

**ACADEMIC AFFAIRS  
BUDGET Town Hall**

**OCTOBER 11, 2024**



# HISTORICAL TIMELINE OF BUDGET

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## The Convergence:

- Declining enrollments
- Funding shortfall in the compensation packages
- Governor's Compact changes
- Mandated cost increases

# HISTORICAL TIMELINE OF BUDGET CONTINUED

**2023-24**  
Exercised 6% Base Budget Reduction amongst divisions to right-size Campus Base Budget

Transparency w/ Campus (CTM, Lunch & Learns, etc.)

**2023-24**  
Universities must fund a portion of Compensation Increases for 2023-24, 2024-25, and 2025-26.

Prepare Base Budget Reduction amongst divisions effective 2024-25 to cover 2023-24 and 2024-25 compensation shortfall.

**2024-25**  
CO Resident Target decreased from 11,823 FTES to 11,723 FTES

Enrollment Growth Funds Swept

**2024-25**  
Exercise additional Base Budget Reduction to cover increased shortfall of **~\$4.5M.**

**2024-25**  
Final Budget Allocation Memo details additional University Funded Portion of Compensation due to \$75M one-time payback to state, GI2025, and other mandatory expenditures

**2024-25**  
Exercise Base Budget Reduction in the amount of **\$7.6M** to cover projected University Funded Portion of Compensation Increases

Projections provided in 2023-24

**2025-2026**  
-\$397m in reductions

Estimated additional DH reductions of ~\$12-\$15m

# DIVISION REDUCTIONS

## 2024-25 AADHT & ST001 Base Budget Allocations

Estimated Numbers as of 08/23/24 - Finalizing Additional \$4.5M Reduction

	\$ 4,500,000					
<u>Divisions</u>	2023-24 AADHT Ending Base	\$7.6M AADHT Base Reduction*	2023-24 AADHT Comp Allocation	2024-25 AADHT Adjusted Base	% Pro-Rata	4.5 Million Additional Reduction
<b>ACADEMIC AFFAIRS</b>	\$ 70,807,629	\$ (4,282,640)	\$ 3,657,898	\$ 70,182,887	59.5%	\$ (2,676,340)
<b>ADMIN AND FINANCE</b>	17,419,342	(786,761)	748,930	17,381,511	14.73%	(662,823)
<b>ADVANCEMENT</b>	3,430,615	(279,689)	95,148	3,246,074	2.75%	(123,785)
<b>DEIJ</b>	549,983	(38,525)	22,692	534,150	0.45%	(20,369)
<b>INFO TECHNOLOGY</b>	10,305,988	(468,352)	443,970	10,281,606	8.71%	(392,077)
<b>PRESIDENTS</b>	2,976,598	(111,316)	80,541	2,945,823	2.50%	(112,335)
<b>STUDENT AFFAIRS</b>	13,065,429	(293,967)	662,050	13,433,512	11.38%	(512,271)
<b>Division Total</b>	<b>\$ 118,555,584</b>	<b>\$ (6,261,250)</b>	<b>\$ 5,711,229</b>	<b>\$ 118,005,563</b>	<b>100%</b>	<b>\$ (4,500,000)</b>
<b>BENEFITS POOL</b>	\$ 59,254,177	\$ (1,383,592)	\$ 2,277,817	\$ 60,148,402		\$ -
<b>ONE-TIME Calculations</b>	-	-	-	-		-
<b>COMPENSATION POOL</b>	3,870,000	7,644,842	(7,989,046)	3,525,796		-
<b>Grand Total</b>	<b>\$ 181,679,761</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 181,679,761</b>		<b>\$ (4,500,000)</b>

For 24-25, the campus had an additional \$4.5m in reductions needed to close the revenue shortfall due to declining enrollments and the shortfall in the reimbursement of compensation package costs. Each division was tasked with reducing a proportionate share of the \$4.5m based on their budget's proportionate share—as represented in the table above.

**For more details, please attend the  
University Budget Town Hall.**

**Budget Town Hall in mid-November  
Date/Place: TBD**

# Questions and Comments



# Context of Budget Reductions for the Division of Academic Affairs

<b>Fiscal Year</b>	<b>Base Expense Reduction</b>	<b>Percentage</b>
2023-24	\$ 4,428,934	6.00%
2024-25	\$ 7,550,341	9.29%
<b>Total</b>	<b>\$11,979,274</b>	<b>15.29%</b>

# FY 2024-25 Budget Allocations by College

College	Preliminary Total 2023-24 Base + NTTF	Total 2023-24 Base + One-Time NTTF (w/ 6% cut)	Total 2024-25 Base + One-Time NTTF	Variance
CAA	\$ 14,025,320	\$ 12,625,494	\$ 11,699,524	\$ (2,325,795)
CA&H	\$ 14,239,465	\$ 13,949,005	\$ 14,122,409	\$ (117,056)
CBAPP	\$ 10,248,712	\$ 10,068,156	\$ 9,644,482	\$ (604,230)
CHHSN	\$ 12,265,539	\$ 11,225,709	\$ 11,526,467	\$ (739,072)
CNBS	\$ 16,478,887	\$ 16,076,309	\$ 15,275,792	\$ (1,203,095)
COE	\$ 6,378,378	\$ 5,871,858	\$ 6,151,490	\$ (226,888)
LIBRARY	\$ 3,776,713	\$ 3,787,549	\$ 3,265,703	\$ (511,010)
<b>Total</b>	<b>\$ 77,413,013</b>	<b>\$ 73,604,079</b>	<b>\$ 71,685,866</b>	<b>\$ (5,727,148)</b>



# Managing this year's Additional Budget Reductions

**Our priority must be maintaining the academic core of the institution.**

Spring Class schedule

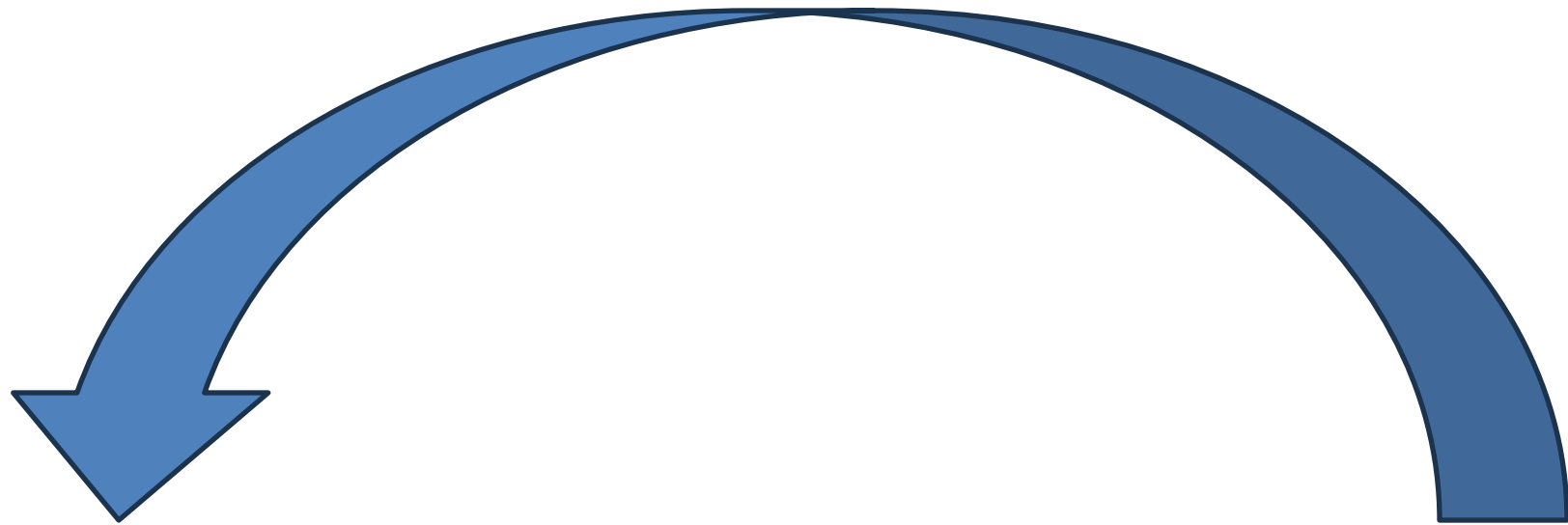
Manage vacant administrator and staff positions  
(staff recapture pool)

Operating expenses

Number of new tenured/tenure-track faculty  
positions (faculty recapture pool)

Shifting expenses to other funding sources

Other expense reduction strategies....



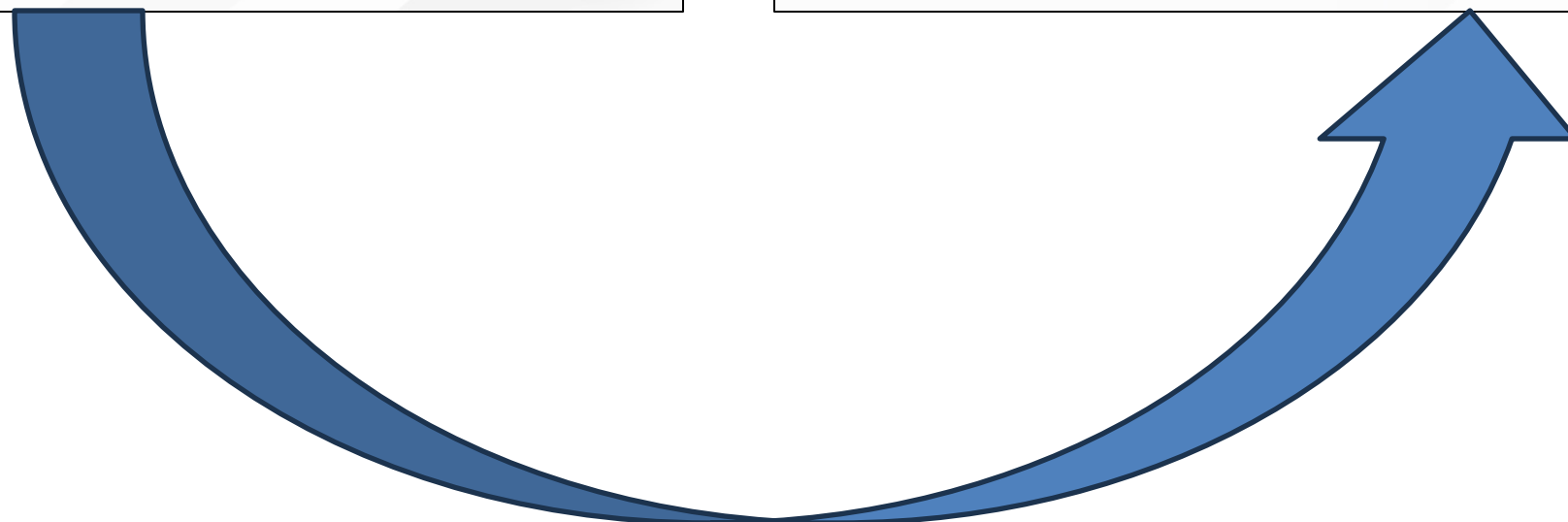
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## Managing this year's Additional Budget Reductions

**Our priority must be maintaining the academic core of the institution.**

- Spring Class schedule
- Manage vacant administrator and staff positions (staff recapture pool)
- Operating expenses
- Number of new tenured/tenure-track faculty positions (faculty recapture pool)
- Shifting expenses to other funding sources
- Other expense reduction strategies....



# Questions and Comments



# Anticipating the Future: Reimagining the University

**As we strategize and manage this year's budget, we must keep in mind what is likely to come next year.**

## **2025-26 Scenario**

**CSU budget reduction: \$397 million**

**DH portion: \$12-15 million**

**Academic Affairs portion: As much as \$7.5 million**

# Anticipating the Future: Reimagining the University Continued

**From:** [Office of the President](#)  
**Subject:** CSUDH Budget and Reimagining the University  
**Date:** Monday, July 22, 2024 3:56:19 PM  
**Attachments:** [image001.png](#)



Dear Colleagues,

Through open forums, budget town halls, and campus messages, the cabinet and I have reached out to you before about the budget challenges facing our university. The CSU Chancellor's Office recently released its annual budget allocation, and with several weeks between now and the start of our 2024 Fall Semester, this seems an opportune time for an update on our university finances and the latest budget update.

Let me be clear: CSUDH is not on strong financial footing. As I have noted before, the university faces a combination of factors that have and will continue to cause budget shortfalls in the millions of dollars. These factors include unfunded mandates for new initiatives, a state budget deficit, a decline in student enrollment, and underfunding for negotiated compensation mandates. The combination of these factors simultaneously at play has formed a vortex that

“Simply reducing spending while attempting to maintain the status quo will not bridge the gap between what it costs to achieve this university’s goals and the level of funding we will receive in the future. We are called on to re-envision what CSUDH is and how it does what it does.”

# Anticipating the Future: Reimagining the University Continued 2

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“Together, we can navigate these challenges openly and honestly, as we create the path that leads to a new vision of a successful model urban university.”

# **Anticipating the Future: Reimagining the University Continued 3**

## **Cost saving approaches at other CSU campuses**

- Reassess, reimagine, reorganize
  - course offerings
  - staff and MPP assignments
  - departments and programs
  - colleges
- Academic program assessment and prioritization
- Shared services and programs

# **Anticipating the Future: Reimagining the University Continued 4**

**Academic Affairs is uniquely positioned to improve enrollment and revenue.**

Continuing to create and offer academic programs that meet student and regional demand.

Protecting time to degree.

Optimizing the student experience with improved responsiveness, fewer handoffs.

Diversifying enrollment with attention to Always a Toro, International Students, and Adult and Continuing Learners.

Generating revenues through self-support programs.

Generating grants, contracts, sponsored research, and gifts.



# **Managing 2024-25 and Planning for 2025-26**

- **Updating projections of this year's expenditures and balances.**
- **Continuing consultation with the Academic Affairs Budget Council, University Budget Committee, and through division and college meetings.**
- **Updating our planning based on the Governor's proposed budget for 2025-26 (January) and the Governor's 2025-26 May Revise.**

# Questions and Comments 2

