

BUDGET STATUS & OUTLOOK

FISCAL YEAR 2018-19

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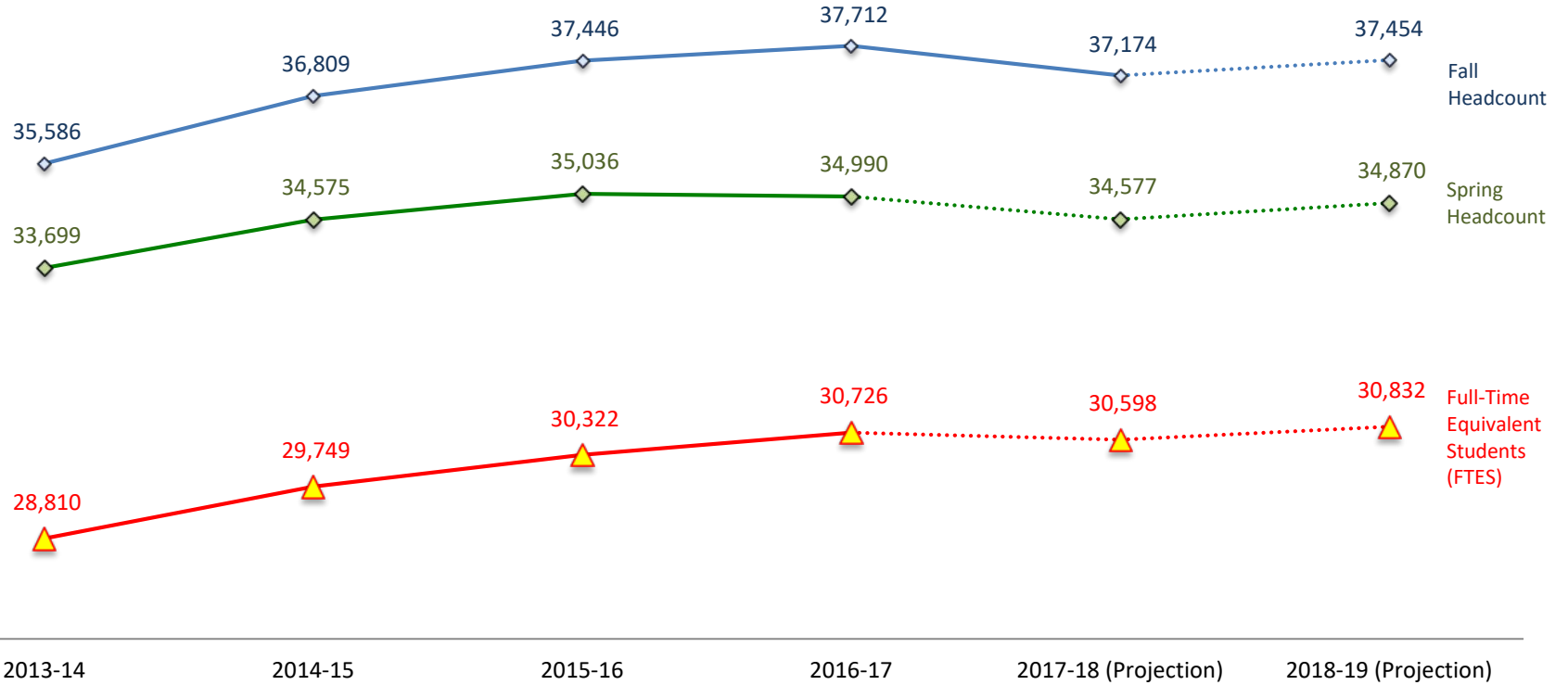
GENERAL OUTLOOK

OVER THE PAST 5 YEARS

- FTES HAVE INCREASED BY ABOUT 1% TO 2% EACH YEAR.
- GENERAL FUND INCREASES HAVE FULLY FUNDED ENROLLMENT GROWTH AND THE GRADUATION INITIATIVE; ONLY PARTIAL COSTS OF INCREASES IN COMPENSATION, RETIREMENT COSTS, AND HEALTH CARE COSTS HAVE BEEN FUNDED.
- TUITION FEES WERE FROZEN SINCE 2012 UNTIL A \$270 PER YEAR INCREASE IN 2017-18.
- CONSECUTIVE COMPENSATION INCREASES HAVE TAKEN EFFECT SINCE JULY 2013.
- BUDGET OUTLOOK FOR 2018-19 IS CHALLENGING.



Headcount and FTES Trend



CSU SUPPORT BUDGET REQUEST VS. STATE FUNDING

<u>Fiscal Year</u>	<u>January State Budget</u>	<u>CSU Request</u>	<u>Actual Allocation</u>	<u>Amount Unfunded</u>
2013-14	\$125.1 M	\$371.9 M	\$125.1 M	\$246.8 M
2014-15	\$142.2 M	\$237.6 M	\$142.2 M	\$ 95.4 M
2015-16	\$119.5 M	\$216.6 M	\$216.5 M	\$ 0.1 M
2016-17	\$139.4 M	\$241.7 M	\$154.0 M	\$ 87.7 M
2017-18	\$157.2 M	\$324.9 M	\$177.2 M	\$147.7 M
2018-19	\$ 92.1 M	\$282.9 M	?	?



CSU AND CSULB BUDGET INCREASES

	<u>2015-16</u>	<u>2016-17</u>	<u>2017-18</u>
CSU STATE BUDGET INCREASE	\$216.5M	\$154.0M	\$177.2M
CSULB EARMARKED ALLOCATIONS (Graduation Initiative, Enrollment Growth, Compensation Increases, Retirement and Health)	\$12,583,000	\$15,117,000	\$17,520,000
CSULB DISCRETIONARY FUNDS AVAILABLE	\$ 1,100,000	\$ 1,300,000	\$ -



CSULB HAS BEEN RECEIVING STATE BUDGET INCREASES

- ALMOST ALL FUNDING INCREASES HAVE BEEN EARMARKED FOR SPECIFIC PURPOSES SUCH AS ENROLLMENT GROWTH, THE GRADUATION INITIATIVE, AND COMPENSATION INCREASES.
- DISCRETIONARY DOLLARS TYPICALLY COME FROM TUITION FEE REVENUES TIED TO ENROLLMENT GROWTH.
- DISCRETIONARY DOLLARS WERE ALLOCATED TO MEET ADDITIONAL BASE BUDGET COMPENSATION NEEDS THROUGH 2016-17.



COMPENSATION INCREASES

(NOT FULLY FUNDED IN COMPENSATION POOL RECEIVED)

	<u>Faculty</u>	<u>Staff w/ "Me-Too"</u>	<u>Staff w/o "Me-Too"</u>	<u>MPP / Confidential</u>	<u>CPI Inflation Rate</u>
July 1, 2015	0%	2%	2%	2%	0.91%
June 30, 2016	5%	0%	0%	0%	
July 1, 2016	2%	3%	2%	2%	1.9%
June 30, 2017	0%	2%	0%	0%	
June 30, 2017	3.5%	3%	2%	2.5%	2.8%
July / Nov. 1, 2018	<u>3.5%*</u>	<u>3%*/a</u>	<u>---</u>	<u>---</u>	
Total	14.0%	13.0%	6.0%	6.5%	5.6%

* These represent rates already bargained and agreed to.

a CSUEU = 3% APC = 3.11% SETC = still bargaining

--- Subject to bargaining / not yet determined



CURRENT BUDGET STATUS

- PRIOR YEAR COMPENSATION SHORTFALLS HAVE BEEN BASE FUNDED WITH DISCRETIONARY FUNDING.
- 2017-18 ONGOING COMPENSATION COSTS FUNDED WITH TEMPORARY FUNDS = \$1.8M EST.
- TUITION FEE AND NON-RESIDENT TUITION REVENUES UNDER BUDGET DUE TO LOWER HEADCOUNT = \$5.8M EST.
- CURRENT BUDGET SHORTFALL BEING ADDRESSED WITH ONE-TIME FUNDS.



2018-19 BUDGET OUTLOOK

- COMPENSATION FUNDING SHORTFALL FROM 2017-18 = \$1.8M EST.
- TUITION FEE REVENUES AND NON-RESIDENT TUITION REVENUES UNDER BUDGET DUE TO LOWER HEADCOUNT = \$5.0M EST.
- 2018-19 COMPENSATION INCREASE COSTS NOT FULLY FUNDED = ???
- OTHER SYSTEM AND CAMPUS UNFUNDED MANDATES = ???
- CSU BUDGET REQUEST OF \$283M VERSUS GOVERNOR'S JANUARY PROPOSAL OF \$92M.



CHALLENGE

- THERE ARE SEVERAL OPTIONS TO RESOLVE THE BUDGET SHORTFALL:
 - INCREASE STATE APPROPRIATIONS
 - INCREASE TUITION FEES
 - REDUCE EXPENDITURES
 - ADVOCACY BY STUDENTS, STAFF, FAMILIES



OTHER CAMPUS FUNDS

- ALTHOUGH OTHER CAMPUS FUNDS DO EXIST, THEY ARE NOT AVAILABLE FOR GENERAL CAMPUS OPERATING COSTS.
 - CSULB RESEARCH FOUNDATION FUNDS ARE USED TO SUPPORT RESEARCH AND RELATED ACTIVITIES.
 - CSULB 49ER FOUNDATION FUNDS ARE PRIMARILY PHILANTHROPIC AND ARE GENERALLY RESTRICTED FOR SCHOLARSHIPS OR SPECIFIC PURPOSES.
 - HOUSING AND PARKING FUNDS ARE RESTRICTED FOR OPERATING COSTS, FACILITIES MAINTENANCE AND REPAIR, AND CAPITAL EXPENDITURES OF EACH PROGRAM.



2018-19 BUDGET SUMMARY

- MUST PERMANENTLY FUND ONGOING COMPENSATION COSTS THAT HAVE BEEN FUNDED WITH TEMPORARY DOLLARS.
- FUNDING GAP BETWEEN CSU BUDGET REQUEST AND GOVERNOR'S PROPOSED BUDGET IS AT LEAST \$170 MILLION.
- THE ACHIEVEMENT OF HEADCOUNT TARGETS AND ASSOCIATED REVENUES MUST BE BALANCED AGAINST INCREASED INSTRUCTIONAL COSTS.
- BASE BUDGET REDUCTIONS IN 2018-19 MAY BE REQUIRED, LIKELY IN THE 1% TO 4% RANGE.



CSULB BUDGET CENTRAL

web.csulb.edu/about/budgetcentral/



Budget Central

Dear Community,

Welcome to Budget Central. Long Beach State University is committed to serving the people — and the students — of California. As a public institution, we are committed to transparency in budgeting. Here you will find information about the budgets of the California State University system and our campus, links to external resources, and reasons why investing in the CSU and The Beach makes sound fiscal sense.

We are One Beach.

Sincerely,

Scott Apel
Vice President Administration and Finance

UPDATES

- [Possible 18-19 Tuition Proposal](#)
- [Dueling Budget Proposals](#)
- [Reasons why CSULB is a good value](#)
- [CSU Budget Q & A](#)
- [September 2017 Student Excellence Fee Accountability Report](#)
- [Student Excellence Fund Detail](#)

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WHAT CAN YOU DO?

- TALK TO YOUR FRIENDS AND NEIGHBORS ABOUT THE VALUE OF HIGHER EDUCATION AND HOW VITAL THE CSU AND CSULB ARE TO CALIFORNIA'S FUTURE
- HELP CONVINCING STATE LEADERS OF THE IMPORTANCE OF FULLY FUNDING THE CSU.
- CONTACT YOUR LOCAL LEGISLATOR.
- STAY POSITIVE AND BE PATIENT.

