

**CALIFORNIA STATE UNIVERSITY, SAN  
BERNARDINO**

# **BUDGET OPEN FORUM**

**October 17, 2022**



Dr. Tomás D. Morales  
President

# CURRENT FOCUS



CSUSB

WE DEFINE THE *Future*

# CAMPUS PRIORITIES

## Strategic Plan 2023-2028

- ✓ Student Success
- ✓ Faculty and Staff Success
- ✓ Diversity, Equity, and Inclusion (DEI)
- ✓ Internationalization

# CAMPUS PRIORITIES – CONT.

## Workforce Investment

- ✓ Investment in Newly Established Human Resources Division
- ✓ Professional Development Opportunities
- ✓ Fair & Competitive Compensation
- ✓ Hybrid Work Schedule
- ✓ Enhanced Communications

# CAMPUS PRIORITIES – CONT.

## Capital Projects

- ✓ Performing Arts Center, opening Fall 2024
- ✓ PDC Student Services Building, ground-breaking 2025
- ✓ MSPA Program Yasuda Center Space Renovation
- ✓ Baseball and Softball Design Development
- ✓ Flood Remediation and Reconstruction

# PANDEMIC SUPPORT TO STUDENTS & BEYOND

## Technology

- ✓ Laptops - \$1.8M
- ✓ Mobile Hotspots & Service- \$316K

# PANDEMIC SUPPORT TO STUDENTS & BEYOND – CONT.

## Financial Assistance

- ✓ HEERF Funds - \$63.4M
- ✓ Institution - \$1.8M

# PANDEMIC SUPPORT TO STUDENTS & BEYOND – CONT.

## Student Basic Needs

- ✓ Food/Housing Insecurities - \$535K
- ✓ FY 2022-23 General Fund Allocation - \$479K





# FY 2022-23 BUDGET COMPONENTS

## FY 22-23 Budget Priorities

- ✓ Mandatory Costs (\$23M)
- ✓ Mission Critical & Operations (\$3.3M)
- ✓ Faculty Investment (\$3.1M)
- ✓ Existing Agreements and MOUs (\$2.7M)
- ✓ Foster Youth Program (\$486,000)
- ✓ Student Success (\$2.4M)
- ✓ Campus Reserve (\$1.2M)
- ✓ Various Projects & Programs (\$1.8M)
- ✓ Efficiency & Productivity (\$1.4M)

# FY 2022-23 BUDGET COMPONENTS – CONT.

## Revenue Challenges

- ✓ Low Tuition & Fee Revenues generated in FY 21/22 due to lower enrollment
- ✓ FY 22/23 Revenues depending on actual FTES
- ✓ Strategic Resident Enrollment Growth

# FY 2022-23 BUDGET COMPONENTS – CONT.

## Mandatory Costs in FY 22-23 & Beyond

- ✓ Retirement Benefit Cost increases are significant
- ✓ Health Cost increases are significant in FY 22-23 and also a projected higher cost in FY 23-24
- ✓ Insurance Premium Increases
- ✓ Utility Cost Increase

Dr. Samuel Sudhakar

Administrator In Charge - Division of Administration & Finance

# BUDGET UPDATE

# HIGHER EDUCATION EMERGENCY RELIEF FUND (HEERF)

- ✓ CSUSB Received the following allocations:

Fund	Student Aid	Institutional	Minority Serving Institutions Grant	Total
HEERF I	\$13.1M	\$13.1M	\$1.9M	\$28.1M
HEERF II	\$13.1M	\$29.3M	\$2.6M	\$45.1M
HEERF III	\$37.1M	\$36.9M	\$4.4M	\$78.5M
<b>Totals</b>	<b>\$63.4M</b>	<b>\$79.4M</b>	<b>\$8.9M</b>	<b>\$151.7M</b>

- ✓ CSUSB contributed \$1.8M to help students who were not eligible under HEERF I

# HIGHER EDUCATION EMERGENCY RELIEF FUND (HEERF)

- ✓ The Student Aid Portion was distributed 100% to students directly
- ✓ The Institutional Portion(including MSI=\$88.3M) was distributed as follows:

Reimbursement (Institutional)	Amount
Revenue Loss - Institutional and Self-Support	49,469,081
Expense - Divisions and Auxiliaries	21,658,338
IDC (overhead costs)	<u>9,967,144</u>
<b>Total Reimbursement</b>	<b>81,094,563</b>

- ✓ The remaining balance of \$7.2M is reserved to provide financial relief to students who are on track to graduate and support re-enrollment efforts

# CSUSB FUNDING SOURCES

## Operating

- State Appropriation
- Tuition & Fees
- Misc. Chargeback Revenue
- EO1000 Cost Recovery

## Trust Funds

- Misc. Course Fees
- Misc. Revenue
- Instruction Related Activities (IRA)

## Student Success

- Student Success Fee

## Lottery

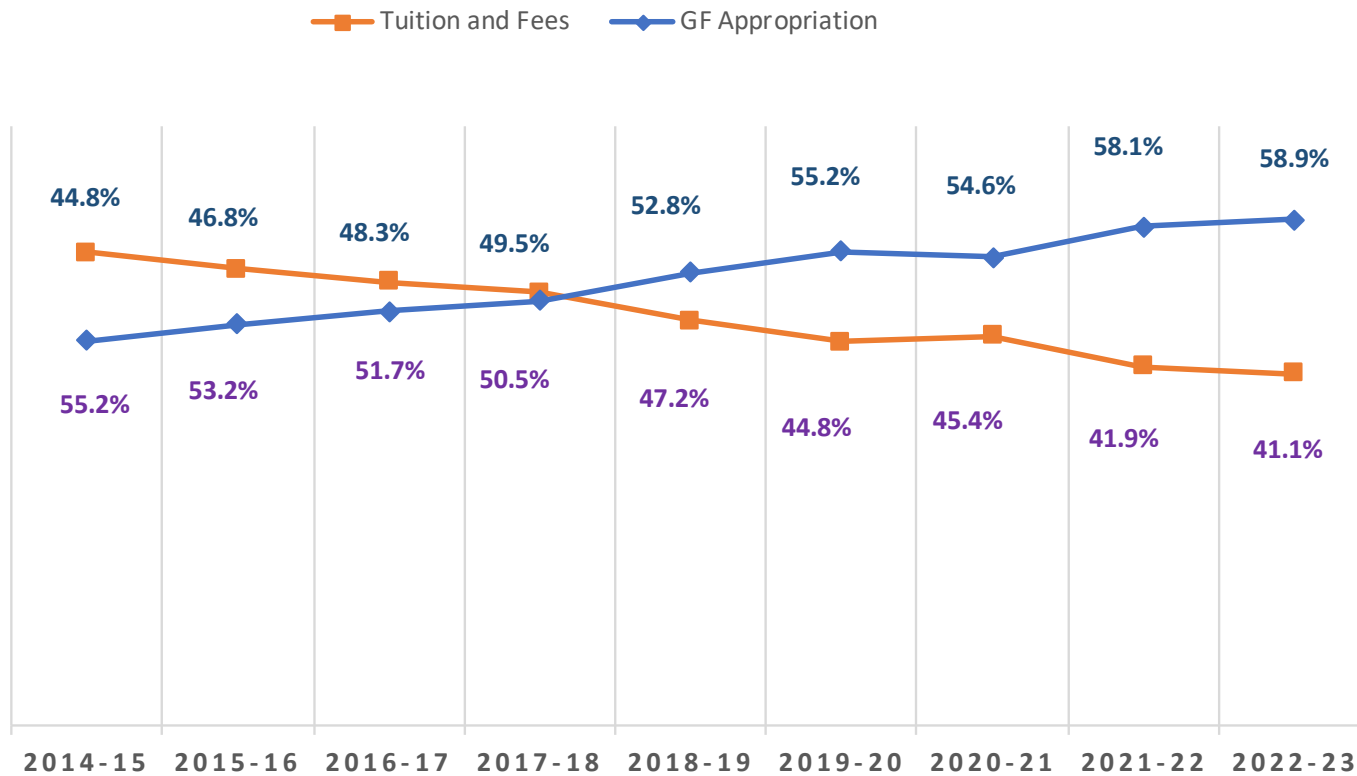
- Campus Based Allocations
- CO Initiatives

## Other Sources

- Housing
- Parking
- CEGE
- Health Services
  
- ASI
- SMSU
- UEC
- Philanthropic
  
- Construction
- Deferred Maintenance



# CSUSB GF Appropriation and Tuition Fee Revenue Funding Split Trend



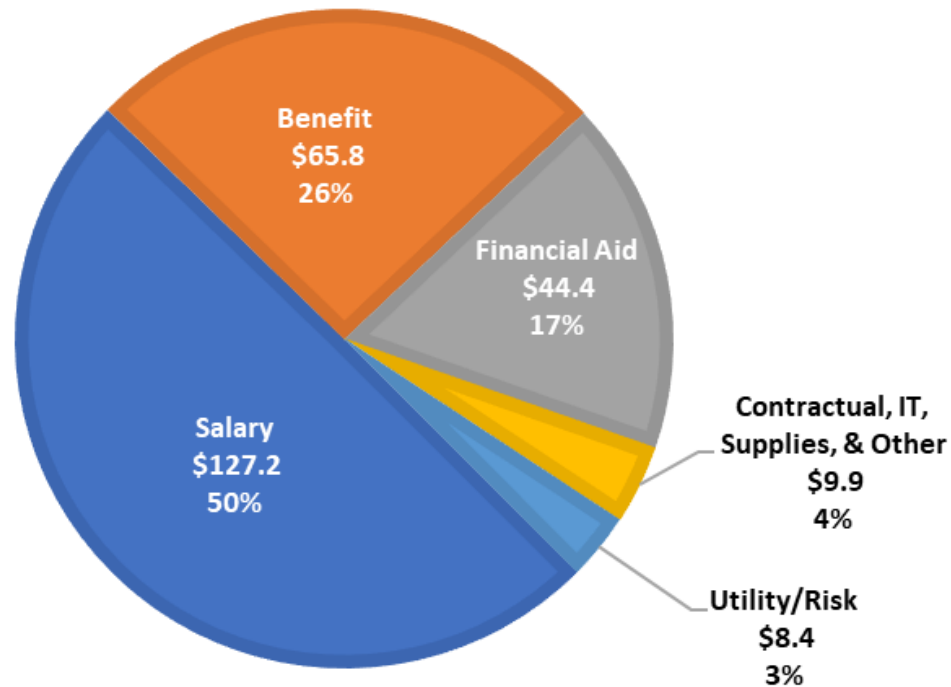


# CSUSB OPERATING FUND EXPENDITURES FY 21/22

Total Expense: \$255,844,077

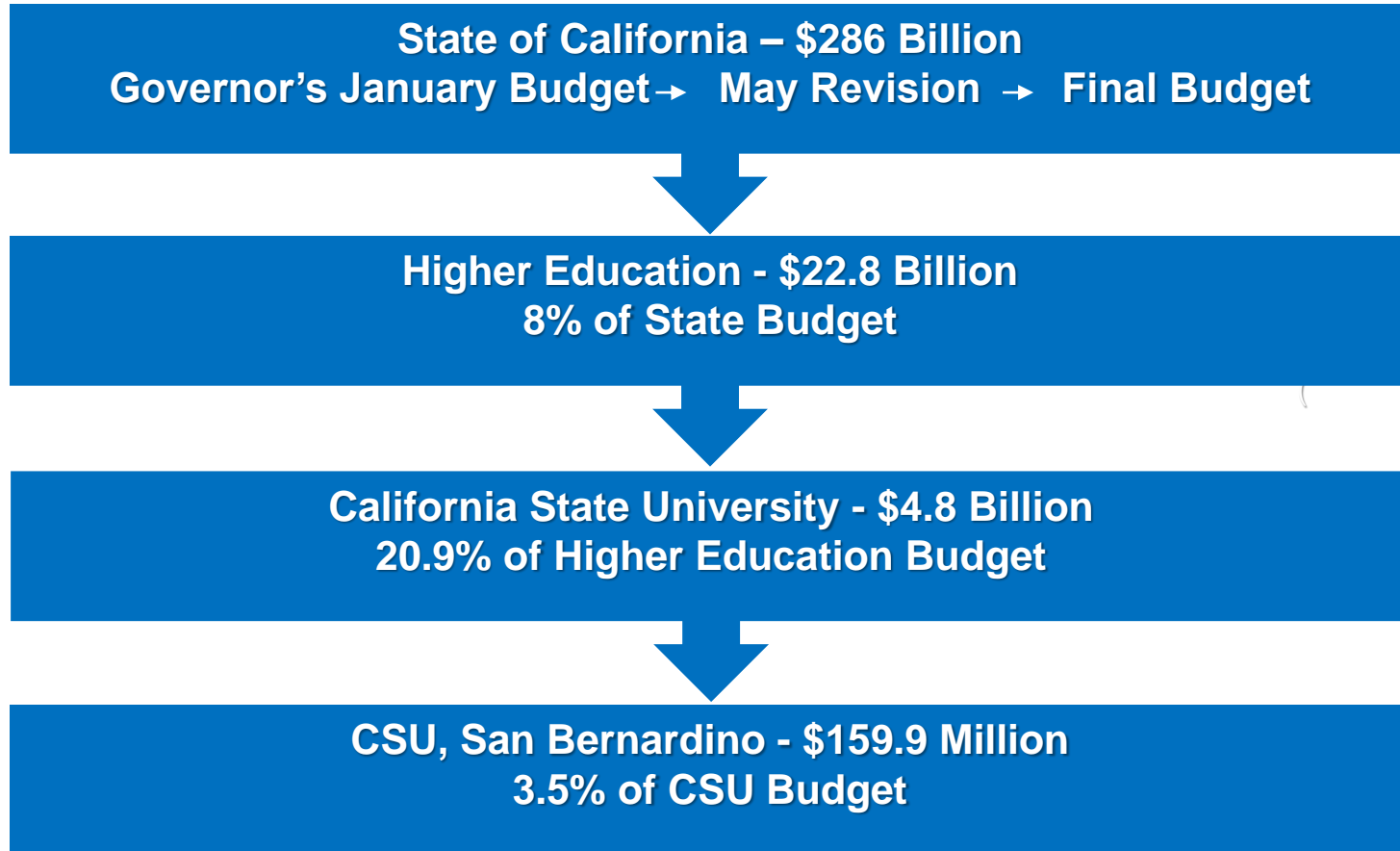
Staff, Faculty & Student Costs = 93%

*In Millions*



# STATE BUDGET ALLOCATION

FY 2022-23 Allocations



# FISCAL YEAR 22-23 ENACTED BUDGET

Governor's budget included CSU's commitment toward achieving the following goals through a multi-year compact

- ✓ Increasing access to the CSU: Beginning in 2023-24 and through 2026-27, increasing California resident undergraduate enrollment by approximately one percent per year
- ✓ Improving student success and advancing equity
- ✓ Increasing the affordability of CSU education
- ✓ Increasing intersegmental collaboration to benefit students
- ✓ Supporting workforce preparedness and high-demand career pipelines
- ✓ Providing access to online course offerings

# FISCAL YEAR 22-23 ENACTED BUDGET

## Base Budget CSUSB Impact

- ✓ \$11,642,000 base budget increase
- ✓ \$5,346,000 base enrollment growth (600 FTES) of 2.5%
- ✓ 5-year compact (2022-23 through 2026-27)
- ✓ Graduation Initiative: An increase of \$1,704,000  
*One-time allocation in FY 22-23 & will be added to baseline in FY 23-24*
- ✓ Basic Needs: An increase of \$479,000 for the Basic Needs components of GI 2025  
*One-time allocation in FY 22-23 & will be added to baseline in FY 23-24*
- ✓ Foster Youth Student Support: \$486,000
- ✓ Asian American, Native Hawaiian, and Pacific Islander Student Achievement Prog: An increase of \$ 8 million
- ✓ Project Rebound: An increase of \$8 million

# CSUSB OPERATING FUND SOURCES

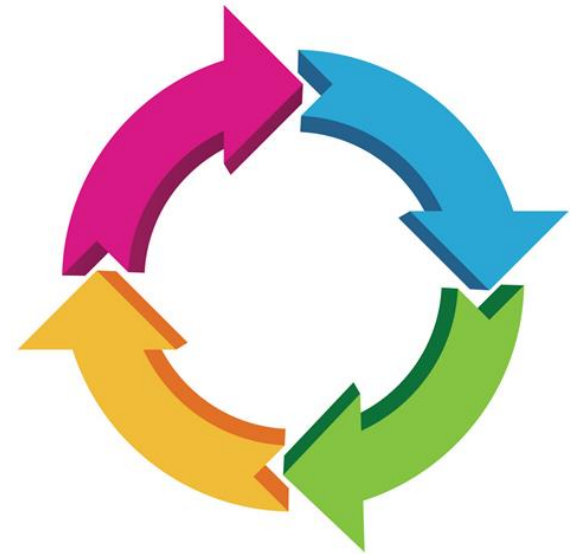
## One-time CSUSB Impact

- ✓ Student Services Building project at Palm Desert Campus: \$79,000,000
- ✓ Master of Science in Physician Assistant (MSPA) program: \$10,000,000
- ✓ HVAC Controls Replacement: This project is for outdated pneumatic controls systems that will be replaced with digital controls: \$1,500,000.
- ✓ Campus Building Weatherproofing: This project will replace campus building weatherproofing, improving building performance and generating energy savings: \$2,200,000.



# CSU BUDGET CYCLE

- ✓ CSU Budget Request to Board of Trustees (Sept)
- ✓ Governor's Budget Proposal (Jan)
- ✓ Legislative Hearings (Feb-May)
- ✓ Governor's May Revision
- ✓ Final State Budget (June)
- ✓ Allocations Made to Campuses (July)

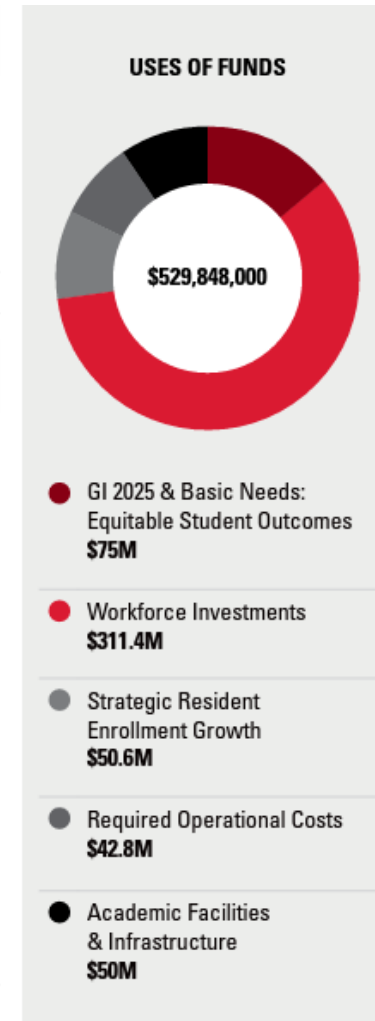


# CSU 2023-24 OPERATING BUDGET REQUEST

Source: CSU Chancellor's Office

SOURCES OF FUNDS	WITHIN COMPACT	ABOVE COMPACT	BUDGET REQUEST
<b>Incremental New Revenue</b>			
State General Fund: Compact	\$227,302,000		\$227,302,000
Tuition from Strategic Resident Enrollment Growth	16,068,000		16,068,000
State General Fund: Above Compact		\$286,478,000	286,478,000
<b>TOTAL NEW SOURCES</b>	<b>\$243,370,000</b>	<b>\$286,478,000</b>	<b>\$529,848,000</b>

USES OF FUNDS	WITHIN COMPACT	ABOVE COMPACT	BUDGET REQUEST
<b>Incremental New Expenditures</b>			
GI 2025 & Basic Needs	\$30,000,000	\$45,000,000	\$75,000,000
<b>Workforce Investments</b>			
Faculty & Staff Compensation Pool	92,466,000	168,444,000	260,910,000
Health Premium Increases	50,524,000		50,524,000
Academic Facilities and Infrastructure		50,000,000	50,000,000
Strategic Resident Enrollment Growth	50,648,000		50,648,000
<b>Required Operational Costs</b>			
Maintenance of New Facilities	6,032,000		6,032,000
Liability and Property Insurance Premium Increases	13,700,000		13,700,000
Inflation on Non-Personnel Costs		23,034,000	23,034,000
<b>TOTAL NEW USES</b>	<b>\$243,370,000</b>	<b>\$286,478,000</b>	<b>\$529,848,000</b>



# FINANCIAL TRANSPARENCY PORTAL

Updated monthly, **OpenBook** is a financial transparency website which displays CSUSB's finances over a multi-year period. There are several "visualization tiles" available that allow the user to explore various aspects of CSUSB's finances as follows:

- ✓ View financial data from various university activities in graphical format.
- ✓ View budget/revenue from various sources and how it is expended by fund, division, department or activity type.
- ✓ View historical budget/revenue and expenditure trends over time.

<https://www.csusb.edu/budget/fiscal-information/financial-transparency-portal>





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