

University Budget Committee

February 5, 2021

CSUDH

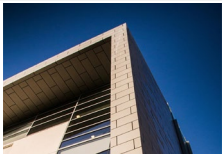
DIRECTORY

CSUDH

CALIFORNIA STATE UNIVERSITY
DOMINGUEZ HILLS

Agenda

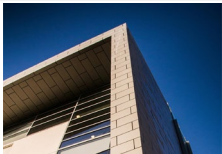
- I. Welcome
- II. 2nd Quarter Financials
- III. Progress on Addressing Deficit
- IV. Governor's Preliminary Budget
- V. CARES Update
- VI. University Planning Committee



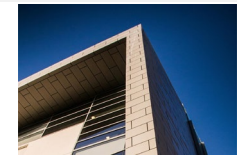
Welcome to the new semester and the new calendar year!

We have scheduled the following meetings for spring:

- March 5th
- April 2nd

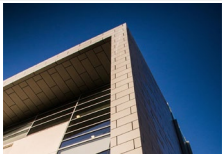


2nd QUARTER FINANCIALS



AADHT Actuals and Projections

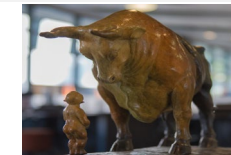
- We closely monitor progress in addressing the budget deficit by running projection reports at the close of each month
- These reports reflect three categories of expenses:
 - 1) Actuals to Date. These are the real actual expenses that have taken place up until the close of the reporting period.
 - 2) Projected Actuals. These are projections for the remainder of the year based on the assumption that spending will continue at the same rate. This approach averages the spending of the previous months.
 - 3) Encumbrances. These are financial commitments that have already been made, that we know we will have to pay. Encumbrances can vary drastically based on timing of contracts or payments.



1st Quarter Report

- At the end of the 1st Quarter, the Projected YE Balance in AADHT was a \$9.9M deficit

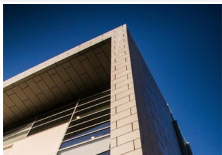
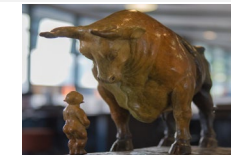
Division	Base Budget	Revised Budget	Actuals (July-Sept)	Projected Actuals (Oct-June)	Encumbrances	Projected YE Actuals	Projected YE Balance
ACADEMIC AFFAIRS	\$ 61,194,635	\$ 62,078,526	\$ 16,730,244	\$ 50,190,733	\$ 191,920	\$ 67,112,897	\$ (5,034,372)
ADMIN AND FINANCE	\$ 14,541,814	\$ 16,075,281	\$ 3,811,148	\$ 11,433,443	\$ 1,354,813	\$ 16,599,405	\$ (524,124)
ADVANCEMENT	\$ 2,953,660	\$ 4,300,070	\$ 659,022	\$ 1,977,065	\$ 107,603	\$ 2,743,691	\$ 1,556,379
INFO TECHNOLOGY	\$ 9,286,481	\$ 11,378,765	\$ 3,620,421	\$ 10,861,264	\$ 3,737,539	\$ 18,219,224	\$ (6,840,460)
PRESIDENT	\$ 3,015,873	\$ 3,710,850	\$ 599,340	\$ 1,798,020	\$ 146,078	\$ 2,543,437	\$ 1,167,413
STUDENT AFFAIRS	\$ 10,723,913	\$ 10,624,974	\$ 2,474,254	\$ 7,422,761	\$ 129,079	\$ 10,026,093	\$ 598,881
CENTRALLY MONITORED	\$ 91,461,042	\$ 106,175,614	\$ 31,323,019	\$ 75,525,350	\$ 172,879	\$ 107,021,248	\$ (845,634)
<i>Benefits</i>	\$ 45,219,715	\$ 45,219,715	\$ 11,707,733	\$ 35,123,200	\$ -	\$ 46,830,934	\$ (1,611,218)
<i>Utilities</i>	\$ 3,413,078	\$ 3,479,527	\$ 574,633	\$ 2,864,228	\$ 40,666	\$ 3,479,527	\$ 0
<i>Financial Aid</i>	\$ 32,299,701	\$ 32,299,701	\$ 14,132,207	\$ 18,167,494	\$ -	\$ 32,299,701	\$ -
<i>Other CM</i>	\$ 10,528,548	\$ 25,176,670	\$ 4,908,446	\$ 19,370,427	\$ 132,213	\$ 24,411,086	\$ 765,584
TOTAL	\$ 193,177,417	\$ 214,344,079	\$ 59,217,448	\$ 159,208,635	\$ 5,839,912	\$ 224,265,995	\$ (9,921,916)



2nd Quarter Report

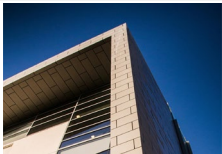
- At the end of the 2nd Quarter, the Projected YE Balance in AADHT is a \$1.3M deficit

Division	Original Budget	Revised Budget	Actuals (July-Dec)	Projected Actuals (Jan-June)	Encumbrances	Projected YE Actuals	Projected YE Balance
ACADEMIC AFFAIRS	\$ 63,056,840	\$ 64,405,279	\$ 31,951,005	\$ 31,951,005	\$ 258,471	\$ 64,160,481	\$ 244,798
ADMIN AND FINANCE	\$ 14,641,814	\$ 16,109,097	\$ 7,582,526	\$ 7,582,526	\$ 1,228,178	\$ 16,393,230	\$ (284,132)
ADVANCEMENT	\$ 2,953,660	\$ 4,300,070	\$ 1,060,674	\$ 1,060,674	\$ 40,408	\$ 2,161,757	\$ 2,138,313
INFO TECHNOLOGY	\$ 9,218,481	\$ 11,217,827	\$ 8,999,560	\$ 5,399,560	\$ 1,607,111	\$ 16,006,230	\$ (4,788,404)
PRESIDENTS	\$ 3,155,873	\$ 3,792,516	\$ 1,385,750	\$ 1,385,750	\$ 268,799	\$ 3,040,298	\$ 752,218
STUDENT AFFAIRS	\$ 10,847,573	\$ 10,778,441	\$ 4,779,316	\$ 4,779,316	\$ 117,326	\$ 9,675,957	\$ 1,102,484
CENTRALLY MONITORED	\$ 89,303,177	\$ 104,232,404	\$ 43,715,876	\$ 60,708,767	\$ 309,096	\$ 104,733,738	\$ (501,334)
<i>Benefits</i>	\$ 46,337,882	\$ 46,366,633	\$ 24,352,120	\$ 24,352,120	\$ -	\$ 48,704,240	\$ (2,337,607)
<i>Utilities</i>	\$ 3,413,078	\$ 3,479,527	\$ 1,088,284	\$ 1,263,284	\$ 93,940	\$ 2,445,508	\$ 1,034,019
<i>Financial Aid</i>	\$ 32,299,701	\$ 32,496,001	\$ 14,230,083	\$ 18,265,918	\$ -	\$ 32,496,001	\$ -
<i>Other CM</i>	\$ 7,252,516	\$ 21,890,243	\$ 4,045,388	\$ 16,827,444	\$ 215,156	\$ 21,087,989	\$ 802,254
TOTAL	\$ 193,177,417	\$ 214,835,634	\$ 99,474,706	\$ 112,867,597	\$ 3,829,388	\$ 216,171,691	\$ (1,336,057)



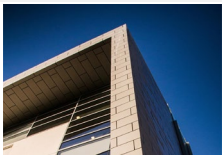
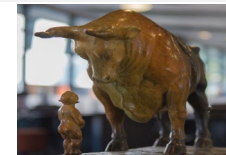
2nd Quarter Actuals

- What makes up the \$8.6M difference?
 - Actual expenses were 32% lower in the 2nd quarter than the 1st quarter
 - Expenses were front-loaded in the first quarter in preparation for the new academic year
 - As more expenses were realized, the projection for the remainder of the year became more accurate, and reflected the decreased rate of spending
 - An analysis of utility use yielded projected savings of \$1M
 - Encumbrances were approx. \$2M lower at the time of the Q2 report

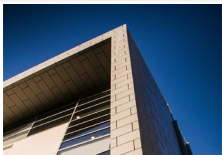


2nd Quarter Year Over Year

Division	2018-19	2019-20	2020-21
ACADEMIC AFFAIRS	\$ 28,244,025	\$ 32,802,588	\$ 32,025,806
ADMIN AND FINANCE	\$ 7,127,563	\$ 7,596,989	\$ 7,609,199
ADVANCEMENT	\$ 1,887,612	\$ 2,022,301	\$ 1,062,505
BUDGET OVERSIGHT	\$ 49,938,277	\$ 65,389,665	\$ 44,859,755
<i>Benefits</i>	\$ 21,513,573	\$ 23,975,771	\$ 24,349,992
<i>Utilities</i>	\$ 1,372,546	\$ 1,230,066	\$ 1,095,596
<i>Financial Aid</i>	\$ 14,269,930	\$ 14,938,907	\$ 14,230,083
<i>Other CM</i>	\$ 12,782,228	\$ 25,244,920	\$ 5,184,083
INFO TECHNOLOGY	\$ 2,594,659	\$ 3,947,905	\$ 9,005,771
PRESIDENTS	\$ 558,650	\$ 977,426	\$ 1,392,190
STUDENT AFFAIRS	\$ 4,607,956	\$ 6,143,924	\$ 4,781,704
TOTAL	\$ 94,958,741	\$ 118,880,798	\$ 100,736,931

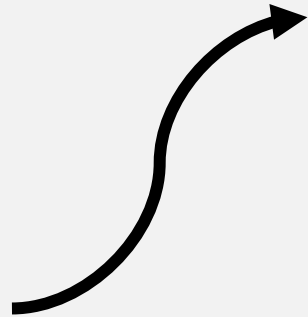


YEAR END PROJECTION



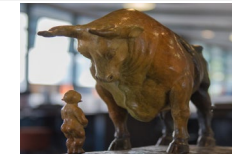
Campus Actuals & Projections (as of 9/30/20)

Base Budget	\$ 193,177,417
Less Projected YE Actuals	\$ 224,265,995
<i>Projected YE Base Balance</i>	<i>\$ (31,088,578)</i>
Plus 1x/Carryforward Balance	\$ 21,166,662 *
Plus CARES Reimbursement	\$ 3,400,000
Projected YE Balance	\$ (6,521,916) *



Base Shortfall	\$ (6,521,916)
One-Time Shortfall	\$ (4,043,764)
<i>Total Campus Shortfall</i>	<i>\$ (10,565,680)</i>
One-Time Tuition	\$ 10,900,000
One-Time Student Success Fee	\$ 675,000
20-21 Projected Campus Net	\$ 1,009,320

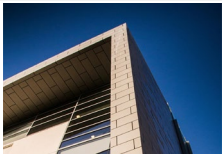
- The 1st Quarter report showed a projected year end surplus for the first time in the 20-21 budget
- The divisions and central budget committed to continue the work of analyzing every resource on campus



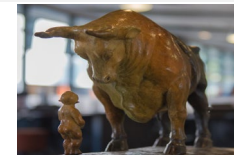
Campus Actuals & Projections (as of 12/31/20)

Base Budget	\$ 193,177,417		AADHT Shortfall	\$ 2,263,943
Less Projected YE Actuals	\$ 216,171,691		One-Time Shortfall	\$ (499,198)
<i>Projected YE Base Balance</i>	<i>\$ (22,994,274)</i>		<i>Total Campus Surplus</i>	<i>\$ 1,764,745</i>
Plus 1x/Carryforward Balance	\$ 21,658,217 *		One-Time Tuition	\$ 7,272,375
Plus CARES Reimbursement	\$ 3,600,000		One-Time Student Success Fee	\$ 750,000
Projected YE Balance	\$ 2,263,943 *		20-21 Projected Campus Net	\$ 9,787,120

- One-time needs were reduced by approx. \$3.5M
- Over-enrollment tuition projection decreased by approx. \$3.7M with updated spring enrollment information
- *The campus is overspending. The current over-spending rate would require a carryforward balance of \$23M
- *The Carryforward balance includes funding committed over the next two years

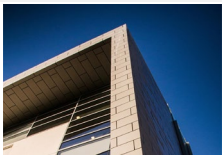
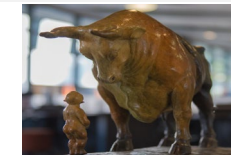
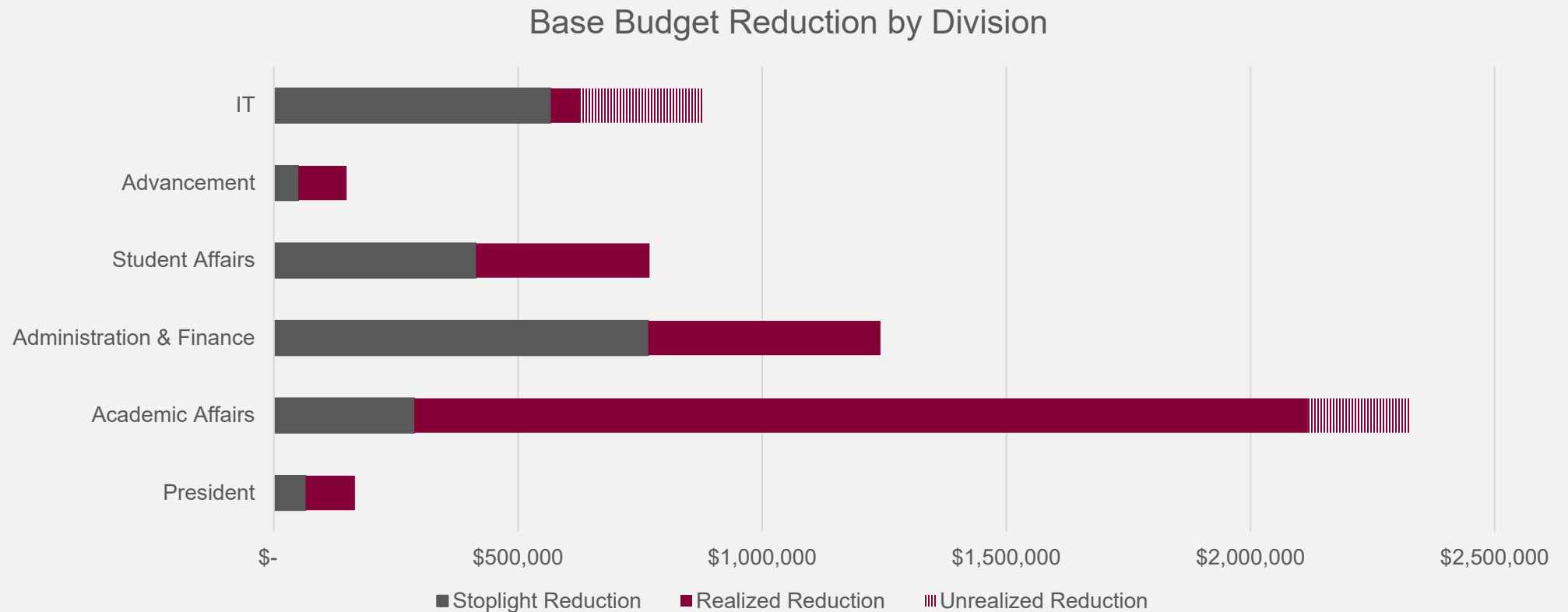


PROGRESS ON ADDRESSING DEFICIT



Base Reductions

- The campus started the year with a nearly \$10M deficit to address
- All but \$458k of reductions have been identified



GOVERNOR'S PRELIMINARY BUDGET



Preliminary Budget



- CSU Budget Planning

- Trustees adopt CSU budget request to be submitted to the Governor

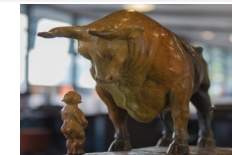
- **Governor's Budget submitted to Legislature**

- Legislative Analyst's budget analysis released

- Governor's May Revision

- State Budget Adopted
- CSU Budget Finalized

- In January the Governor submits the preliminary budget to the CA State Legislature.
- This budget is preliminary, and is subject to the priorities of legislators, but it signals where the Governor would like to invest state resources.



Preliminary Budget



CSU & UC Funding: \$786M
\$425 million: CSU

\$200M: Ongoing

\$225M: One time

- **\$175M: Deferred maintenance**
- **\$30M: Emergency financial aid**
- **\$10M: Computing talent initiative**
- **\$10M: Professional development**

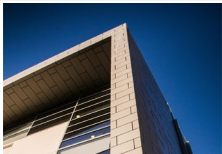
This is partially true. \$55m is going directly to CalPERS for increased health expenses

DH is part of this program!



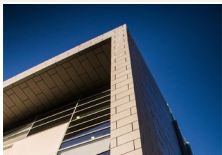
Preliminary Budget

- The Governor's Preliminary Budget allocated \$144.5M in ongoing base to the CSU, as well as \$225M in one-time funding
- CSUDH currently makes up 3.29% of the CSU campus budget
- There has not been any indication how the incremental funding will be allocated to the campuses



Preliminary Budget

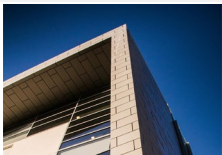
Incremental Expenditure Increases (in millions)	CSU	DH (3.29%)
Base Growth	\$ 111.5	\$ 3.7
Basic Needs (Digital Equity & Mental Health)	\$ 15.0	\$ 0.5
Basic Needs (GI2025)	\$ 15.0	\$ 0.5
Canvas	\$ 2.0	\$ 0.1
CSU Stanislaus, Stockton	\$ 1.0	N/A
TOTAL	\$ 144.5	\$ 4.7



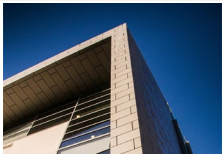
Preliminary Budget

DH will need to start planning for the 21/22 Budget, which will include a structural deficit carried forward from 20/21

Unidentified 20/21 Base Reduction	\$ 458,000
<u>Estimated Base Mandatory Costs</u>	<u>\$1,875,000</u>
Total 21/22 Anticipated Base Need	\$2,333,000



CARES BUDGET UPDATE

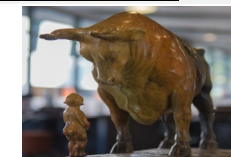


CARES Budget Update

CARES ACT BUDGET - COVID-19 REIMBURSEMENT CLAIMS ESTIMATE REVISED 12/17/20

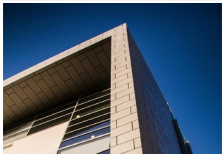
CARES ACT / MSI ALLOCATION \$ 10,542,440

COVID-19 TASK	CARES ACT BUDGET AUG 2020	CARES ACT PROPOSED BUDGET REVISION DEC 2020
COVID-Related Purchasing Expenses (actuals incurred)		
Academic Affairs	117,232	
Administration & Finance	21,776	
Centrally Monitored	3,662	
Information Technology	86,678	
IRA	1,901	
Lottery	34,241	
Office of the President	7,742	
Spring Housing Refunds thru 6/30/2020	793,931	793,931
Housing COVID expenses	24,570	
Spring Parking Refunds thru 6/30/2020	674,091	674,091
Student Affairs	42,884	
University Advancement	1,492	
Academic Affairs		
Academic Affairs Conversion to Online Instruction-Spring 2020 to CM	1,667,513	1,667,513
Summer Session Reimbursement to CEIE	642,419	
Faculty Development & Training	413,704	200,000
Need-based student grants	150,000	150,000
Rapid Inter-Library Loan and outdoor contactless lockers for Library	36,475	36,475
Administration & Finance		
PPE	55,000	-
Supplies & Equipment		
Housing Fall 2020 Revenue Loss		2,550,000
COVID Testing		450,000
Information Technology		
IT personnel costs - campus support for online instruction/remote work	90,000	-
Call Student Support	500,000	205,430
Software/Hardware Needs	2,815,000	2,815,000
Student Mobile Device Checkout (Reduced)	1,907,129	1,000,000
TOTAL BUDGET	\$ 10,087,440	\$ 10,542,440

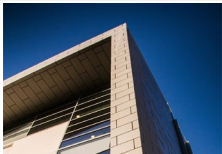


CARES Budget Update

- To date we have drawn down \$3.3M of the first round of CARES Funding. The remainder has been allocated but not yet claimed.
- The Federal Government approved a second round of funding which we are referring to as CARES II
- CARES II is a larger allocation at \$31M
- We are expected to spend at least \$9M on student aid, which is what was spent in CARES I
- Guidance has changed slightly on how funds are to be used and reimbursed- there is a little more flexibility on how funds can be used



UNIVERSITY PLANNING COMMITTEE



University Planning Committee

- **Ms. Marci Payne**, Committee Co-Chair – Information Technology Representative
- **Mr. Ken O’Donnell**, Committee Co-Chair – Academic Affairs Representative
- **Ms. Monica Ponce**, Presidential Appointee
- **Dr. Deborah Brandon**, Student Affairs Representative
- **Dr. Jen Brodmann**, Presidential Appointee
- **Mr. Daryl Evans**, Union Representative
- **Mr. Jeff Poltorak**, University Advancement Representative
- **Ms. Deborah Roberson**, Standing Presidential Appointee
- **Mr. Jonathan Scheffler**, Administration & Finance Representative
- **Dr. Hal Weary**, Assistant Professor, Music Academic Senate Representative
- **Student Appointee** - Pending

PM 2021-01

Thomas A. Parham, Ph.D.
January 27, 2021

University Planning Committee (UPC)

The scope of this multidisciplinary committee is to holistically focus on the California State University Dominguez Hills (CSUDH) shared vision, mission, and strategic priorities to achieve greater alignment in planning and decision making. The CSUDH University Planning Committee (UPC) is charged with practicing effective integrated planning that aligns planning efforts in various domains; facilities planning, academic plans, financial plans, student services plans, technology plans, enrollment management, housing plans, and emergency planning. Each of these plans is the responsibility of a particular campus unit.

The UPC will consider significant key sources (such as WASC reports, the DH Strategic Plan, the DH Master Plan, and other resources that articulate campus requirements and goals) in its priority development and decision-making. Approaches will be both vertical (institutional level down to colleges, departments, and programs) and horizontal (amongst the varied types of planning and decision making) to ensure that the allocation and utilization of resources is consistent with University priorities.

The Committee shall:

- Establish an effective planning calendar considering annual and semester cycles;
- Develop a consistent process for prioritization and decision-making and ensure consistent centralized approaches are implemented where possible;
- Adapt to changing conditions in the environment that may dictate revisions to approaches and priorities;
- Consider health and safety, risk management, institutional data and context, and above all, the CSUDH core mission of student success;
- Engage stakeholders at all levels to build a sustainable commitment and generate feedback that assist in developing priorities;
- Engage strategic decision-making while providing a broad-minded and comprehensive view of resources and commitments;
- Depend on data in developing recommendation and determine appropriate approaches to acquire the necessary data and information;
- Challenge traditional funding strategies that focus on the annual operating budgeting process and ensure the optimized use of resources;
- Present preliminary and final recommendations to the President and Cabinet.

Membership & Terms:


The UPC shall be comprised of the Chief of Staff to the President, one student appointed in consultation with the Associated Students Incorporated President and Student Affairs by the President’s Cabinet and nine additional at-large members selected from faculty, staff, and

administrators (MPP). Faculty, staff, and MPP shall be appointed as follows: one faculty representative appointed by the Chair of the Academic Senate; two faculty or staff union representatives appointed by the University President; one faculty, staff, or MPP representative appointed by the Provost and Vice President, Academic Affairs; one staff, or MPP representative appointed by the Vice President and CITO, Information Technology; one faculty, staff, or MPP representative appointed by the Vice President, Student Affairs; one staff or MPP representative appointed by the Vice President, Administration and Finance; one staff or MPP representative appointed by the Vice President, University Advancement; and one faculty, staff, or MPP representative appointed by the University President.

Student members shall be appointed to a one-year term and may be reappointed for one additional term, up to a maximum of two one-year terms. Union representatives shall be appointed to a one-year term. Faculty, staff, and MPPs shall be appointed on a staggered basis to a two-year term and may be re-appointed for one additional term, up to a maximum of two two-year terms. The Chief of Staff to the President shall serve as standing member of UPC.

The chair of the UPC shall be appointed by the president.

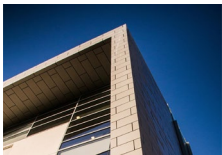
Approved:


Thomas A. Parham, Ph.D.
President

Date: 1/27/2021

PM 2021-01

Page 2

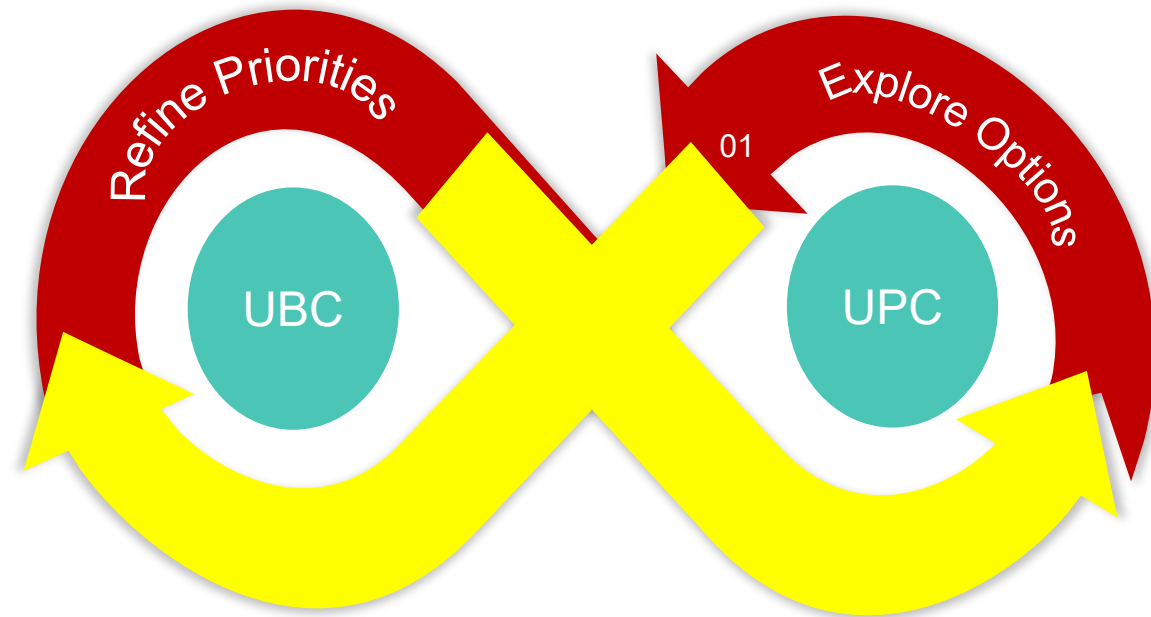


University Planning & Budget Committees

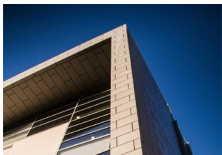
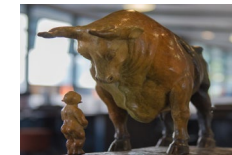
Why a UPC?

- Cross divisions project efforts
- Efforts at multi-year and at scale
- Efforts identified in strategic plan
- Helping operational efforts scoping projects and efforts
- Examining milestones and benchmarks

- Incorporating the market demands of the local economy
- Integrating Community Partnerships
- Situated in the context of Chancellor's Office and Governor's Initiatives



Moving from Planning to a Budget, into Budgeting to a Plan

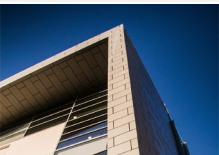
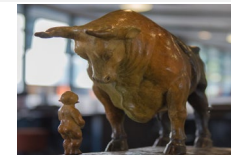


Upcoming Meetings

March 5th

- Strategic Budgeting
- Lottery Funds

April 2nd



Q&A

