Topics

• CSU Annual Budget Cycles & Timelines
• State of California Sources and Uses
• CSU Budget Funding Methodology
• 2018-19 CSU Budget
• CSUF Budget & Timelines
State of California Budget Timelines

• CSU is a State Agency – Agency 6610
  – State of California Budget Calendar
    • Agency Requests November
    • Governor’s Budget January
    • Legislative Analyst February
    • May Revise May
    • Final Budget July

• Trustees Support Budget Request

https://www2.calstate.edu/csu-system/about-the-csu/budget/2017-18-support-budget/Pages/default.aspx/
# CSU Budget Cycle & Timelines

<table>
<thead>
<tr>
<th>Budget Calendar</th>
<th>Jun</th>
<th>Aug</th>
<th>Sep</th>
<th>Nov</th>
<th>Jan</th>
<th>Feb</th>
<th>Apr</th>
<th>May</th>
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<td>Preliminary Campus Allocations</td>
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Sources of State General Fund Revenue

- **Personal Income Tax**: 69%
- **Sales & Use Tax**: 19%
- **Corporate Tax**: 9%
- **Insurance Tax**: 2%
- **Other Sources**: 1%
State General Fund Expenditure Budget

- K-12 Education: 40%
- Health & Human Services: 28%
- Higher Education: 12%
- Corrections: 9%
- State Government: 7%
- Natural Resource & Environment: 3%
- Other: 1%
Higher Education General Fund Budget

- Community Colleges 40%
- Student Aid Commission 8%
- GO Bonds 2%
- California State University 25%
- University of California 25%
Historical CSU Funding
### State of California Allocations to CSU

#### CSU Support Budget Request vs. State Funding

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>State Plan</th>
<th>CSU Request</th>
<th>Actual Allocation</th>
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<tr>
<td>2013-14</td>
<td>$125.1 million</td>
<td>$371.8 million</td>
<td>$125.1 million</td>
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<td>2014-15</td>
<td>$142.2 million</td>
<td>$237.6 million</td>
<td>$142.2 million</td>
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<td>2015-16</td>
<td>$119.5 million</td>
<td>$216.0 million</td>
<td>$216.0 million</td>
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<tr>
<td>2016-17</td>
<td>$139.4 million</td>
<td>$240.4 million</td>
<td>$154.0 million</td>
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<tr>
<td>2017-18</td>
<td>$157.2 million</td>
<td>$346.0 million</td>
<td>$177.2 million</td>
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<tr>
<td>2018-19</td>
<td>$92.0 million</td>
<td>$283.0 million</td>
<td>$197.2 million</td>
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</table>
Historical CSU Funding

Tuition & Fees - More Than Half of General Operating Fund
CSU Operating Budget
General Operating Fund Sources of Revenue

Tuition & Fees - More Than Half of General Operating Fund
Fee Revenue
Categories of Fees

Category I - System wise
- System-wide mandatory fees (Tuition, Non Resident Tuition, Doctoral Program Tuition, Tuition, Graduate Business Professional Fee & Application Fee)

Category II – Campus Based
- Campus mandatory fees that must be paid to enroll in or attend the university

Category III – Course Fees
- Campus mandatory fees that must be paid to enroll in or attend the university

Category IV – Fees for Service
- Fees paid to receive materials, services, or for the use of facilities provided by the University; and fees or deposits to reimburse the university for additional costs resulting from dishonored payments, late submissions, or misuse of property or as a security or guaranty

Category V – Self Support Admin Fees & Fines
- Fees paid to self-support programs such as Extended Education, Parking, and Housing including materials and services fees, user fees, fines and deposits

Category VI
- System-wide voluntary fees such as Student Involvement & Representation Fee (SIRF)
General Operating Fund Expenses

EXPENSES

- Salaries and Benefits: 70.8%
- Operating Expenses: 15.9%
- Tuition Discounts: 13.3%

- Operating Expenses

- Tuition Discounts

- Salaries and Benefits
Campus Allocations – CSU Level

- Components/Variables
  - New Mandatory Costs (Health, Dental, Retirement, Compensation Increases)
  - Enrollment Growth
  - State University Grant/Pell Eligibility
  - CSU Priorities (Student Success/GI 2025)
  - Operation & Maintenances of New Facilities/Space
  - Other Special Allocations (if allocated in state budget)

- Historically Enrollment Based Funding
- State is Moving Toward Performance Based Funding (Improving Graduation Rate)
Enrollment Funding – CSU Level

- Components/Variables for Funding Decisions
  - CSU enrollment target is determined by total new General Fund
  - Campus enrollment targets are set after a conversation between the Chancellor and Presidents
  - Local Demand
  - Campus Impaction Decisions
  - Overall Capacity
  - Balancing on-going new enrollment demands with increases in Average Unit Load
Graduation Initiative – GI 2025 Goals

**Graduation Initiative 2025 Goals: Ambitious & Attainable**

- **Freshman 4-Year Graduation Rate**
  - 2015: 19%
  - 2017: 23%
  - 2025 (Goal): 40%

- **Freshman 6-Year Graduation Rate**
  - 2015: 57%
  - 2017: 59%
  - 2025 (Goal): 70%

- **Transfer 2-Year Graduation Rate**
  - 2015: 31%
  - 2017: 35%
  - 2025 (Goal): 45%

- **Transfer 4-Year Graduation Rate**
  - 2015: 73%
  - 2017: 75%
  - 2025 (Goal): 85%

- **Achieve Equity**
  - Eliminate all equity gaps for underrepresented minorities and Pell-eligible students
Graduation Initiative – GI 2025

1. Academic Preparation
2. Enrollment Management
3. Student Engagement & Well Being
4. Financial Aid
5. Data Driven Decision Making
6. Eliminating Administrative Barriers
University Budget Process & Timelines
CSUF
University Budget Process & Timelines

• CSUF Budget Process & Timelines
  • FTES targets allocated by CO (early fall for following academic year)
  • University Planning Resource and Budget Committee (PRBC) – reviews budget priorities and develops budget recommendations to the president (fall through end of spring semester)
  • State/CSU budget approved – June 30
  • President responds to PRBC’s recommendations (Budget Letter)
  • University allocates budget to departments
General Operating Fund
Campus Budget Allocations

Baseline

• Baseline Budget – Permanent – On-Going

• Campus uses priority based incremental budgeting process

One-Time

• Not Permanent (one-time allocation for a designated purpose)
## CSU Fullerton 2018-19 Allocations of New Operating Budget

<table>
<thead>
<tr>
<th>SOURCES (in millions)</th>
<th>Baseline</th>
<th>One-Time</th>
<th>Total</th>
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<tbody>
<tr>
<td>General Fund Increase</td>
<td>14.0</td>
<td>1.8</td>
<td>15.7</td>
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<tr>
<td>Gross Tuition &amp; Fees Increase</td>
<td>-</td>
<td>14.3</td>
<td>14.3</td>
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<tr>
<td>FY 2016-17 Adjs (Retirement &amp; Compensation)</td>
<td>6.1</td>
<td>-</td>
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<tr>
<td><strong>Total</strong></td>
<td>$ 20.1</td>
<td>$ 16.1</td>
<td>$ 36.2</td>
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<table>
<thead>
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<th>USES (in millions)</th>
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<th>Total</th>
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<tr>
<td>Mandatory Costs</td>
<td>15.7</td>
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<td>Graduation Initiative 2025</td>
<td>4.3</td>
<td>0.4</td>
<td>4.8</td>
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<tr>
<td>Capital &amp; Facilities Infrastructure Projects</td>
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<tr>
<td>Faculty Hiring, Retention &amp; TT Density (other than GI 2025)</td>
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<td>8.8</td>
<td>8.8</td>
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<tr>
<td>Strategically Addressing Structural Deficits</td>
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<tr>
<td>Core Operations Critical to Advancing Institutional Mission</td>
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<td>2.9</td>
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<tr>
<td><strong>Total</strong></td>
<td>$ 20.1</td>
<td>$ 17.3</td>
<td>$ 37.3</td>
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**SHORTFALL (to be funded from Reserves)** $ (1.1)
More Information

http://budget.fullerton.edu
http://resourceplanning.fullerton.edu