



University Budget Committee

February 29, 2024



- Welcome
- CSUDH Budget Update
- 2023-24 Quarter 2 - January Update
- 2024-25 Governor's Budget Update
- UBC PM Update
- Q & A



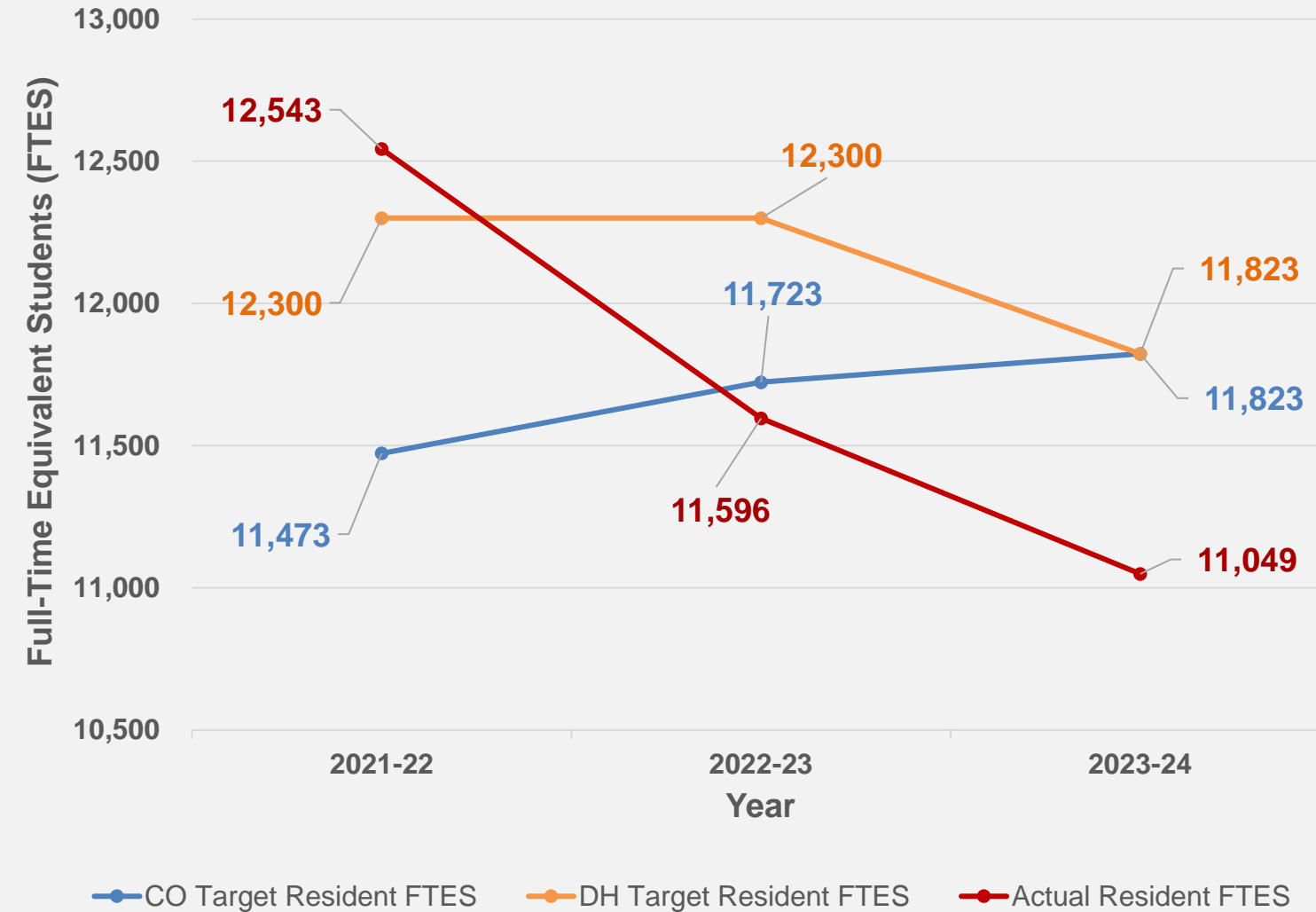
WELCOME



CSUDH Budget Update



Prior University Budget Committee Discussions – Sept / Oct / Nov



- Current Year 2023-24 began with a 6% Budget Reduction to **right-size** budgets that align with campus enrollment and revenue collection.
- The funds from the budget reduction is currently held in Centrally Monitored (CM) to off-set the expected 2023-24 revenue shortfall.
- 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



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)

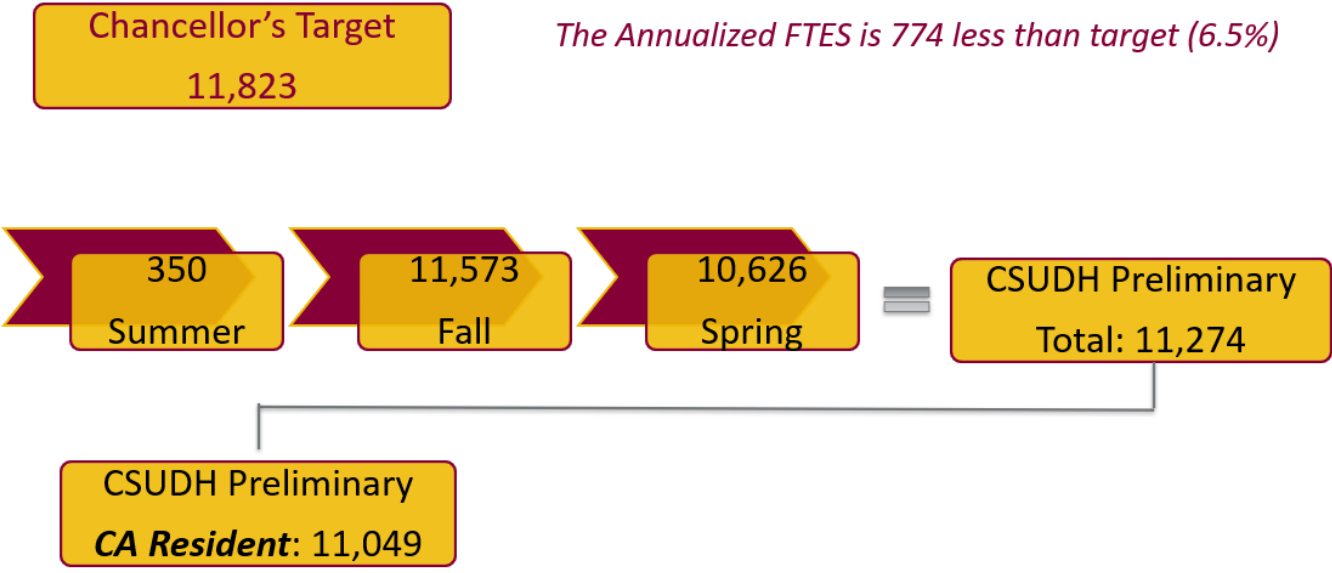
Limited funding from the State

Campuses expected to cover funding shortage



Enrollment Decline

PRELIMINARY*: ANNUALIZED FTES STATE SUPPORT



- In the current year 2023-24, our Chancellor's Office (CO) Resident Target increased to 11,823 FTES. Our campus is funded with state-support at this level.
- 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.
- Because our campus did not achieve enrollment growth, our CO Resident Target will go back down to 11,723 FTES next year. (Note: This is not part of the CSU Enrollment Reallocation Plan)

CALIFORNIA STATE UNIVERSITY, DOMINGUEZ HILLS

*Census occurred on 2/17 and file cleaning is underway



Preliminary Enrollment Update as of February 19, 2024



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



Transparency

Exercise
Flexibility

Budget
Reductions



2023-24 Quarter 2 – January Update



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 (July to January)	Projected Actuals	Encumbrances	YE Actuals	YE Balance
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
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 Reserve	-	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
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

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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)
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2023-24 UBC Priority Items



Funded 2023-24 UBC Priority Items

					UBC Recommendations 04.06.23	Updated President Recommendations 08.29.23		
University Priority	Recommendations	Financial Strategy	Base/ One-time (OT)	Source	Amount	Amount		
Achieve and maintain academic excellence	Cabinet Recommendation 1a: Fulfill Year 3 of the 5-Year Tenure Density Strategy to improve academic excellence	Financial Strategy 1a: Support the recruitment and hiring of 108 new TT faculty lines for Fall 2024	Base	Enrollment Growth	\$ 1,200,000	\$ 960,000	*Adjusted & Unfunded	
Achieve operational excellence and infrastructure	Cabinet Recommendation 2a: Maintain the digital infrastructure that was implemented during the pandemic	Financial Strategy 2a: Backfill expenditures accrued using CARES funding	OT	HEERF IDC	\$ 2,000,000	\$ 2,000,000	Funding Held Centrally	
	Cabinet Recommendation 2d: Support DEI efforts across the campus to improve the overall campus climate	Financial Strategy 2d.2: Permanently resource the Office of the Vice President and Chief Diversity, Equity, and Inclusion Officer to cover existing staff salaries and operational costs Financial Strategy 2d.3: Increase Office of Equity and Inclusion's capacity to make CSUDH more responsive and proactive to campus climate issues (<i>funding to two FTE for conflict resolution and administrative support</i>)	OT	Enrolment Growth	\$ 225,000	\$ 120,000	*Unfunded	
				Enrolment Growth	\$ 250,000	\$ -		
Build Inter-divisional structures to support student and employee success	Cabinet Recommendation 3a: Finish Year Two implementation of the Going Far Together initiative	Financial Strategy 3a: Support the funding of the proposed GFT financial plan	TBD	TBD	\$ 1,425,528	\$ 1,340,160	Unfunded	
	Cabinet Recommendation 3f: Additional support needed in ensure student retention and success	Financial Strategy 3f: Hire (1 FTE) Director/Coordinator Toro Re-Engagement Center	TBD	TBD	\$ 210,000	\$ 210,000	One-Time Funded	
				Total	\$ 5,310,528	\$ 4,630,160		

****Items were funded with 2023-24 Enrollment Growth and held centrally until the Chancellor's Office confirmed CSUDH would keep base funds. Because CSUDH did not achieve enrollment growth, base funds will be taken away from our campus.***

2024-25 Governor's Budget Update



- Governor Newsom proposed to defer the 2024-25 CSU compact funding commitment of approximately \$240 million by one year – until fiscal year 2025-26
- How will the CSU address temporary funding gap?

Temporary systemwide support will be allocated to campuses for specific priorities outlined in the 2024-25 Operating Budget Plan

- Current one-time designated balances and reserves at our campus will not be affected by the state budget deferral



Sources of Funds	(in millions)
State General Fund: Compact Temporary Systemwide Support	\$240.3
Tuition: Increase	148.3
Tuition: Access & Enrollment	24.3
Total Revenue	\$412.9



2024-25 Operating Budget Plan – Uses of Funds	Tuition & Within Compact (in millions)
Financial Aid – SUG	\$57.5
Student Access & Enrollment	55.0
Student Basic Needs & Mental Health	3.0
Title IX and DHR Programs	7.9
NAGPRA Compliances	2.3
Maintenance of New Facilities	12.5
Liability & Property Insurance Premium Increases	22.6
Debt Service on Facilities & Infrastructure	10.0
Faculty & Staff Compensation Pool	163.7
Health Premium Increase	78.4
Total Uses	\$412.9

2024-25 Potential Allocations to CSUDH ~2.8%

Use of Funds	State University Grant	Student Access & Enrollment	Student Basic Needs	Title IX & DHR Programs	State & Federal NAGPRA Compliance
Within Compact	\$1,611,000	\$0	\$84,000	\$221,000	\$63,000

Use of Funds	Maintenance of New Facilities	Liability & Property Insurance	Debt Service on Facilities & Infrastructure	Faculty & Staff Compensation Pool	Health Premium
Within Compact	\$0	\$633,000	\$0	\$4,583,000	\$2,194,000

Student Access & Enrollment: Funds allowing campus flexibility to address university priorities

<https://www.calstate.edu/csu-system/about-the-csu/budget/2024-25-operating-budget>



UBC PM Update



- The membership of the University Budget Committee (UBC) is established by [PM 2014-04](#); which supersedes [PM 00-03](#).
- Your inputs are sought in writing the new PM (2023, to be issued).
- Current items for consideration. More to be added based on the member feedback
 1. Adding the DEIJ division
 2. Extending the new budget request memo deadline from April 1 to April 15th
 3. Making clear UBC role in budget add/modify/delete line items
 4. Making clear the language on the process if the president adds/modifies/deletes the UBC recommendation
 5. Making clear UBC role in budget cuts
 6. Making clear language on UBC oversight/review of auxiliaries
 7. Making clear language and timelines on the university annual financial report
 8. How UBC and UPC may work together





Thursdays, 2pm to 4pm

(Fall23: on Zoom, Spring24: modality & day TBD action item)

- 1) 09/28/2023: Kickoff meeting
 - 2) 10/19/2023: Share budget request form with UBC
 - 3) 11/30/2023: FY24-25 budget topics for review
12/14/2023: Last meeting before holidays, VP budget discussions update. May not be needed
- 1) 02/29/2024: FY24-25 Governor's budget update, CSUDH budget priorities)
 - 2) 03/28/2024: FY24-25 Final Cabinet recommendations & Budget Approval
Note: 04/01/2024: Hard deadline to send UBC budget memo to the president
 - 3) 04/11/2024: FY24-25 Budget Approval Meeting (contingency meeting)
05/02/2024: Tentative, most likely not required

UBC does not meet over the summer, unless in emergency situations.

