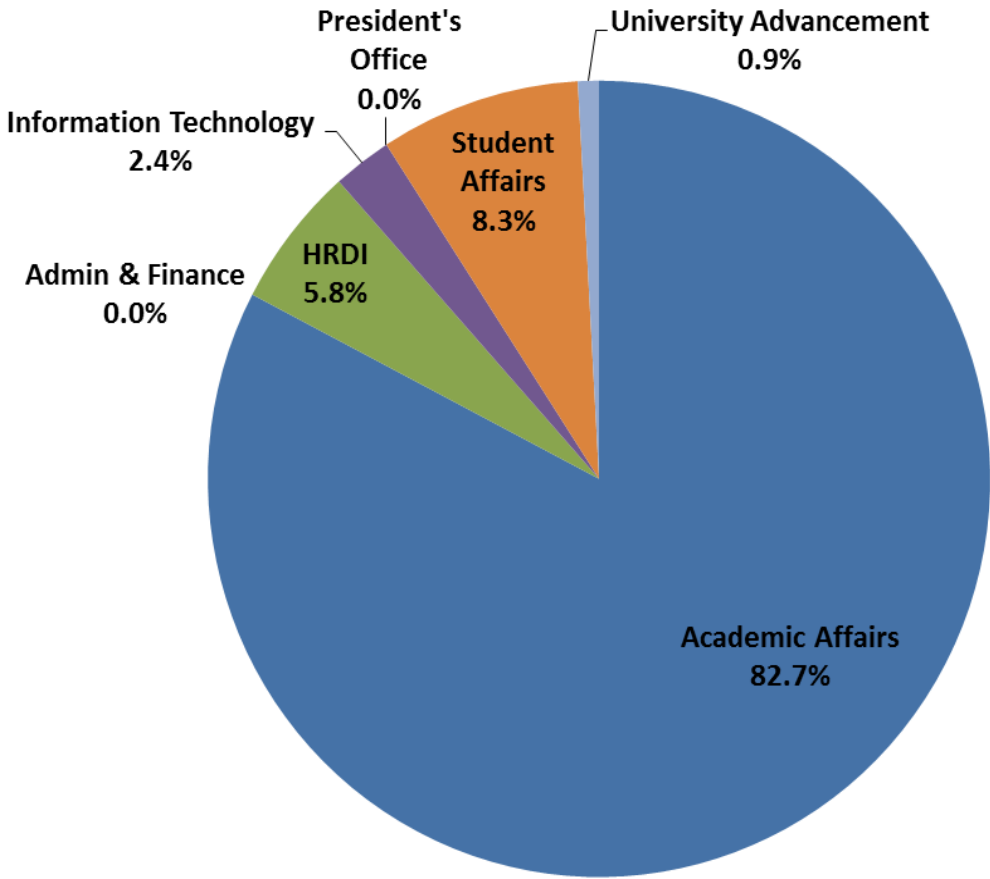
PRBC Recommendations

- Compliance with Title IX & Cleary Act Requirements
- Faculty Equity Program
- Continue to Hire Tenure Track Faculty (2nd Year of 150 Tenure Track Faculty Hiring Program)
- Improve Tenured Track Faculty Density
- Improve Professional Development Experience of Contingent Faculty
- LOFT (Library of the Future) Project
- Increase the Number of High Quality and Diverse Staff
- Address Deferred Maintenance
- Address Structural Deficits
- College Park Lease Obligations
- Narrow Achievement Gap
- Expand Strategic Planning Budget Allocation From 4 to 7

Allocation of New Baseline Funds by PRBC Category



% Allocation of New Funds by Division



■ Academic Affairs ■ Admin & Finance ■ HRDI ■ Information Technology ■ President's Office ■ Student Affairs ■ University Advancement

Governor's Multi-Year Budget Plan

For CSU:

- \$125.1 million in FY 2013-14
 - \$142.2 million in FY 2014-15
 - \$119.5 million in FY 2015-16
 - \$139.4 million in FY 2016-17
-
- One condition of the plan is that there would be no tuition increases during this period.

CSU 2015-16 Support Budget Plan

Approved by the State

Student Success & Completion Initiatives	\$38.0 m
3% Funded Enrollment (10,400 FTES)	103.2 m
2% Compensation Pool	65.5 m
Academic Facilities & Infrastructure	25.0 m
Information Technology Renewal	14.0 m
Mandatory Costs (employee benefits, new space maint.)	23.1 m
Center for California Studies	0.2 m
<hr/>	
Total Ongoing Expenditure Increase	\$269.0 m
Net Tuition Fee Revenue Adjustments	(52.5 m)
State's Share of costs	<u>\$216.5 m</u>

CSU FY 2016-17 Support Budget Preliminary Plan

Proposed Incremental Increase in Expenditures:

• Mandatory Costs (health benefits, pensions, & new space maintenance)	\$46.0 m
• 2% Compensation Pool	68.0 m
• 3% Funded Enrollment Growth	106.0 m
• Student Success and Completion Initiatives	50.0 m
• Facilities and Infrastructure Needs	25.0 m

Total Ongoing Expenditure Increase	\$295.0 m
---	------------------

CSU 2015-16 New General Fund Allocations

	<u>System-wide *</u>	<u>CSUF</u>	<u>%</u>
Student Success & Completion Initiatives	\$20.00 m	\$1.02 m	5.10%
3% Funded Enrollment (10,400 FTES)	58.40 m	3.24 m	5.54%
2% Compensation Pool	31.28 m	2.13 m	6.81%
Health Benefit	10.80 m	.80 m	7.40%
Other Mandatory Costs/Adjustments	5.80 m	.70 m	1.20%

Notes:

- FY 2015-16 System-wide Total General Fund Allocation \$2,383,493,571
- Campus share of System-wide total General Fund Allocation \$157 m, 6.60%

* Net of Campus Tuition Fee Revenue

Beyond 2015-16

- Sustainable Financing Model
- Capital Financing Authority
- Deferred Maintenance

- El Niño
- Baseline Needs on One-Time

Fiscal Year Annual Budget

	FY 15/16	FY 14/15
CSU Operating	371,274,536	364,908,380
Continuing Education (CERF)	28,693,009	28,000,000
Housing	26,914,896	25,062,894
Parking	12,878,439	12,822,262
ASC*	35,906,493	37,178,421
CSUF Philanthropic Foundation	565,000	597,000
Associated Students	8,876,397	8,086,231
Student Union	8,601,436	7,933,717
Total University Budget	\$ 493,710,206	\$ 484,588,905

*ASC Budget (reflects budgeted revenue from commercial operations and does not include income sources from campus programs, University Extended Education Tuition and Grants & Contracts).

Proposition 30 Implication to CSU Budget

- The State Sales tax increases sunsets January 1, 2017
- Personal income tax increase sunsets January 1, 2019
- Total Revenues – approx. \$6B

FY 2015-16 Commitments

	<u>Baseline</u>	<u>One-Time</u>	<u>Total</u>
	<u>\$16,595,600</u>	<u>\$23,161,448</u>	<u>\$39,757,048</u>
Off the Top/Mandatory Costs			
Retirement	\$4,768,000		4,768,000
Health Benefit	814,000		814,000
Space Funding	743,000		743,000
Campus/CO Programs (Desert Studies)	25,000		25,000
2014-15 Compensation Adjustment	75,600		75,600
2015-16 Compensation Increase Pool	2,133,000		2,133,000
Tuition Discount	658,000		658,000
Over Enrollment Instruction		6,112,230	6,112,230
University Marketing and Outreach		851,000	851,000
Subtotal Mandatory Costs	<u>\$9,216,600</u>	<u>\$6,963,230</u>	<u>\$16,179,830</u>
Net Available	<u>\$7,379,000</u>	<u>\$16,198,218</u>	<u>\$23,577,218</u>

Summary of 2015-16 Budget Allocation

	<u>New Baseline</u>	<u>One-Time</u>	<u>Total</u>
Mission Critical and Compliance Initiatives	\$400,435	\$253,600	\$654,035
Faculty Hiring, Retention, and Tenure Track Density	5,661,133	3,918,512	9,579,645
Capital and Facilities Infrastructure Projects	800,000	5,000,000	5,800,000
Operationalization of the University's Strategic Plan		246,000	246,000
Instructional and Support Infrastructure		933,609	933,609
Core Operations critical to Advance Institutional Mission		5,417,797	5,417,797
Strategically Addressing Structural and Programmatic Deficits	<u>517,432</u>	<u>428,700</u>	<u>946,132</u>
Total	<u>\$7,379,000</u>	<u>\$16,198,218</u>	<u>\$23,577,218</u>