

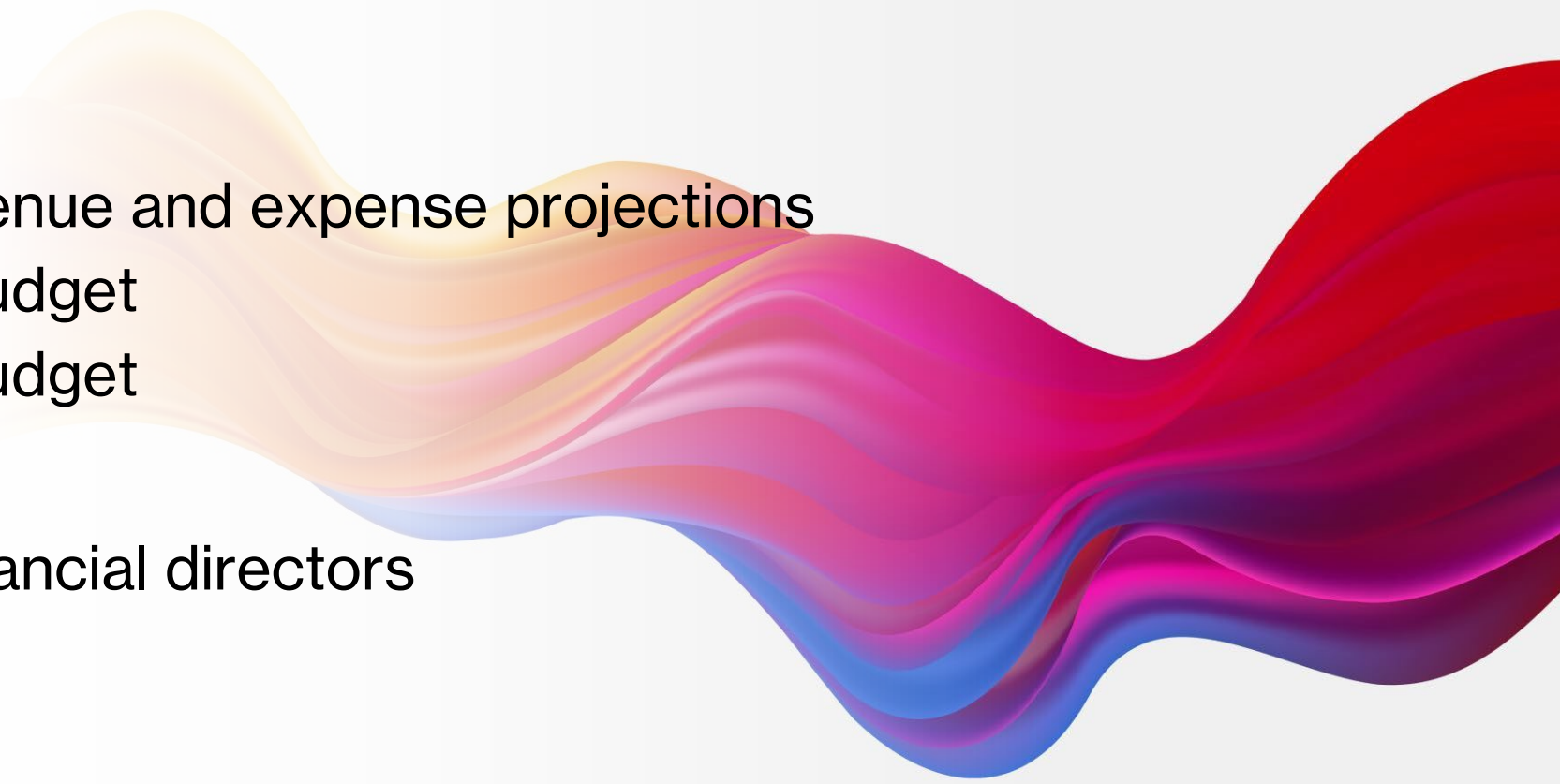


University Planning & Budget Group

September 20, 2024



AGENDA

- Introduction
 - Review of multi-year revenue and expense projections
 - 2024/25 operating budget
 - 2025/26 operating budget
 - Guiding principles
 - Panel discussion with financial directors
 - Brief updates/comments
- 



2024/25 Operating Budget





**The California
State University**

2024/25 CSU SYSTEM OPERATING BUDGET

2024/25 State Budget Highlights Impacting **CSU** **System** Operations

- \$240M ongoing increase
- \$75M one-time reduction
- 7.95% (\$397M) State appropriation reduction expected in 2025/26
- Deferral of compact funding in 2025/26 and 2026/27

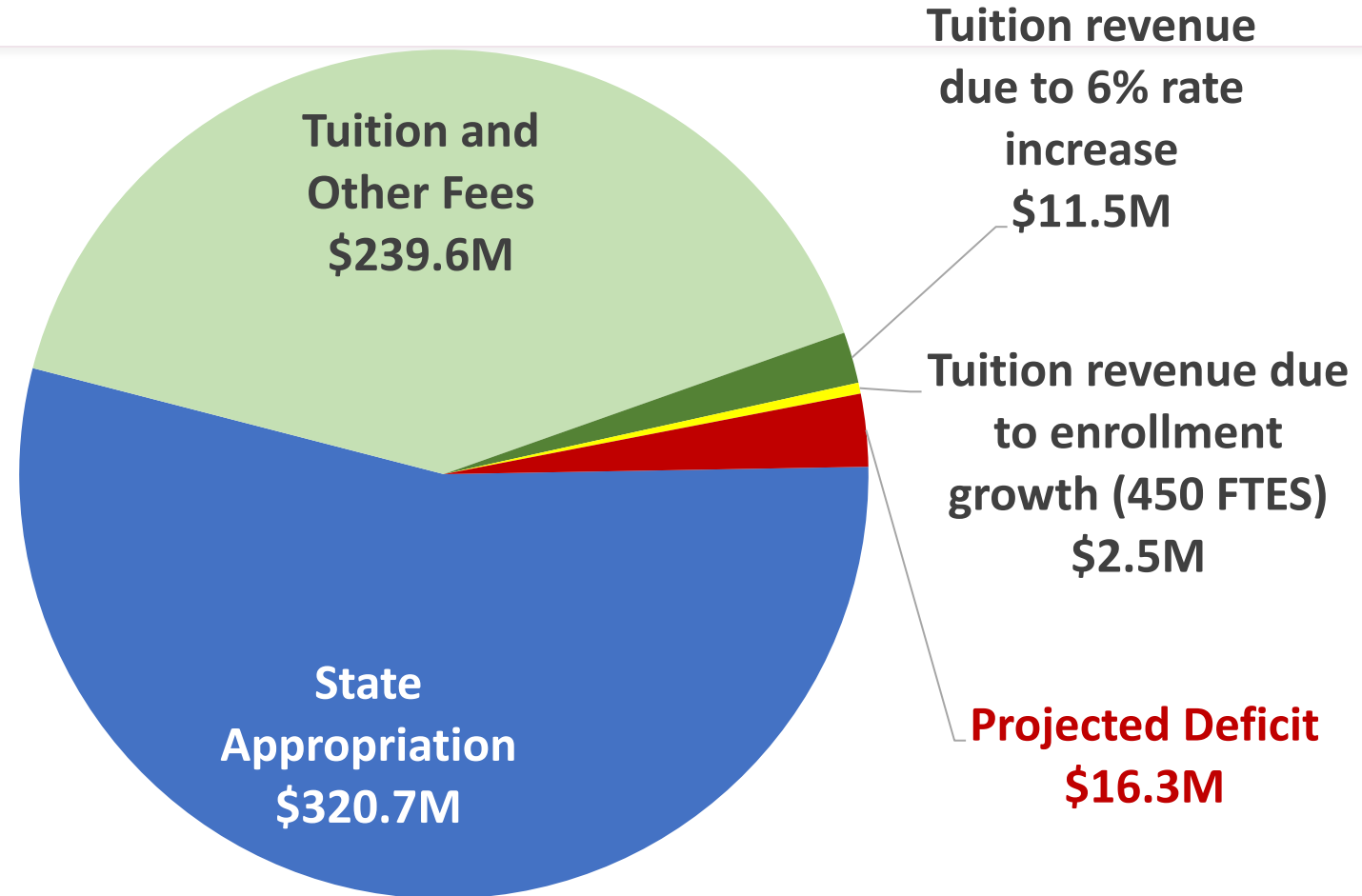
The logo for California State University Northridge (CSUN) is centered within a large, thin-lined white circle. The letters "CSUN" are rendered in a bold, red, serif font. A small registered trademark symbol (®) is positioned to the right of the letter "N".

CSUN®

A horizontal white bar with a thin grey border spans across the lower portion of the page. On the far left end of this bar, there is a small, solid gold-colored rectangular block.

CAMPUS OPERATING BUDGET

2024/25 \$574M **Campus** Operating Budget





2024/25 **Campus** Operating Budget

- New revenues \$31.5M
- New expenses (\$47.8M)
- **Projected budget deficit (\$16.3M)**

NOTE: These planning projections are based on current assumptions and may vary based on actual enrollment revenues and compensation expenses in 2024/25.

2024/25 Deficit Coverage Plan

(per 6/3 & 8/19/24 UPBG Memos)

- Projected budget deficit (\$16.3M)
- Coverage plan:
 - Divisional absorption of expenses (permanent) \$10.9M
 - Central and divisional reserve expenditure (one-time) \$12.0M
- Projected one-time carry-forward \$6.6M

NOTE: These planning projections are based on current assumptions and may vary based on actual enrollment revenues and compensation expenses in 2024/25 and State/CSU budget outcomes in 2025/26.

New Revenue Details

State appropriation increase	\$23M
CSU enrollment reallocation plan (150 FTES)	\$1.2M
State one-time budget reduction (\$75M)	(\$6.7M)
Tuition from 6% rate increase	\$11.5M
Tuition from enrollment growth	\$2.5M
Total new revenues	\$31.5M

New Expense Details

Projected ongoing deficit entering budget year	(\$2.4M)
Compensation increase	(\$21.6M)
State University Grant financial aid	(\$13.1M)
Health/insurance premiums & unfunded mandatory commitments	(\$8.2M)
GI2025/student success	(\$1.5M)
Title IX & anti-discrimination programs	(\$760K)
Veteran tuition waivers	(\$199K)
NAGPRA compliance	(\$175K)
Total new expenses	(\$47.8M)

2023/24 Designated Balances and Reserves

Carry-Forward Balances

2023/24 Designated Balances and Reserves

- Enterprise Funds \$73.2M (Extended Learning, Parking, Housing, Health Facility)
 - Auxiliary Funds \$24.1M (University Student Union)
 - State Funds \$131.M
- \$228.4M**

CSU Transparency Portal: <https://csu.opengov.com/transparency#/>

CSUN OpenBook: <https://csun.openbook.questica.com/>

State Funds Designated Balances & Reserves

(Breakdown by Fund)

• General Fund	\$107.6M
• Trust & Other Funds	\$21.9M
• Lottery	<u>\$1.5M</u>
Total	\$131.M

State Funds Designated Balances & Reserves

(Breakdown by Division)

Division	2023/24
Academic Affairs	\$55.5M
Central University	\$54.2M
Administration & Finance	\$9.5M
Student Affairs	\$8.4M
Information Technology	\$3.0M
President's Administrative Units	\$0.3M
University Relations & Advancement	\$0.2M
Total	\$131.1M

Central University Designated Balances and Reserves

(breakdown by **OPERATING** fund)

Operating Fund	2023/24
General Operating Fund	\$23.1M
Operating Investment	\$8.0M
GI2025	\$7.7M
HEERF Lost Revenue/Indirect Cost Recovery	\$7.6M
Utilities/Risk	\$2.3M
Deferred Maintenance	\$2.0M
Campus Quality Fee	\$0.9M
Lottery	\$0.3M
Misc.	\$2.3M
Total	\$54.2M

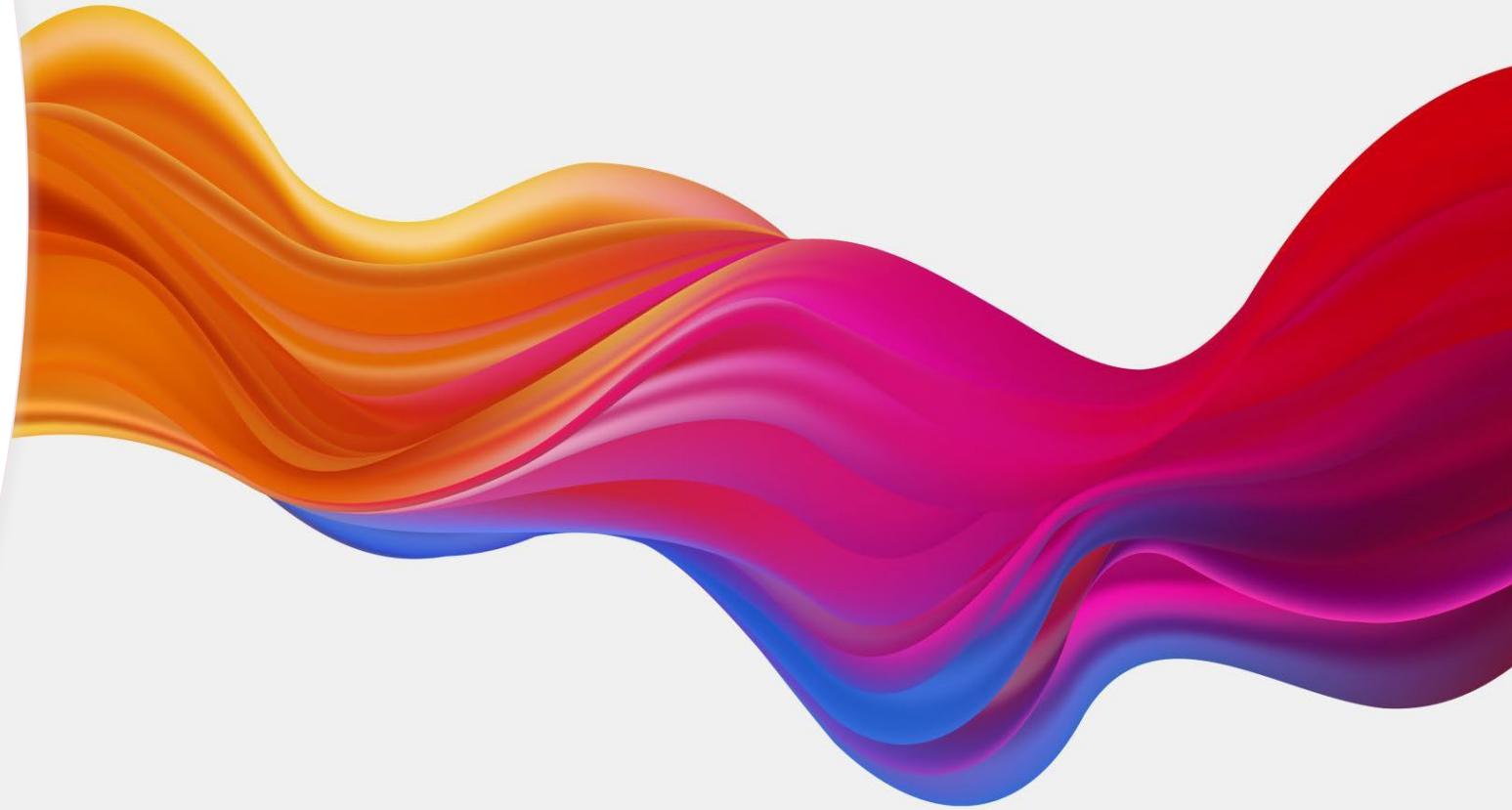
Central University
SPECIAL PURPOSE
FUNDS*
(balances)

**not shown on the CSU Transparency Portal*

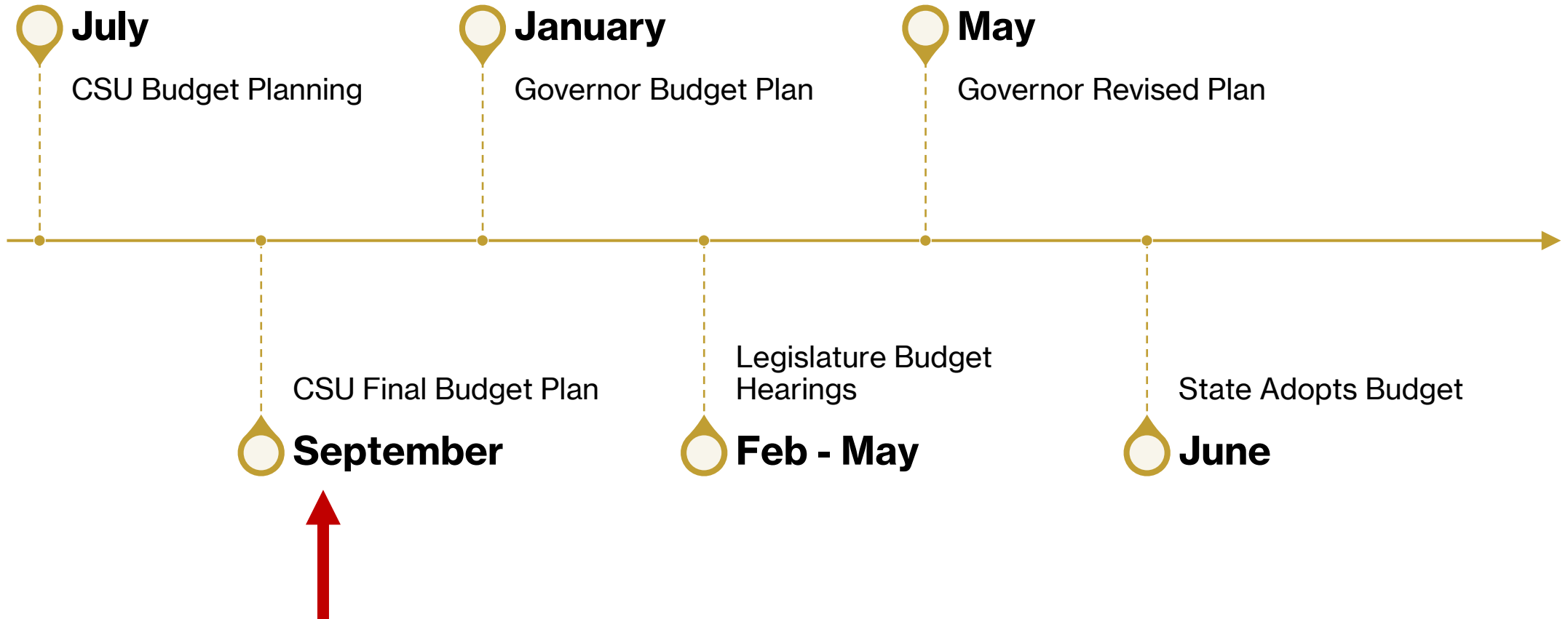
Special Purpose Funds	2023/24
Total Return Portfolio Income	\$18.4M
Educational Broadband Service Sale	\$12.6M
Overhead Investment Income	\$5.5M
Capital Improvement	\$3.2M
Broadcast License Revenue	\$4.6M
Rebate Revenue	\$3.7M
Cell Site Revenue	\$1.6M
Reserve for Operations and Contingency	\$0.8M
Installment Payment Plan	\$0.2M
Abatements and Refunds	\$0.2M
Cell Site Utilities	\$0.1M
EV Charging Stations	\$0.1M
Total	\$50.9M



2025/26 Operating Budget Planning



2025/26 State/CSU Budget Timeline





2025/26 Projections

- New revenues (\$12.1M)
- New expenses (\$15.3M)
- Projected budget deficit (\$27.4M)

NOTE: These planning projections are based on current assumptions and may vary substantially based on actual revenues and expenses in 2024/25 and State/CSU budget outcomes in 2025/26.

New Revenues Projections

State appropriation increase	-
CSU enrollment reallocation plan	TBD
7.95% (\$397M) state appropriation reduction	(\$26.6M)
Tuition from 6% rate increase	\$12.3M
Tuition from enrollment growth	\$2.2M
Total new revenues	(\$12.1M)

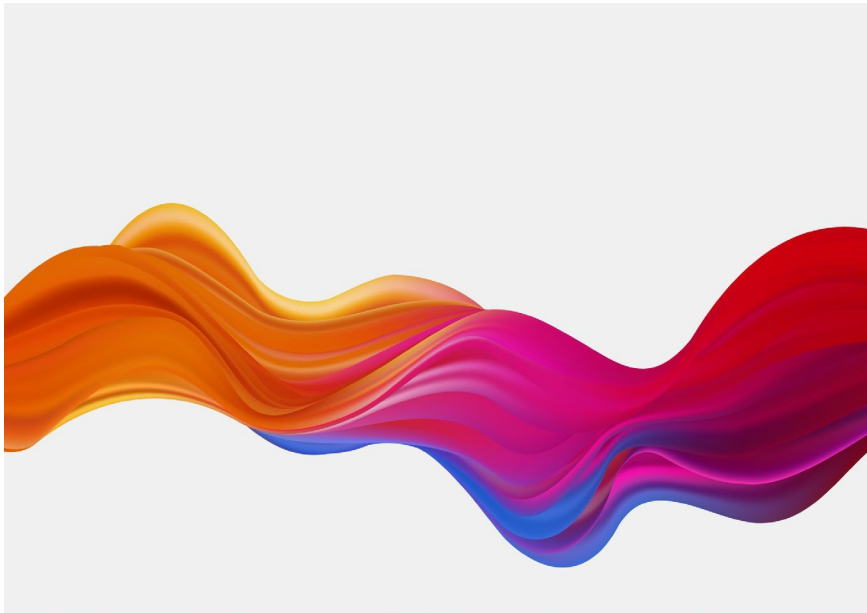
New Expenses Projections

Projected ongoing deficit entering budget year	(\$3.2M)
Compensation increase	TBD
State University Grant	(\$6M)
Health/insurance premiums & unfunded mandatory commitments	(\$6.1M)
Total new expenses	(\$15.3M)

Guiding Principles for Budget Planning

- **Preserve jobs** and avoid layoffs;
- **Fund course section enrollment** to support academic success;
- **Maintain student and academic support** services;
- **Achieve meaningful reductions** to ongoing budget deficits, while utilizing operating reserves judiciously;
- **Continue progress on Roadmap** priorities, leveraging one-time operating/non-operating resources to help support key funding needs.

Panel Discussion with Financial Directors



- Panelists:
 - Fred Moreno – MDECOE
 - Todd Oberson – CHHD
 - Madalynn Gayheart Ojeda – Student Affairs
 - Natali Papazyan – MCCAMC
 - Jason Wang – PPM
- Moderators:
 - Callie Juarez – Academic Affairs
 - Edith Winterhalter – University Budget



Brief Updates / Comments