



Fiscal Year 2023-24 Self-Support Budget Review

College of Extended & Global Learning (CEGE)

Health & Counseling Center

Department Of Housing & Residential Education (DHRE)

Parking and Transportation Services

Associated Students, Incorporated (ASI)

CSUSB Philanthropic Foundation

Santos Manuel Student Union (SMSU)

University Enterprise Corporation (UEC)



Administration and Finance
University Budget Office

DATE: February 21, 2024
TO: Sesar Morfin, AVP Admin & Finance
Sam Sudhakar, Vice President & Chief Financial Officer,
Finance, Technology & Operations
Tomás D. Morales, President
FROM: Homaira Masoud, Executive Director of Budget and Resource Management
RE: FY 23-24 Auxiliary and Enterprise (Self-Support) Fund Budgets

Enclosed for your review and approval are the 23-24 Auxiliary and Enterprise Fund (Self-Support) budgets and the budget review for the entities listed below:

- College of Extended & Global Education
- Student Health Center and Counseling & Psychological Services
- Housing & Residential Education
- Parking & Transportation Services
- Associated Students, Inc.
- Philanthropic Foundation
- Santos Manuel Student Union and Recreation & Wellness
- University Enterprises Corporation

The Budget Office will communicate back to the self-support entities once the budgets are approved.

Enclosures

Reviewed: Sesar Morfin Feb 21, 2024
Sesar Morfin, AVP Admin and Finance Date

Samuel Sudhakar Feb 21, 2024
Sam Sudhakar, Vice President & Chief Financial Officer Date

Approved: Tomás D. Morales 2/26/24
Tomás D. Morales, President Date

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Operational Overview

Professional and Continuing Education (PaCE) (also known as “special sessions” or as “continuing education” per Article 1, EO 1099) provides an increasingly broad spectrum of educational services to public and private agencies, as well as to individuals who seek advanced educational training to help them increase their occupational competency or to otherwise enrich their lives. Courses and programs include both credit and non-credit instruction and may be administered through the PaCE Local Trust Fund. Participants do not need to be matriculated students.

California State University, San Bernardino's PaCE delivers online degrees, certificates, and individual courses. Programs are offered in business, technology, education, criminal justice, sociology, psychology, social work, cybersecurity, management, and several other fields. CSUSB's PaCE also offers lifelong learning opportunities ranging from high school to college, and from career to retirement.

Financial Performance

FY 22/23 Budget vs. Actual

Since Summer Instructions moved from CEGE to the stateside in 2023, CEGE collected the partial Summer and Early Start revenue. Due to the decrease in revenue/cash, the investment earnings went down as well. CEGE received a total of \$1.7 million from the state for MSPA program and insurance claims for the flood damage. The overall actual revenue was 16% below the budgeted level.

In FY 22/23, actual salary & benefit expenses were 3% higher than the budget stemming from salary and benefit expenses for two deans' salaries. The increases were offset by vacancies. The overall expenses increased by 5%, except for the Chancellor's Office overhead costs.

Although the total revenue was below the budgeted amount, the expenses remain high for operations. In combination with debt service payment and Campus Partners revenue sharing, CEGE incurred a deficit of \$1 million in operations.

FY 23/24 Budget

The total budgeted revenue is 33% below the FY 22/23 revenue as summer instructions were moved to the Stateside. The student fee revenue from the regular session and the Winter Intersession are projected at 3% higher than FY 22/23.

The overall expense budget is 53% lower than FY 22/23 resulting from Summer session expense reduction by 100%. The salary and benefit budgets are 2% higher than FY 22/23 expenses. The OE&E budget for equipment, maintenance & repair, Winter intersession, as well as the Chancellor Office's charges are higher than the FY 22/23 expenses.

Reserve

CEGE is projecting Retained Earnings of \$11.7 million for FY 23/24, which is comprised of carry-over Retained Earnings of \$11.9 million, in combination with Debt Service budget of \$1.9 million and the Campus Partners revenue sharing of \$800,000.

CEGE designated its reserve for program development, future debt service payments, facilities maintenance and repair, encumbrance, and economic uncertainty.

In FY 23/24, the Debt Service Coverage Ratio (DSCR)¹ for CEGE is projected to be 1.35.

¹ The Debt Service Coverage Ratio (DSCR) for the debt program must be 1.1 or higher. The DSCR for all debt programs of the campus on a combined basis must be 1.35 or higher.

CALIFORNIA STATE UNIVERSITY, SAN BERNARDINO
AUXILIARY/ENTERPRISE BUDGET PLAN
2023-2024

Area College of Extended & Global Education

	2022/2023 Approved Budget	2022/2023 Actuals	2023/2024 Projected Budget
Operating Revenues			
Student Fees	7,850,000	7,639,833	7,869,028
Summer Session	10,255,000	5,794,741	-
Winter Intersession	1,123,588	1,263,481	1,301,385
Early Start/CFS	230,000	113,011	-
Interest Earnings	235,045	108,399	111,651
Other (Including HEERF)	50,000	1,637,719	-
MSPA/Flooding Insurance Claim	-	-	1,772,374
Total	19,743,633	16,557,184	11,054,438
Operating Expenses			
CEGE Salaries and Benefits	3,328,000	3,470,207	3,495,333
CEGE Instructors Salaries and Benefits	1,795,033	1,801,231	1,891,292
Other Operating Expenses	1,300,000	1,334,843	1,401,585
Equipment (Instructional, Furniture, IT, etc.)	25,000	26,766	28,105
Summer Session Expenses	8,977,844	9,356,670	-
Winter Intersession Expenses	472,127	555,017	582,768
Early Start/Coyote First Step Expenses	259,023	492,616	-
Cost Recovery-University	571,892	569,898	567,617
State Pro-Rata	180,000	127,766	294,139
Chancellor Office Charges	115,000	115,542	173,802
Maint/Repair	52,000	61,721	64,807
Total	17,075,919	17,912,277	8,499,448
Net Operating Income			
	2,667,714	(1,355,093)	2,554,990
Debt Service			
Annual Debt Service Payments <i>(if applicable)</i>	1,892,918	1,887,324	1,891,913
Debt Coverage Ratio			
	1.41	(0.72)	1.35
Transfers In/Out			
To Maintenance & Repair	250,000	-	-
To Campus Partners	800,000	436,898	800,000
Same CSU Fund-Summer/Winter Revenue Share	(500,000)	(2,667,751)	-
Total Revenue Balance			
	224,796	(1,011,565)	(136,923)
Operating Reserves			
Prior-Year Retained Earnings	12,885,033	12,885,033	11,873,468
Current Year Reserve	224,796	(1,011,565)	(136,923)
Total Net Reserve-Operating			
	13,109,829	11,873,468	11,736,545

Operational Overview

Campuses are required to collect mandatory health services fees charged to all students. The **health services fee** is intended to provide funding for basic health services to students. Augmented health services fees are those services offered by the Student Health Center that are elective or specialized in nature and not included in the basic health services provided by a campus.

The health care providers at the CSUSB Student Health Center provide health care to university students. The staff consists of Primary Care Physicians, Physician Assistants, Nurse Practitioners, Psychiatrists, and Nursing staff. Services are designed to promote health and provide support for students as they achieve their academic goals.

Financial Performance

FY 22/23 Budget vs. Actual

In FY 22/23, the overall revenue was 2% below the budgeted amount. The decrease was attributable to lower Academic Year enrollment, lower investment earnings and higher waivers provided. In contrast, the summer revenue was higher.

The overall expenses in FY 22/23 were 5% below the budgeted expense. It was a deliberate effort by the Health Center to reduce its expenses in FY 22/23 to mitigate the budget deficit. Management and Counselor's salary costs were below the budgeted amount due to a delay in the hiring process. Expenses were below the budgeted amount for supplies, contractual services, communications, financial aid fees, and other miscellaneous costs. However, the staff salaries and related benefit expenses went up because of the implementation of General Salary Increases (GSI). Additionally, costs associated with travel, equipment, IT hardware and software were higher than the budgeted amounts.

FY 23/24 Budget

CSUSB has implemented a fee increase of \$221 per semester from \$143 per semester effective Fall 2023. A 20% revenue increase incorporated in the FY 23/24 budget, which also included an increase in investment earnings.

In FY 23/24, there is a 30% overall increase for budgeted expenses. Vacant positions for MPP, Counselor, and staff will be filled in FY 23/24. Temporary positions will be replaced by permanent hires. Also, the budgets for supplies, contractual services, travel, staff professional development, and other operating items will increase for the long-awaited Health Center needs.

Reserve

Health Center is projecting a fund balance of \$618,000 on June 30, 2024, incorporating a carry-over Retained Earnings of \$518,000 and the budget year net revenue of \$100,000. The fund balance is designated for the Health Center's outstanding commitments.

Health Center Fee

CSUSB charges a mandatory Health Center fee to all students. FY 22/23 Academic Year Health Center rate was \$30 and the 23/24 rate is \$31 with HEPI increase.

In FY 22/23, the overall revenue was 15% below the budgeted amounts as the enrollment level was not achieved as projected. The expenses were 15% below the budgeted level as the Chancellor's Office overhead rate and the State charges were below the budgeted amounts.

For FY 23/24, the overall revenue is projected at 3% above the FY 22/23 revenue and the budgeted expenses are 3% higher than the FY 22/23 expenses.

Reserve

The FY 23/24 fund balance is projected at \$4.5 million on June 30, 2024. This fund balance is a combination of \$161,000 budget year net revenue and the prior year carry-over Retained Earnings of \$4.3 million. The fund balance is designated for equipment acquisition, future debt service payments, facilities maintenance and repairs, outstanding commitments, catastrophic events, and economic uncertainty.

In FY 23/24, the Debt Service Coverage Ratio (DSCR)¹ for Health Center is projected to be 1.47.

¹ The Debt Service Coverage Ratio (DSCR) for the debt program must be 1.1 or higher. The DSCR for all debt programs of the campus on a combined basis must be 1.35 or higher.

**CALIFORNIA STATE UNIVERSITY, SAN BERNARDINO
AUXILIARY/ENTERPRISE BUDGET PLAN
2023-2024**

Area		Health & Counseling Center		
		2022/2023 Approved Budget	2022/2023 Projected Actuals	2023/2024 Projected Budget
Operating Revenues (w/PDC)				
	Academic Year	5,617,548	5,467,633	6,735,751
	Waiver/Contra-Revenue	(152,459)	(282,779)	(292,676)
	Summer Session	210,570	347,249	200,190
	Revenue from Investments	(49,403)	(10,505)	(27,231)
	Total	5,626,256	5,521,598	6,616,034
Operating Expenses (w/PDC)				
	Management	209,548	177,931	286,788
	Faculty (Counselors)	1,080,698	613,561	1,205,788
	Staff	1,307,060	1,707,285	1,998,489
	Temporary Help	205,960	262,405	131,291
	Student Assistants	7,575	26,008	11,160
	Benefits	1,481,120	1,556,449	2,231,017
	Financial Aid Fee	101,354	61,614	64,694
	Supplies, Contract Services (incl. Psychiatry), Chargebacks, & Accreditation	401,757	97,657	142,557
	Travel	8,000	13,958	15,000
	Communications	25,214	23,880	25,971
	Postage & Duplicating	5,000	4,391	5,000
	Equipment, IT Hardware & IT Software	16,000	40,017	27,000
	Professional Development	6,000	6,166	20,000
	Cost Recovery - State	412,232	412,232	350,898
	Total	5,267,518	5,003,553	6,515,652
Net Operating Income		358,738	518,045	100,381
Operating Reserves				
	Prior-Year Retained Earnings	-	-	518,045
	Current Year Reserve	358,738	518,045	100,381
Total Net Reserve (Operating)		358,738	518,045	618,426
Facility Fee Revenues				
	Facility Fees-San Bernardino Campus & Palm Desert	611,727	592,661	591,109
	Waiver/Contra-Revenue	(14,113)	(17,291)	(13,503)
	Fed Non-Op Grants	77,418	57,549	73,922
	Interest Earnings	104,377	28,845	30,287
	Total	779,409	661,764	681,815
Facility Fee Expenses				
	Contract Services	317	324	334
	Overhead-Chancellor's Office	12,967	11,852	12,208
	State Pro Rata	6,336	5,416	5,264
	Total	19,620	17,592	17,806
Net Facility Fee Income		759,789	644,172	664,009
Debt Service				
	Annual Debt Service Payments	450,937	431,478	452,687
Debt Coverage Ratio		1.68	1.49	1.47
Transfers In/Out				
	To Maintenance & Repair (IDD01)	150,000	-	50,000
Facility Fee Reserves				
	Prior-Year Retained Earnings	4,332,614	4,103,949	4,316,643
	Current Year Reserve	158,852	212,694	161,322
Total Net Reserve (Facility Fee)		4,491,466	4,316,643	4,477,964

Operational Overview

The Housing Program at CSU provides residential and other related program facilities for students. The Housing Program is a self-supporting program deriving its revenues primarily from student license fees collected for the use of the residence facilities. Funds are used for current operating expenses, maintenance and repair, improvements to facilities, and interest and principal payments on outstanding bonds. After payment of all authorized charges, the balances in any of these funds remain available for future program expenses and facilities expansion.

CSUSB has three residential communities: (1) **Arrowhead Village** - provides an apartment-style living experience to continuing (returning) and transfer students; (2) **Coyote Village** – is home to first-year residents and is the newest Village on campus, opened in Fall 2018; and (3) **University Village** – is an apartment-style community for continuing students who desire convenience and the comforts of home.

Financial Performance

FY 22/23 Budget vs. Actual

In FY 22/23 the overall revenue increased by 20% due to increases in occupancy for both Regular and Summer sessions. The conference revenue was higher than what was budgeted. On the other hand, the investment income was below the budgeted amount and the bad debt expenses were lower than the budgeted amount.

In FY 22/23, the actual expenses before Debt Service payments and transfers to the Repair & Maintenance fund went up by 29%. Expenses were higher for salary expenses, utility, the CO overhead costs, contractual services, insurance, supplies and services, etc.

In FY 22/23, the Stateside operating fund absorbed \$4.4 million of Housing deficit. Additionally, UEC contributed \$900 thousand towards the Housing deficit. The Housing operating fund ended with retained earnings of \$498 thousand on June 30, 2023.

FY 23/24 Budget

DHRE projected its FY 23/24 revenue based on higher occupancy (90%) resulting from higher applications received. The overall projected revenue for the budget year is 14% above the FY 22/23 actual revenue, which includes a 21% increase in fee revenue from the actual revenue collected in FY 22/23. Their overall expenses are budgeted 12% higher than the FY 22/23 actual expense. The salary & benefit has been budgeted at 16% higher than FY 22/23 actual expense. The meal plan expense along with travel, cost recovery, other expenses, etc. are budgeted 10% higher than the FY 22/23 actual expenses. Among other OE&E increases, a transfer of \$498 thousand from Housing fund to the University, which was part of the Housing cash deficit mitigation in FY 22/23, attributed to the Housing costs increases.

DHRE has every intent of reducing expenses to mitigate the challenging financial situation and rising inflation cost, when possible. However, expenses for deferred and routine maintenance cannot be avoided entirely as it is necessary to maintain safe and healthy living environments for the housing residents. Overall, an increase in occupancy leads to higher costs as more residents are served.

Reserve

DHRE is projecting a net deficit of \$2.9 million on 6/30/2024 after the debt service payments obligations. The deficit mitigation plan includes contributions of \$2.6 million from various university funding sources. Additionally, \$200 thousand has been budgeted for repair and maintenance expenses.

The Debt Service Coverage Ratio (DSCR)¹ is projected to be 0.65 in FY 23/24.

¹ The Debt Service Coverage Ratio (DSCR) for the debt program must be 1.1 or higher. The DSCR for all debt programs of the campus on a combined basis must be 1.35 or higher.

**CALIFORNIA STATE UNIVERSITY, SAN BERNARDINO
AUXILIARY/ENTERPRISE BUDGET PLAN
2023-2024**

Area Housing

		90% Occupancy, with Discounts		
Housing		2022-2023 Budget	2022-2023 Actuals	2023-2024 Projected Budget
Revenues				
	Regular Session	\$ 9,884,931	\$ 10,160,243	\$ 12,296,276
	Summer Session	298,804	366,923	307,768
	Interest-SMIF	76,663	7,784	78,963
	Other	6,277	22,526	6,465
	UEC Contributions	-		
	Conferences	100,000	498,734	103,000
	Bad Debts	(395,873)	(186,915)	(407,749)
	Residential Education Revenue	18,441	-	18,995
	Meal Plan (HAD04)	-	1,082,814	1,229,728
	Residential Life (RS035 SF050 SF053)	-	29,433	18,995
	Total:	\$ 9,989,244	\$ 11,981,543	\$ 13,652,441
Expenses				
	Regular Salaries and Wages-Professional	1,357,856	\$ 1,435,378	\$ 1,571,462
	Regular Salaries and Wages-Student Assistants	70,000	31,023	72,100
	Benefits	1,032,076	1,021,286	1,245,290
	Communications	25,556	22,479	26,323
	Utilities	1,065,479	1,149,302	1,097,444
	Travel	5,150	-	5,305
	State Pro Rata Charges	6,436	26,596	6,630
	Contractual Services (Vendors)	309,000	632,105	400,000
	Information Technology Costs	20,600	-	21,218
	Services from Other Funds/Agencies Group (MOUs)	1,187,882	1,210,922	1,819,586
	Insurance	48,950	55,041	54,819
	Supplies & Service	133,900	505,670	503,632
	Postage	3,000	-	-
	Duplicating	6,000	5,747	5,724
	Other	361,163	78,790	78,472
	Residential Education Expenses	10,300	-	-
	Meal Plan	-	1,048,753	1,229,728
	Residential Life	-	34,653	10,609
	Total:	\$ 5,643,349	\$ 7,257,744	\$ 8,148,343
Net Operating Income (NOI)		\$ 4,345,895	\$ 4,723,798	\$ 5,504,099
	Annual Debt Service	\$ 8,462,355	\$ 8,055,507	\$ 8,411,340
Debt Coverage Ratio		0.51	0.59	0.65
Net Income (Loss)		(4,116,460)	(3,331,709)	(2,907,241)
	Prior Year's Retained Earnings	526,458	526,458	497,704
	Transfers Out - Repairs & Maintenance	-	(2,443,118)	(200,000)
	Prior Year Revenues(Expenses)	-	(65,927)	-
	Debt Service transferred to State	-	5,812,000	2,610,000
Operating Reserve				
Total Net Reserve (Operating)		(3,590,001)	497,704	463

Operational Overview

The CSU parking program is a self-supported program that is financed through the collection of user fees. Parking fees are set by the university president as needed to fund the operations, debt service, maintenance and repair, and construction requirements of the parking program.

At CSUSB, Parking permits are required at all times - 24 hours a day, 7 days a week. Parking permits are required in all spaces on campus including general, carpool, faculty/staff, service, disabled and residential spaces.

The CSU parking program also supports the campus alternative transportation program that is financed through the collection of parking fines and forfeitures. **Fines and forfeitures** are set by the university president to fund ridesharing programs such as carpooling, vanpooling, bus transit options, reduced EV Charging pricing, as well as to meet regulatory fees and requirements.

Financial Performance

FY 22/23 Budget vs. Actual

Parking Revenue Fund

The overall revenue was lower by 10% than budgeted amount. Parking Services anticipated summer classes would resume to pre-COVID figures, which did not get realized and resulted in less revenue than budgeted. Additionally, drops in student enrollment and increased online classes resulted in less than budgeted revenue for Fall and Spring permits. On the other hand, the Housing permits exceeded budgeted amount due to an increase in housing residents and daily permits exceeded budgeted amounts as online classes increased and students did not need to be on campus as often and opted for daily permits when needed vs. purchasing semester permits.

The overall FY 22/23 expenses were 7% higher than the budgeted amount. The increases are attributable to the following areas such as General Salary Increases for staff and management resulted in higher compensation & Benefits than the budgeted amounts, vacant positions were filled in FY 22/23, increase in minimum wage and increased student assistant positions, increases in the travel budget due to staff members who were sponsored for professional development, purchase of laptops for telecommuting staff, dispenser machine upgrades, various office upgrades, street sweeping services added and increases in facilities service charges, etc.

Parking Fine and Forfeiture Fund

The revenue for Parking Fine & Forfeiture fund exceeded budgeted revenue due to higher citation issuance (more vehicles on campus), as well as the Franchise Tax Board (FTB) collection pause lifted allowing Parking Services to send collections to State Comptroller's Office.

The expenses for Parking Fine & Forfeiture fund were under the budgeted amount due to the inability to begin the new enterprise vehicle lease contracts. Additionally, the transit bus services invoices were received after the end of the fiscal year.

FY 23/24 Budget

Parking Revenue Fund

Parking Services is projecting a further decrease in revenue collection in budget year 23/24. Based on the FY 23/24 enrollment number, the projected annual Fall and Spring permit sales revenue remains challenging. Parking Services is projecting an 11% decrease from the FY 22/23 actual revenue collected.

Parking Services projected expenses are 13% higher than FY 22/23 actual expenses. The FY 23/24 budget is incorporating a 5% staff and management General Salary Increase and the associated benefit costs, overtime cost increases, outstanding payments, and increased assessment of University's cost recovery, although projecting decreases in Student Assistant and utility costs.

Parking Fine and Forfeiture Fund

Parking Services projected an 8% increase for the Fine and Forfeiture fund. The projected expenses are \$526,000 higher than FY 22/23 as a new Enterprise vehicle lease contract will take place during the budget year for replacing aging fleet vehicles to implement License Plate Recognition (equipment purchase/software upgrade) and outstanding transit invoices will be paid during the budget year.

Reserve

Parking Revenue Fund

The Parking Revenue fund started FY 23/24 with a carry-forward Retained Earnings of \$3.5 million. With the budget year operating loss of \$1.4 million in combination of Debt Service payments of \$2.1 million and \$250,000 funds transfer to the construction fund, Parking is projecting a fund balance of \$2.1 million on June 30, 2024. The reserve balance is designated for capital improvement, equipment acquisition, facilities maintenance and repair, future debt service, catastrophic events, and economic uncertainty.

In FY 23/24, the Debt Service Coverage Ratio (DSCR)¹ for Parking is projected to be 0.45.

Parking Fine & Forfeiture Fund

The projected reserve balance on June 30, 2024, is \$566 thousand with a net operating loss of \$226,000 combined with the carry-over Retained Earning balance of \$791,000. The reserve balance is designated for equipment acquisition and economic uncertainty.

¹ The Debt Service Coverage Ratio (DSCR) for the debt program must be 1.1 or higher. The DSCR for all debt programs of the campus on a combined basis must be 1.35 or higher.

CALIFORNIA STATE UNIVERSITY, SAN BERNARDINO
AUXILIARY/ENTERPRISE BUDGET PLAN
2023-2024

	Area	Parking	
	2022/2023 Approved Budget	2022/2023 Actuals	2023/2024 Projected Budget
Parking Revenue Fund			
Operating Revenues			
Permit Sales-Staff	337,219	389,862	383,940
Permit Sales-Student Annuals	591,826	464,104	445,595
Permit Sales-Summer	122,822	110,806	58,526
Permit Sales-Fall	1,769,369	1,329,425	1,276,248
Permit Sales-Spring	1,669,217	1,214,521	1,164,791
Permit Sales-University Village	143,640	161,607	160,994
Daily Permit Sales	1,179,923	1,290,230	1,248,074
Misc Revenue	10,199	363,615	30,443
Special Events	97,014	92,158	90,576
Interest Income	119,012	21,370	20,000
Transfer In/Prior Yr Adjustments	-	(201)	-
Total	6,040,240	5,437,498	4,859,187
Operating Expenses			
Management	97,008	103,800	108,990
Staff	846,943	862,709	981,744
Student Assistants	118,268	180,653	173,134
Overtime	39,208	29,471	31,360
Benefits	646,330	600,039	684,085
Supplies & Services, Repairs & Maintenance	131,138	155,344	164,170
Utilities	101,197	120,283	113,441
Travel	2,575	6,467	6,439
Equipment, IT Hardware & IT Software	51,288	134,230	145,652
Systemwide Cost	26,422	18,631	29,771
Cost Recovery - State	743,823	709,301	797,577
Other	453,320	558,744	694,881
Total	3,257,518	3,479,671	3,931,243
Net Operating Income			
	2,782,722	1,957,827	927,944
Debt Service			
Parking Structure Bond Pymt	2,107,501	2,054,917	2,071,064
Parking Lot N Bond Pymt	215,000	-	-
Total Annual Debt Service Payment	2,322,501	2,054,917	2,071,064
Debt Coverage Ratio			
	1.20	0.95	0.45
Transfers In/Out			
To Construction/M&R (JDD01)	4,200,000	1,700,000	250,000
Operating Reserves			
Prior-Year Retained Earnings	5,272,022	5,272,022	3,474,932
Current Year Reserve	(3,739,779)	(1,797,090)	(1,393,120)
Total Net Reserve (Operating)			
	1,532,244	3,474,932	2,081,812
Parking-Fines/Forfeitures			
Revenues	378,109	478,847	517,917
Expenses	601,579	217,220	743,591
Prior-Year Retained Earning	292,359	529,634	791,260
Total Net Reserve (Fines/Forfeitures)			
	68,889	791,260	565,587

Operational Overview

Associated Students, Incorporated (ASI) is a nonprofit organization under Section 501(C)(3) of the Internal Revenue Code. Organized on January 25, 1966 as an unincorporated association under the Education Code, State of California, Section 23801. The Association was incorporated in January 1988.

ASI was formed to participate in shared governance with the campus representing the students. Furthermore, it is to provide essential co-curricular activities such as, leadership opportunities, social and educational programming, ticket office, graphic design services, as well as generate school spirit to strengthen the bond between the faculty, administrators, and the University students. ASI provides support to the Children's Center, Student Research and Travel, Intercollegiate Athletics, Presidential Academic Excellence Scholarship (PAES) program, student scholarships and funding for clubs and organizations.

Financial Performance

FY 22/23 Budget vs. Actual

The projected FY 22/23 actual fee revenue was close to budgeted fee revenue. The investment earnings were 26% higher than the projection. The overall revenue remains the same as projected.

The salary and benefit expenses were lower than the projections due to the exit of the Executive Director. A role that previously employed 6 Student Assistants was eliminated to create a new advocacy program for ASI which resulted in savings of \$46,000 in the 2022-2023 budget. The OE&E expenses were \$191,000 higher than what was budgeted. The expenses went up in the areas of supplies, travel, hospitality/special events, scholarships, etc. The overall expenses were 3% lower than budgeted.

FY 23/24 Budget

The FY 23/24 budget projections are based on a 7% decrease in student body population. Due to the lower population this will decrease the allocations to the ASI overall budget. The overall revenue is projected at 8% below FY 22/23 budget.

The overall salary and benefit budget is 11% below the prior year's budget. Although a new advocacy program for ASI was created in FY 22/23, no positions were filled in this new area. ASI will hold off on filling this department in FY 23/24. Additionally, not all student positions were filled in FY 22/23 due to difficulties in finding students to be employed. As for the FY 23/24 budget, ASI will hire only the needed positions for the daily operation and programming. On the other hand, the FY 23/24 budget incorporates increases in medical and insurance costs.

To balance the budget, ASI has budgeted below the FY 22/23 level for supplies and services, hospitality, Palm Desert activities, and other operating expense areas. Travel is budgeted at 51% higher than FY 22/23. The overall expense budget is 8% below the FY 22/23 budget.

Reserve

ASI is projecting a net operating gain of \$10,000 for FY 23/24. In combination with the prior year's Retained Earnings, the total Retained Earnings on June 30, 2024, will be \$2 million. ASI is designating its reserve for Capital Improvement/Construction, equipment acquisition, and catastrophic events.

**CALIFORNIA STATE UNIVERSITY, SAN BERNARDINO
AUXILIARY/ENTERPRISE BUDGET PLAN
2023-2024**

Area Associated Students, Inc.

	2022/2023 Approved Budget	2022/2023 Projected Actuals	2023/2024 Projected Budget
Operating Revenues			
Student Fees	1,776,237	1,775,847	1,636,788
Interest Earnings	10,000	12,608	10,000
Total	1,786,237	1,788,455	1,646,788
Operating Expenses			
Management	106,820	57,837	106,820
Staff	233,739	219,039	228,089
Student Assistants	398,400	253,942	300,240
Overtime	100	100	100
Benefits	142,024	111,333	152,440
Supplies & Services (Includes Utilities, etc)	78,141	103,024	59,390
Travel	22,000	103,292	33,300
Accounting/Audits/Legal Consultants	26,700	23,947	25,000
Equipment, IT Hardware & IT Software	16,600	4,234	5,800
Hospitality/Special Events	173,013	225,650	133,000
Scholarships/Campus Support	525,500	577,694	546,479
PDC activities	33,200	22,000	20,700
Insurance	20,000	26,273	25,430
Total	1,776,237	1,728,364	1,636,788
Net Operating Income			
	10,000	60,091	10,000
Reserves			
Prior-Year Retained Earnings	1,965,347	1,945,903	1,958,511
Current Year Reserve	10,000	12,608	10,000
Total Net Reserve			
	1,975,347	1,958,511	1,968,511

Operational Overview

The CSUSB Philanthropic Foundation is a 501(c)(3) non-profit corporation that raises and manages gifts from individuals, foundations, and corporations for the benefit of CSUSB. The Foundation is comprised of business and civic leaders who advance its mission by seeking and securing private support for all its programs. Overseen by the Board of Directors and staffed by a team of advancement professionals who are University employees, the foundation administers and records all gifts in accordance with donors' wishes.

Established in 2011, under California law, the Foundation is the catalyst and conduit through which gifts and endowment income flows. The Foundation is not an object of philanthropy itself, but a mechanism through which private support is raised and managed for the sole benefit of CSUSB. The philanthropy received by the Foundation is managed by, and all corporate powers of the Foundation are vested in its Board of Directors.

Financial Performance

FY 22/23 Budget vs. Actual

The overall revenue in FY 22/23 was 9% below the budget due to projected Endowment Management Fee revenue not being met because of underperforming endowed investments, as well as the Community Board Membership did not meet targeted revenue, and there were no additional miscellaneous revenue streams received by the Philanthropic Foundation, although investments for both SWIFT and Vanguard outperformed the anticipated revenue.

The overall expenses were 8% lower in FY 22/23 than its budgeted expenses. Actual costs for the audit billing were lower than projected, as well as the board registration, flight, hotel, and other miscellaneous traveling fees were below the anticipated budget. On the other hand, the supplies & services costs were slightly higher than the anticipated amounts, and the actual support request was more than what was planned for the faculty/student innovation grants.

FY 23/24 Budget

The overall budgeted revenue for FY 23/24 is below the FY 22/23 actuals, which is attributable to lower SWIFT and Vanguard investments due to potential market risk.

The overall FY 23/24 expense budget is 11% higher than the FY 22/23 actuals. The budget incorporated various cost increases, such as fee costs for Foundation's Accounting firm that prepares its quarterly reports, the Insurance premium, audit, conferences/events that will be attended by the Philanthropic Board. Additionally, the budget incorporated the advocacy cost increase as this is part of the key goal for the board, which was not done in the previous year.

Reserve Designation

The Foundation is projecting a reserve balance of \$780 thousand on June 30, 2024, which is comprised of the budget year net revenue of \$8 thousand, prior year carry-over Retained Earnings balance of \$920 thousand, and the scholarship support of \$148 thousand. The foundation has designated its reserve for scholarships and economic uncertainties.

CALIFORNIA STATE UNIVERSITY, SAN BERNARDINO
AUXILIARY/ENTERPRISE BUDGET PLAN
2023-2024

Area Philanthropic Foundation

	2022/2023 Approved Budget	2022/2023 Projected Actuals	2023/2024 Projected Budget
Operating Revenues			
Vanguard/SWIFT	148,000	154,160	148,000
Endowment Mgmt Fee	350,000	310,000	310,000
Community Board Membership	18,000	6,000	7,000
Other	700	-	700
Total	516,700	470,160	465,700
Operating Expenses			
Contract Services	154,506	154,506	209,543
Insurance	18,000	14,100	18,000
Audit	20,300	15,670	20,300
Supplies & Services	15,000	15,820	15,000
Scholarships	150,000	150,000	125,000
Faculty/Student Innovation Grants	50,000	52,000	20,000
Board Development	37,000	9,284	20,000
Advocacy	-	-	30,000
Total	444,806	411,380	457,843
Net Operating Income			
	71,894	58,780	7,857
Reserves			
Prior-Year Retained Earnings	861,683	861,683	920,463
Current Year Reserve	71,894	58,780	7,857
Other/Underwater Scholarship Support	-	-	(148,154)
Total Net Reserve	933,577	920,463	780,166

Operational Overview

The Santos Manuel Student Union (SMSU) is a nonprofit organization under Section 501(C)(3) of the Internal Revenue Code and is funded by student fees.

Serving as the campus social hub, the SMSU assists in the retention and development of students, while encouraging a deeper understanding and appreciation of cultural pluralism, gender equity, and ethnic diversity. The SMSU nurtures an environment conducive to personal growth and development through a variety of cultural, social, educational, and recreational activities. The SMSU also serves as a training ground for developing student leaders through leadership opportunities and employment that promote an active learning domain.

CSUSB Recreation & Wellness is an auxiliary unit of the Santos Manuel Student Union (SMSU) within the Division of Student Affairs at California State University, San Bernardino. The mission of the Recreational & Wellness Department is to provide a variety of safe and enjoyable programs and facilities to meet the diverse needs of the CSUSB community by creating a healthy social environment, enriching the quality of life, and enhancing the educational experience.

Financial Performance

Student Fee Revenue

FY 22/23 Budget vs. Actual

The overall revenue was 6% higher in FY 22/23 than budgeted amount. The FY 22/23 fee revenue was budgeted based on 16,500 head count, but the actual student enrollment was higher.

The overall expenses were 8% higher than the budgeted amount. The primary reason was that the Return to Surplus to the operating budget was higher due to increases in operating expenses.

FY 23/24 Budget

The SMSU is projecting a 3% higher revenue, which is consistent with the FY 22/23 actual revenue. The FY 23/24 fee revenue has been budgeted based on 17,000 HC.

For FY 23/24, SMSU is anticipating a greater return on surplus because of increased expenses for utility, benefits, insurance premium and Campus Cost Allocation assessment. The overall expenses are 3% higher than the FY 22/23 expenses.

Reserve

The net revenue in the Student Fee Revenue fund is \$8.8 million before the Debt Service payment. After the Debt Service payment of \$5.9 million in combination with prior year carry-over balance of \$5.3 million, SMSU net Retained Earnings on June 30, 2024 has been projected to \$8.2 million.

The reserve has been designated for future debt service payments and facilities repair and maintenance.

In FY 23/24, the Debt Service Coverage Ratio (DSCR)¹ for SMSU is projected to be 1.49.

¹ The Debt Service Coverage Ratio (DSCR) for the debt program must be 1.1 or higher. The DSCR for all debt programs of the campus on a combined basis must be 1.35 or higher.

Operating Revenue

FY 22/23 Budget vs. Actual

The overall operating revenue went up by 8% in FY 22/23 due to higher return on surplus because of operating costs, such as utility, benefits, and insurance premium. Additionally, the vending commission, food service commission, sports club fee, etc. was higher than the budgeted amounts.

The actual overall expense was 2% below the budgeted amount. Except for the Management salary/benefit expenses, actual staff cost was lower, which is attributable to two vacant positions. Additionally, due to the closure of SMSU South, there were lower student work hours. Other operating expenses except for supplies and services and utility cost were higher in FY 22/23.

FY 23/24 Budget

The overall FY 23/24 budgeted revenue is 2% higher than the 22/23 revenue, which is attributable to higher Return of Surplus from the fee revenue due to increased cost estimates for utility, benefit, insurance premium, Cost Allocation assessments, and other operating expense areas. Additionally, the vending commission, food service commission, sports club fee, along with other fee areas was estimated higher in fiscal year 23/24.

The SMSU estimated an overall expenditure increase of 13% in comparison to the FY 22/23 expenses. The reason for the cost increases is based on the increases of health benefit cost, equipment replacement costs, utility cost, University's cost allocation assessments, as well as other operating expenses have increased due to inflation, liability insurance, and additional services to the students.

Reserve

The SMSU projected a balanced budget for FY 23/24. The carryover Retained Earnings of \$7.3 million is designated for capital improvement & constructions, equipment acquisition, program development, facilities maintenance & repairs, and catastrophic events.

**CALIFORNIA STATE UNIVERSITY, SAN BERNARDINO
AUXILIARY/ENTERPRISE BUDGET PLAN
2023-2024**

Area Student Union / Recreation & Wellness

	2022/2023 Approved Budget	2022/2023 Projected Actuals	2023/2024 Projected Budget
Student Fee Revenues			
Student Fees	16,097,580	17,215,977	17,740,010
Interest Earnings	180,000	85,366	80,000
Total	16,277,580	17,301,343	17,820,010
Student Fee Expenses			
Chancellor Charges	25,000	19,800	20,000
Capital Projects Expenditures	6,000	7,282	7,000
Contra Revenue-Allowance & Fee Waiver	350,000	515,245	525,000
Return of Surplus for Operating	7,786,898	8,268,883	8,509,069
Total	8,167,898	8,811,210	9,061,069
Net Student Fee Income	8,109,682	8,490,133	8,758,941
Debt Service			
Annual Debt Service Payments	7,719,326	5,855,176	5,878,701
Debt Coverage Ratio	1.05	1.45	1.49
Transfers In/Out			
To Maintenance & Repair	850,000	-	-
Total Net Revenue	(459,644)	2,634,957	2,880,240
Reserves			
Prior-Year Retained Earnings	5,528,036	2,704,215	5,339,172
Current Year Reserve	(459,644)	2,634,957	2,880,240
Total Net Reserve (Student Fee)	5,068,392	5,339,172	8,219,412
Operating Revenues			
Return of Surplus	7,786,898	8,268,883	8,509,069
Interest Earnings	65,000	63,269	48,000
Other	1,150,847	1,354,706	1,368,345
Total	9,002,745	9,686,858	9,925,414
Operating Expenses			
Management	664,685	715,913	748,778
Staff	2,024,521	1,855,090	2,044,418
Student Assistants	2,025,774	1,805,749	1,805,668
Overtime	-	26,289	8,200
Benefits	1,452,563	1,339,100	1,508,942
Supplies & Services	319,524	373,503	281,851
Travel	127,919	101,513	160,143
Equipment, IT Hardware & IT Software	21,400	21,315	140,959
Utilities	797,995	1,036,354	976,500
Cost Allocation	596,537	593,537	706,905
Other	971,827	920,991	1,543,050
Total	9,002,745	8,789,354	9,925,414
Net Operating Income	-	897,504	-
Operating Reserves			
Prior-Year Retained Earnings	5,890,152	6,362,221	7,259,725
Current Year Reserve	-	897,504	-
Total Net Reserve (Operating)	5,890,152	7,259,725	7,259,725

Operational Overview

University Enterprises Corporation at CSUSB ("UEC") is a nonprofit 501(c)(3) public benefit corporation established in 1962. UEC conforms to the regulations established by the Board of Trustees of the California State University and approved by the California State Director of Finance, as required by the California Education Code, Section 89900. The University's administrative organization supervises UEC, as required by Title 5, California Code of Regulations, Section 42402.

The UEC was organized to promote and assist education, administration, and related services of the California State University, San Bernardino. UEC supports the University's educational mission by providing services that complement the instructional program and enhance campus life. The University depends upon UEC to provide services that cannot be supported with state funds. UEC is responsible for business enterprises on campus including, but not limited to, dining, bookstore, convenience store, and vending services. UEC also serves as the grantee for federal, state, and local funding for research and sponsored projects.

Financial Performance

FY 22/23 Budget vs. Actual

The overall revenue in FY 22/23 was 12% higher than the budgeted revenue. The projected Indirect Cost Recovery revenue in FY 22/23 exceeded the budget by \$500,000 due to a significant increase in Sponsored Programs expenditures. Additionally, investment and commission income were higher in FY 22/23 than budgeted.

The overall expenses were 5% below the budgeted expenses. The costs were down for salary & benefit expenses, contractual services, commercial operations, and repair & maintenance although the costs associated with supplies and services, audit fees were higher than budgeted.

FY 23/24 Budget

The overall revenue for FY 23/24 was budgeted at 18% higher than FY 22/23 budget. Commission revenue was budgeted \$100,000 higher than FY 22/23 budget because of 12 months of full commercial operations and the increased campus engagement efforts from Chartwells and Follett. Budgeted investment earnings for FY 23/24 are \$193,000 higher than projected 22/23 revenue due to moving available cash to a new short-term investment account with Citizens Business Bank. Investment options include US Treasury Bonds and a Hi-Yield money market account.

The FY 23/24 budgeted expenses are 6% higher than FY 22/23 budget. The UEC's budget included an increase in commercial operations expense for FY 23/24 due to renegotiation of Chartwells agreement and anticipated decrease in financial contributions to UEC. Due to higher insurance rates from CSURMA-AORMA, UEC has included a \$55,000 increase in insurance expenses for FY 23/24. Additionally, the FY 23/24 budget included cost increases for salary & benefits, supplies & services, professional development, audit fees, and other operating expenses.

Reserve

The UEC anticipates a net operating revenue loss of \$666,000 for FY 23/24, which is a combination of net income of \$717,000 and fiscal year adjustments, such as \$40,000 allocations to campus and \$1.9 million IDC distributions to stateside divisions, as well as adjustments for depreciation expenses.

CALIFORNIA STATE UNIVERSITY, SAN BERNARDINO
AUXILIARY/ENTERPRISE BUDGET PLAN
2023-2024

Area University Enterprises Corporation

	2022/2023 Approved Budget	2022/2023 Projected Actuals	2023/2024 Projected Budget
Operating Revenues			
Administrative Fees	60,000	65,000	65,000
Commissions	698,000	728,000	828,000
Sponsored Programs Recovered Indirect	3,600,000	4,100,000	4,150,000
Interest Earnings	64,000	75,000	268,000
Other	213,000	241,000	248,000
Total	4,635,000	5,209,000	5,559,000
Operating Expenses			
Salaries and Benefits	692,000	675,000	745,000
Contract Services	2,217,000	2,192,000	2,183,000
Commercial Operations	1,297,000	1,098,000	1,469,000
Supplies & Services	84,000	89,000	90,000
Professional Development/Travel	13,000	13,000	18,000
Repairs and Maintenance	7,000	6,000	6,000
Insurance	169,000	169,000	224,000
Audit Fees	48,000	50,000	52,000
Other	48,000	52,000	55,000
Total	4,575,000	4,344,000	4,842,000
Net Income/(Loss) from Operations	60,000	865,000	717,000
Other Adjustments			
Allocations to campus	(21,000)	(40,000)	(40,000)
IDC available to campus	(1,416,000)	(1,914,000)	(1,899,000)
HEERF Reimbursement	800,000	492,000	-
Total Other Income/(Expenses)	(637,000)	(1,462,000)	(1,939,000)
Adjusted Net Operating (Loss)	(577,000)	(597,000)	(1,222,000)
Depreciation Expense	514,300	515,400	556,500
Adjusted Net Operating (Loss) without depreciation	(62,700)	(81,600)	(665,500)