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CALIFORNIA  
STATE UNIVERSITY  
NORTHRIDGE

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# UNIVERSITY PLANNING AND BUDGET GROUP

August 28, 2020

# 2020/21 Operating Budget Priorities

- Address \$33M budget deficit through a mix of expense reductions and various campus reserves;
- Plan and prepare for likely state appropriation cuts in 2021/22 and 2022/23;
- Recognizing the stresses placed on students by the COVID-19 crisis, prioritize academic delivery and student services when making difficult but necessary budget trade-offs;
- Utilize CARES Act institutional funding as the primary source to cover unexpected expenses due to COVID-19 response & primarily remote instruction model

# 2020/21 Projected Budget Deficit Components

*As of 8/25/20:*

		<i>% Budget*</i>
■ State Allocation Cut	\$16M	3.3%
■ 2020/21 revenue losses & new mandatory costs	\$9.4M	1.9%
■ Expired one-time funding from enrollment & reserves	\$7.6M	1.5%
	<hr/>	<hr/>
	Total Impact: \$33M	6.7%

*\*2020/21 Campus Operating Budget is \$490,138,546*

# ENROLLMENT TREND

*As of 8/25/20*

<b>All Students</b>	<b>FTES</b>	<b>Headcount</b>	<b>Tuition Fee Revenue</b>
2018/19	30,795.3	36,842	\$ 200,897,510
2019/20	30,869.8	36,599	\$ 199,783,038
2020/21 (Projection)	31,637.5	37,425	\$ 204,303,075

# NON-RESIDENT ENROLLMENT

*As of 8/25/20*

<b>Non-Residents</b>	<b>FTES</b>	<b>Headcount</b>	<b>Non-Resident Fee Revenue</b>
2018/19	1,584	1,827	\$ 17,872,328
2019/20	1,321	1,544	\$ 14,629,219
2020/21 (Projection)	874	1,061	\$ 10,051,914

As of August 18, 2020, there are 439 international students with outstanding receivables. For projection purposes, these were excluded from both tuition and non-resident fee revenue calculations.

# Proposed Budget Balancing Plan: High Level Summary

▪ Operating Expenditure Reduction (primarily virtual fall)	\$8.9M
▪ Labor Expense Reduction (chill/early exit/restructure)	\$4M
▪ One-Time Campus Reserves	<u>\$20M</u>
Total:	\$32.9M

*\*Note: Operating and labor expense reductions must be built into the budget permanently in 2021/22 to account for the \$16M permanent state allocation cut in FY2020/21.*

# OPERATING EXPENDITURE REDUCTIONS

		Divisional Contribution									
	Amount Necessary	Academic Affairs	Admin. & Finance	Athletics	Information Technology	Office of President	Diversity & Inclusion	Student Affairs	University Advancement	Central University Budget	Total
Reduce divisional base budget allocations to account for non-labor operating budget savings in FY2020/21	7,684,082	(5,251,496)	(952,261)	(267,006)	(374,844)	(29,478)	(20,471)	(592,566)	(195,961)		<b>(7,684,082)</b>
Central utility and operational expense savings due to remote instruction	1,202,520									(1,202,520)	<b>(1,202,520)</b>
<b>Total</b>	<b>8,886,602</b>	(5,251,496)	(952,261)	(267,006)	(378,844)	(29,478)	(20,471)	(592,566)	(195,961)	(1,202,520)	<b>(8,886,602)</b>

# LABOR EXPENDITURE REDUCTIONS

		Divisional Contribution									
	Amount Necessary	Academic Affairs	Admin. & Finance	Athletics	Information Technology	Office of President	Diversity & Inclusion	Student Affairs	University Advancement	Central University Budget	Total
Continuing labor savings for positions frozen in 2019/20	\$2,209,205	\$ (1,575,482)	\$ (239,291)	\$ (61,263)	\$ (6,447)	\$ (87,996)	\$ (9,107)	\$ (169,788)	\$ (59,830)		(2,209,205)
Reduce permanent positions	\$1,776,284	\$ (635,395)	\$ (96,507)	\$ (24,707)	\$ (2,600)	\$ (35,489)	\$ (3,673)	\$ (68,476)	\$ (24,130)	\$ (885,306)	(1,776,283)
<b>Total</b>	<b>\$3,985,489</b>	<b>\$ (2,210,877)</b>	<b>\$ (335,798)</b>	<b>\$ (85,970)</b>	<b>\$ (9,047)</b>	<b>\$ (123,486)</b>	<b>\$ (12,780)</b>	<b>\$ (238,264)</b>	<b>\$ (83,960)</b>	<b>\$ (885,306)</b>	<b>(3,985,488)</b>

Permanent labor distribution is calculated pro rata based on 2019/20 salaries expenses in 485xx funds.



# USE OF CAMPUS ONE-TIME RESERVES\*

		Divisional Contribution							
	Amount Necessary	Academic Affairs	Admin. & Finance	Information Technology	Diversity & Inclusion	Student Affairs	University Advancement	Central University Budget	Total
Sweep all divisional reserves above 2018/19 year end balances	10,516,001	(8,491,203)	(387,316)	(785,448)	(149,787)	(581,728)	(120,519)		<b>(10,516,001)</b>
A&F overhead investment income	2,672,590		(2,672,590)						<b>(2,672,590)</b>
University central reserves	3,443,136							(3,443,136)	<b>(3,443,136)</b>
Investment income- fund 48506 (SWIFT)	3,443,136							(3,443,136)	<b>(3,443,136)</b>
<b>Total</b>	<b>20,074,863</b>	<b>(8,491,203)</b>	<b>(3,059,906)</b>	<b>(785,448)</b>	<b>(149,787)</b>	<b>(581,728)</b>	<b>(120,519)</b>	<b>(6,886,272)</b>	<b>(20,074,863)</b>

\*Reserve balances from 2019/20 State General Funds (485xx).  
 For information on reserve balances, visit: <https://csun.openbook.questica.com/>

# 2020/21 GENERAL FUND BUDGET ALLOCATION

	Academic Affairs	Admin. & Finance	Athletics	Information Technology	Office of President	Diversity & Inclusion	Student Affairs	University Advancement	Central University	Total
<b>2020/21 Beginning General Fund Budget (Adjusted Base + Recurring)</b>	<b>\$ 180,210,018</b>	<b>\$ 29,974,202</b>	<b>\$ 5,573,522</b>	<b>\$ 12,581,325</b>	<b>\$ 1,101,641</b>	<b>\$ 810,697</b>	<b>\$ 19,538,758</b>	<b>\$ 6,347,702</b>	<b>\$ 234,000,683</b>	<b>\$ 490,138,548</b>
Operating budget reduction target	(5,251,496)	(952,261)	(267,006)	(374,844)	(29,478)	(20,471)	(592,566)	(195,961)	(1,202,520)	(8,886,602)
Labor budget reduction target	(2,210,877)	(335,798)	(85,970)	(123,486)	(12,780)	(9,047)	(238,264)	(83,960)	(885,306)	(3,985,488)
<b>2020/21 Budget Allocation by Division</b>	<b>\$ 172,747,644</b>	<b>\$ 28,686,144</b>	<b>\$ 5,220,546</b>	<b>\$ 12,082,996</b>	<b>\$ 1,059,382</b>	<b>\$ 781,180</b>	<b>\$ 18,707,928</b>	<b>\$ 6,067,781</b>	<b>\$ 231,912,857</b>	<b>\$ 477,266,458</b>
<b>Budget revenue sources:</b>										
Campus on-going operating funds	\$ 158,498,570	\$ 26,362,953	\$ 4,902,032	\$ 11,065,545	\$ 968,917	\$ 713,025	\$ 17,184,756	\$ 5,582,940	\$ 231,912,857	\$ 457,191,595
One-time reserve pool (approx. 1/3 of available operating reserve)	\$ 14,249,074	\$ 2,323,191	\$ 318,514	\$ 1,017,451	\$ 90,465	\$ 68,155	\$ 1,523,172	\$ 484,841	\$ -	\$ 20,074,863
	<b>\$ 172,747,644</b>	<b>\$ 28,686,144</b>	<b>\$ 5,220,546</b>	<b>\$ 12,082,996</b>	<b>\$ 1,059,382</b>	<b>\$ 781,180</b>	<b>\$ 18,707,928</b>	<b>\$ 6,067,781</b>	<b>\$ 231,912,857</b>	<b>\$ 477,266,458</b>

# Key 2020/21 Budget Year Milestones

- Fall enrollment: final fee payment deadline Aug. 18<sup>th</sup>
- Decision on on-campus vs. primarily virtual Spring Sept. 15<sup>th</sup>
- Possible mid-year state/CSU budget increase: Oct. 15<sup>th</sup>  
Federal stimulus/“HEALS” funds

# CSUN CARES Act Allocation Breakdown

Student Aid Grants	\$ 26,160,949	54.5%
Student housing & meal plan refunds and revenue loss recovery	\$ 7,785,160	16.2%
Instructional and administrative technology	\$ 7,100,000	14.8%
Personal protective equip., hygiene supplies & equip., facility modifications	\$ 2,200,000	4.6%
Student Support/Counseling	\$ 1,500,000	3.1%
Emergency pay for essential staff	\$ 1,500,000	3.1%
Parking Services refunds	\$ 1,051,124	2.2%
Increased instructional costs	\$ 371,296	0.8%
Miscellaneous student refunds	<u>\$ 335,968</u>	<u>0.7%</u>
Total:	\$ 48,004,497	100.0%

### CARES Grant Expenditure Requirements

G5 Award Number	Application Date	Award Date	Performance Period	Last Day to Draw Funds	Authorized Amount	Remaining Amount as of 7/30/2020
P425E200073- Student Grant Aid	4/13/2020*	4/21/2020	4/20/2020 – 4/19/2021	7/19/2021	\$22,326,164	\$4,457,075
P425F202848- Institutional	5/6/2020	5/12/2020	5/12/20 – 5/11/2021	8/11/2021	\$22,326,164	\$22,326,164
P425L200289- Minority Serving Institutions.	5/7/2020	6/1/2020	6/1/2020 – 6/1/2021	8/31/2021	\$3,352,169	\$3,352,169

\$48,004,497

\$30,135,408