

BUDGET LUNCH & LEARN



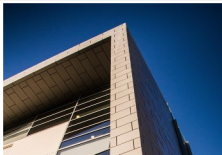
Campus Budget Update: Quarter 2 Review

March 6, 2024

CSUDH

Budget Lunch & Learn is a continuing series of conversations on campus to discuss the background and health of budget at CSUDH.

Today, we will provide a Campus Budget Update reviewing Quarter 2 Financial Information.



CSUDH Primary Sources of Revenue

STATE APPROPRIATION

Funded Enrollment Targets established by CO

TUITION

Enrollment drives revenue generation

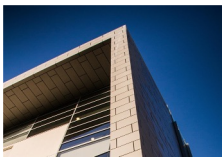
STUDENT FEES

PHILANTHROPY

GRANTS & CONTRACTS

FUND BAL / RESERVES

AUXILIARY PARTNERS



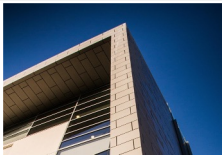
CSUDH Main Operating Fund – AADHT – Revenue Sources

State Appropriation

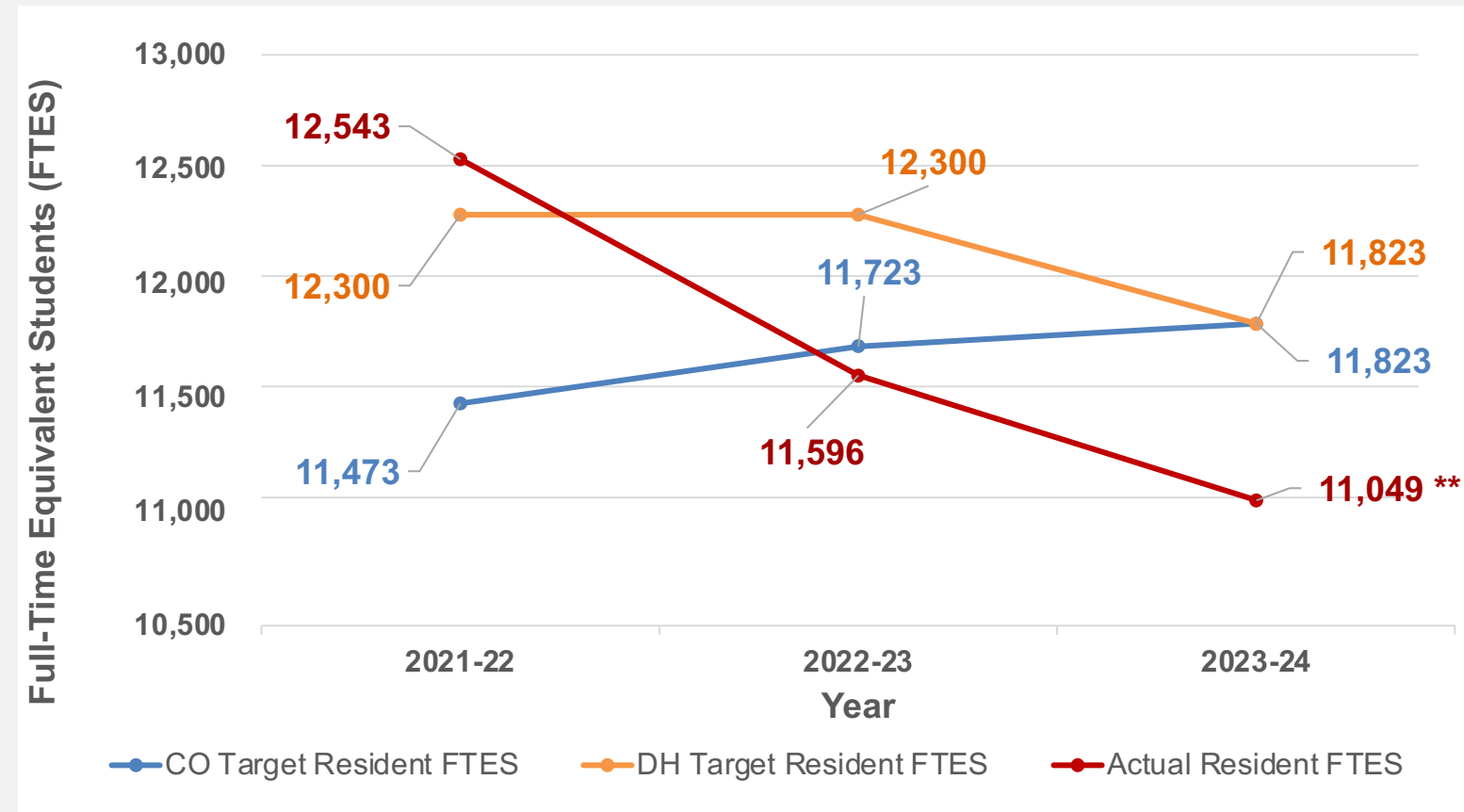
Tuition

**Other Student Fees:
Non-resident Tuition
Application Fees**

**Cost Recovery:
Revenue recovered from
Auxiliaries and Enterprise
Entities for costs incurred by
the Main Operating Fund**

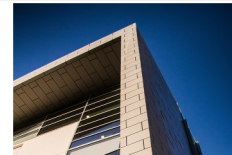


Recap Beginning of Current Year 2023-24



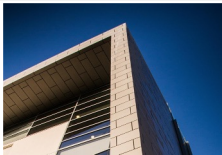
- Current Year 2023-24 began with a 6% Budget Reduction to **right-size** budget that align with campus enrollment and revenue collection.
- The funds from the budget reduction are held in Centrally Monitored (CM) to off-set the expected 2023-24 revenue shortfall.
- Our current year 2023-24 Chancellor's Office increased to **11,823 FTES**. These funds were held centrally and not distributed in preparation for it to be swept back.

****11,049 is the estimated annualized FTES as of February 19, 2024. Enrollment Management is in the process of finalizing all numbers after Spring census.**



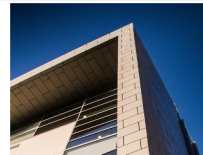
AADHT Actuals and Projections

- We closely monitor the budget by running projection reports at the close of each month
- Preliminary Summary
- These reports reflect three categories of expenses:
 - 1) Actuals to Date. These are the real actual expenses that have taken place up until the close of the reporting period.
 - 2) Projected Actuals. These are projections for the remainder of the year based on the assumption that spending will continue at the same rate.
 - 3) Encumbrances. These are financial commitments that have already been made, that we know we will have to pay. Encumbrances can vary drastically based on timing of contracts or payments.



2023-24 AADHT Budget Summary								
Sources / Revenue	Original Budget	Adjusted Budget	Total Budget	Actuals (July to January)	Projected Actuals	Encumbrances	Year-End Actuals	Year-End Balance
State Allocation	\$ 137,679,000	\$ -	\$ 137,679,000	\$ 80,312,750	\$ 57,366,250	\$ -	\$ 137,679,000	\$ -
Student Fees	86,994,000	904,766	87,898,766	79,992,907	-	-	79,992,907	(7,905,859)
Cost Recovery	3,103,254	369,994	3,473,248	2,379,161	1,094,087	-	3,473,248	-
Other Revenues	-	572,166	572,166	560,119	12,047	-	572,166	-
Sub-total	\$ 227,776,254	\$ 1,846,926	\$ 229,623,180	\$163,244,937	\$ 58,472,384	\$ -	\$ 221,717,321	\$ (7,905,859)
Balance from Prior Year	-	48,094,851	48,094,851					
Total Sources/Revenue	\$ 227,776,254	\$ 49,941,777	\$ 277,718,031					

The projected revenue shortfall will be addressed and covered by utilizing the 6% Budget Reduction Funds held centrally (~\$6.3M) and one-time year-end balances.



2023-24 Financials January Update – AADHT Uses/Expenditures

Uses / Divisions	2023-24 Original Budget	Adjusted Budget	Total Budget	Actuals <i>(July to January)</i>	Projected Actuals	Encumbrances	YE Actuals	YE Balance
ACADEMIC AFFAIRS	\$ 70,806,629	\$ 8,607,644	\$ 79,414,273	\$ 44,112,192	\$ 31,508,709	\$ 478,531	\$ 76,099,433	\$ 3,314,840
ADMIN AND FINANCE	17,419,342	618,875	18,038,217	12,421,523	8,872,517	2,163,292	23,457,331	(5,419,115)
ADVANCEMENT	3,431,615	2,221,801	5,653,416	1,720,206	1,228,719	219,152	3,168,078	2,485,338
DEIJ	549,983	252,510	802,493	480,948	343,535	48,350	872,833	(70,340)
INFO TECHNOLOGY	10,259,608	1,604,657	11,864,265	8,067,211	5,762,293	1,900,214	15,729,719	(3,865,453)
PRESIDENTS	2,976,598	1,210,448	4,187,046	1,776,997	1,269,284	224,334	3,270,615	916,431
STUDENT AFFAIRS	13,138,429	2,438,573	15,577,002	8,635,518	6,168,227	883,746	15,687,491	(110,489)
Total Divisions	\$ 118,582,204	\$ 16,954,509	\$ 135,536,712	\$ 77,214,596	\$ 55,153,283	\$ 5,917,620	\$ 138,285,500	\$ (2,748,787)
CENTRALLY MONITORED								
Benefits	\$ 59,158,738	\$ 1,101,286	\$ 60,260,024	\$ 36,059,369	\$ 25,756,692	\$ -	\$ 61,816,062	\$ (1,556,038)
Utilities	3,543,077	999,777	4,542,854	2,145,569	1,532,549	146,031	3,824,148	718,705
Financial Aid	33,561,701	8,205,401	41,767,102	27,764,556	5,100,000	-	32,864,556	8,902,546
<i>SUG</i>	33,238,000	7,799,728	41,037,728	27,374,056	5,000,000	-	32,374,056	8,663,672
<i>EOP</i>	203,715	112,545	316,260	222,000	50,000	-	272,000	44,260
<i>Other Financial Aid</i>	119,986	293,128	413,114	168,500	50,000	-	218,500	194,614
Other Centrally Monitored	12,930,535	22,680,804	35,611,339	7,180,031	-	793,589	7,973,620	27,637,719
Total Centrally Monitored	\$ 109,194,050	\$ 32,987,268	\$ 142,181,319	\$ 73,149,525	\$ 32,389,241	\$ 939,620	\$ 106,478,387	\$ 35,702,932
Total Uses/Divisions	\$ 227,776,254	\$ 49,941,777	\$ 277,718,031	\$150,364,121	\$ 87,542,525	\$ 6,857,240	\$ 244,763,886	\$ 32,954,145
						Grand Total AADHT Balance	\$ 25,048,286	

2023-24 Financials January Update – AADHT Uses/Expenditures

Uses / Divisions	2023-24 Original Budget	Adjusted Budget	Total Budget	Actuals (July to January)	Projected Actuals	Encumbrances	YE Actuals	YE Balance
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Other Centrally Monitored	12,930,535	22,680,804	35,611,339	7,180,031	-	793,589	7,973,620	27,637,719
6% Reduction (Tuition Deficit)	6,248,055	-	6,248,055	-	-	-	-	6,248,055
Insurance Premiums	4,837,028	-	4,837,028	4,863,148	-	60,314	4,923,463	(86,435)
23-24 Enrollment Growth	791,000	(555,061)	235,940	-	-	-	-	235,940
I&I Loan	991,000	382,000	1,373,000	-	-	-	-	1,373,000
Held for 2024-25 Commitments	63,452	(119,738)	(56,286)	-	-	-	-	(56,286)
Basic Needs	-	492,000	492,000	-	-	-	-	492,000
President's Initiative	-	1,025,559	1,025,559	122,259	-	-	122,259	903,300
Centrally Monitored Reserves	-	7,901,567	7,901,567	-	-	-	-	7,901,567
Indirect Cost (IDC) HEERF	-	8,821,239	8,821,239	275,000	-	-	275,000	8,546,239
Black Women's Think Tank	-	3,792,190	3,792,190	603,905	-	733,275	1,337,180	2,455,010
Chase Loan Repayment	-	474,759	474,759	474,759	-	-	474,759	-
Pension Loan Repayment	-	230,947	230,947	346,421	-	-	346,421	(115,474)
LSU Facility Use Rental	-	120,000	120,000	120,000	-	-	120,000	-
CM Emergency Operations	-	80,000	80,000	4,821	-	-	4,821	75,179
State Fire Marshal	-	35,340	35,340	48,120	-	-	48,120	(12,780)
Credit Card Merchant	-	-	-	321,598	(321,598)	-	-	-
Total Centrally Monitored	\$ 109,194,050	\$ 32,987,268	\$ 142,181,319	\$ 73,149,525	\$ 32,389,241	\$ 939,620	\$ 106,478,387	\$ 35,702,932
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Enrollment Decline

Right-size to align with Chancellor's Office (CO) Target

Facing continued enrollment decline below CO Target

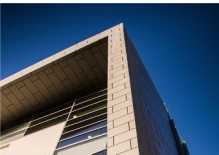
Revenue & Budgetary Impact

Compensation Packages

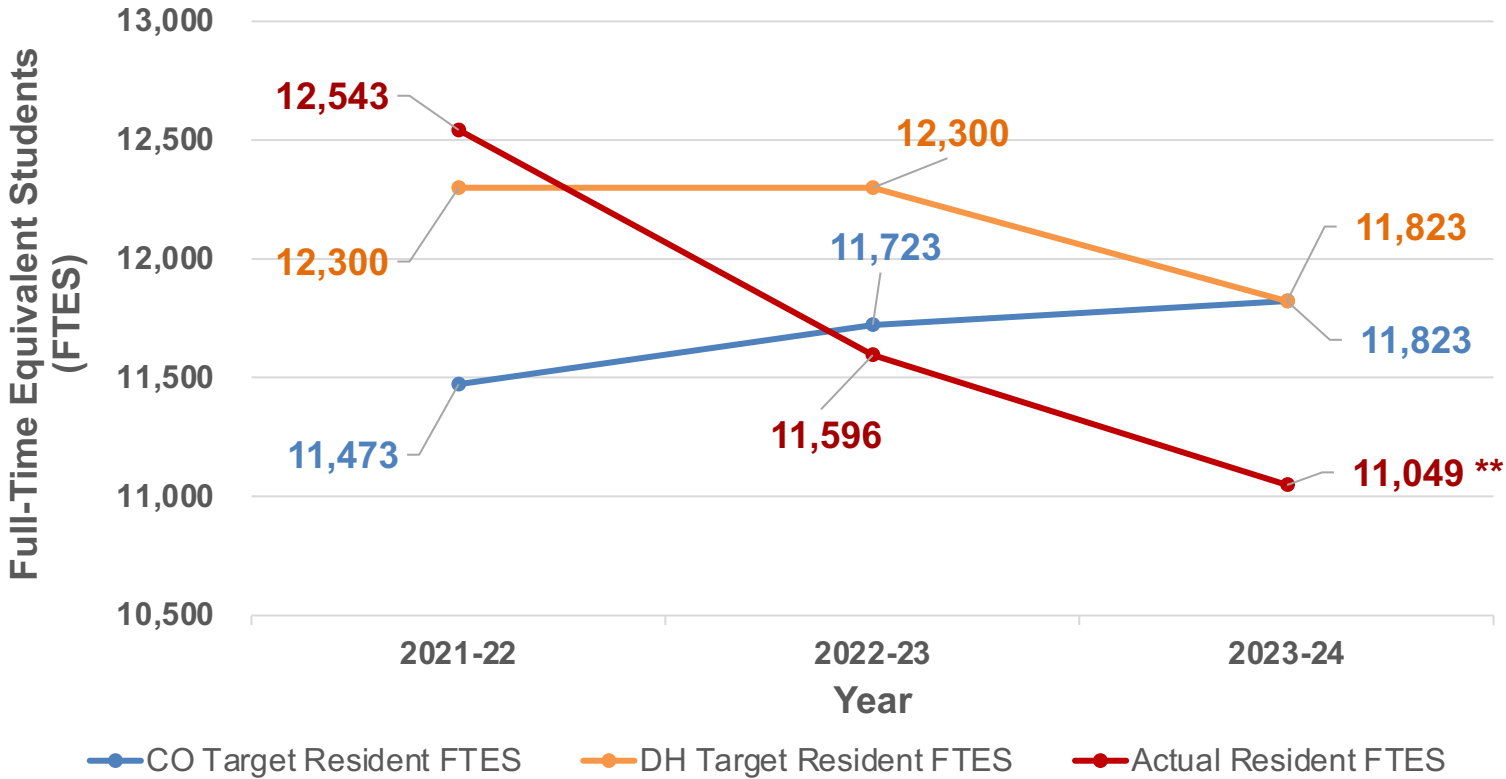
Salary Increases for Employees (base & multi-year)

Limited funding from the State

Campuses expected to cover funding shortage



Enrollment Decline



- CSU Enrollment Target and Budget Reallocation Plan
 - Group X: more than -10% below target
 - Group Y: -10% to less than 0% below target
 - Group Z: at or above target
- We are currently 774 FTES or 6.5% below 11,823 FTES target. If our actual enrollment continues to decline and hits the **-10%** mark (10,640 FTES or 1,183 FTES below), our CO resident target and state-support funding will be rebenched.
- Next year, our CO Resident Target will go back down 11,723 FTES

****11,049 is the estimated annualized FTES as of February 19, 2024. Enrollment Management is in the process of finalizing all numbers after Spring census.**



Compensation Packages

(in millions)

	23/24	24/25	25/26	Total
Cost of 5% Increase	\$261	\$277	\$291	\$829
Compact Funds for Comp	\$123	\$68	\$112	\$303
Campus funds needed	\$138	\$209	\$179	\$526
Tuition Rate Increase	\$0	\$99	\$105	\$204
Campus Funds Needed	\$138	\$110	\$74	\$322
University Estimate				
Dominguez Hills	4,250,000	3,388,000	2,279,000	9,917,000

Information Provided by the Chancellor's Office

- The Chancellor's Office provided projections estimating 5% salary increases across the board for 3 fiscal years.
- Based on current estimations, our campus is projected to need ~\$10 million in base funds to cover compensation packages.
- Note: Figures and estimations are subject to change

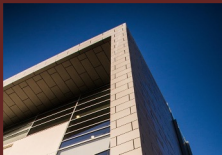


What Are Our Next Steps?

Transparency

Exercise Flexibility

Budget Reductions



QUESTIONS



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<https://www.csudh.edu/budget-plan-admin/>

