



CalPoly
Pomona



**FY2024-25
Budget Update**

**Prepared for
Academic Senate Retreat**

August 14, 2024

Presenters

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President

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Topics

1. Opening Remarks – President Coley
2. Goals for 2024/25 Budget– Provost Gomez
 - Enrollment Trends
3. State of California General Fund – Y. Trinidad
 - Budget Timeline & Process
 - CSU System Budget
4. Cal Poly Pomona Budget – C. Lee
5. CPP and Next Steps – Provost Gomez

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Goals for 2024/25 Budget

Student Success

- Protect the mission of Cal Poly Pomona and our strategic priorities.
- Ensure our students, faculty and staff as focus of our decision-making.
- Deliver high-quality academic and support programs.

Transparency

- Provide details on the budget timeline and processes.
- Communicate how the State of California and CSU budgets affect the CPP budget.
- Share the incremental revenue and expenditure plan for FY24-25.

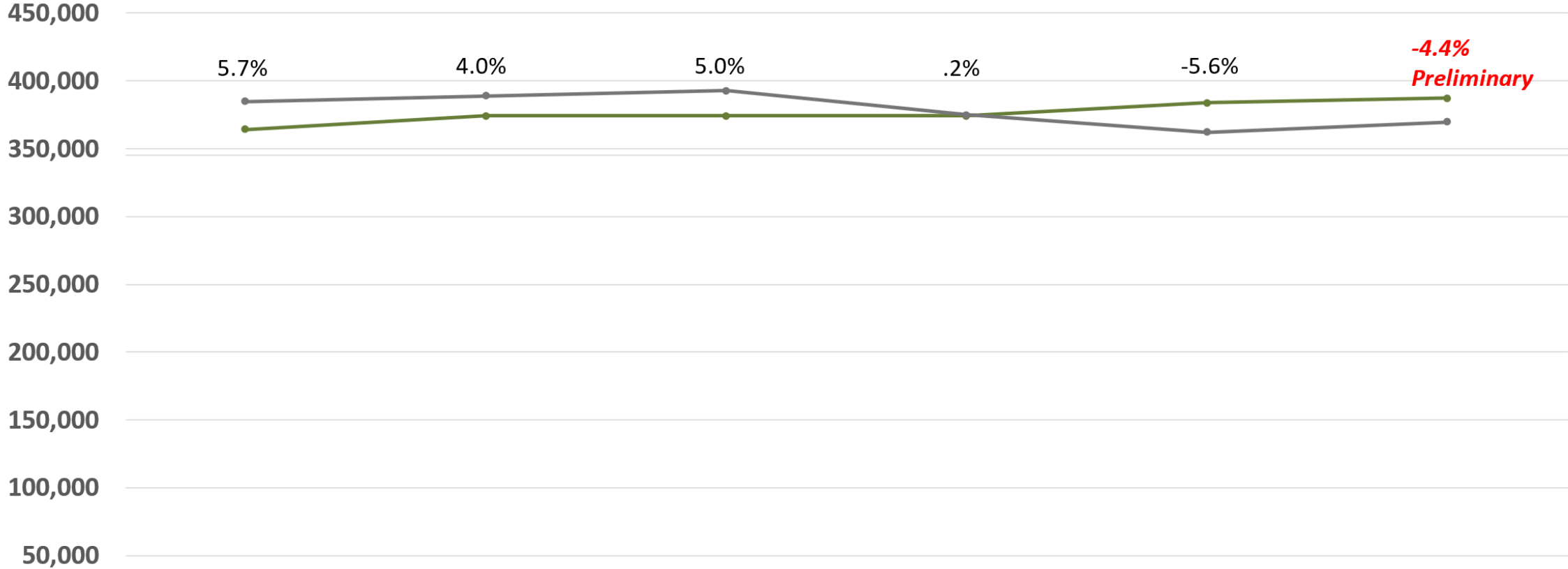
Financial Sustainability

- Strive to balance the budget annually.
- Seek long-term financial stability and sustainability.
- Discuss budget strategies at various levels of financial performance.

CSU System Resident FTES: Actual vs Target

Resident FTES

CSU System Resident FTES



	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
Target	364,131	374,131	374,131	374,246	383,680	387,114
Actual	384,913	388,927	392,793	374,972	362,254	369,905

Target Actual

	2024-25 Resident FTES Target Increase	2024-25 GF \$ for Enrollment Growth	2024-25 Estimated Tuition Revenue from Enrollment	2024-25 Total
			(Attach. C, Col. 14)	(Attach. C, Col. 11)
Bakersfield				\$0
Channel Islands				0
Chico				0
Dominguez Hills				\$0
East Bay				0
Fresno				0
Fullerton	833	7,529,000	\$5,611,000	\$13,140,000
Humboldt				0
Long Beach	575	5,221,000	3,849,000	9,070,000
Los Angeles	125	1,120,000	852,000	1,972,000
Maritime				0
Monterey Bay				0
Northridge	300	2,681,000	2,051,000	4,732,000
Pomona	270	2,519,000	1,740,000	4,259,000
Sacramento				0
San Bernardino				0
San Diego	575	5,606,000	3,464,000	9,070,000
San Francisco				0
San Jose	73	663,000	489,000	1,152,000
San Luis Obispo				0
San Marcos	733	6,942,000	4,620,000	11,562,000
Sonoma				0
Stanislaus				0
University Total	3,484	\$32,281,000	\$22,676,000	\$54,957,000
Chancellor's Office & SW Programs ²				
Summer Arts				
CSU System Total	3,484	\$32,281,000	\$22,676,000	\$54,957,000

2024-25 Resident Enrollment Growth

- The CSU is expected to **grow resident enrollment** by 1%, or 3,484 FTES.
- The responsibility to grow falls on eight high-demand campuses, mostly **southern California campuses**.
- State funding associated with the growth FTES is provided.
- Retaining this **funding is contingent** on campuses achieving growth above their prior year's actual enrollment.
- Campuses will generate tuition and fees in addition to General Fund dollars.

2024-25 Enrollment Plan

Add 330 California Resident FTES with funding redirected from campuses with enrollment shortfalls

Add 270 California Resident FTES with funding from the State Compact with the CSU to grow enrollment

Meet some of this obligation by offering state-supported GE courses in summer

FTES = Full-Time Equivalent Students

Enrollment	2023-24 Final Census	Plan 21,572 plus 330 plus 270
College Year	2023-24	2024-25
CSU Resident CY Funded FTES Target	20,100	20,253
CSU Resident CY FTES Expectation	22,197	22,172
All FTES (Res + Non-Res)		
	Summer	708
	Fall	23,351
	Spring	21,361
(a)	CY Total FTES	22,710
(b)	CY Non-Resident FTES	538
(a) - (b)	CY Resident FTES	22,172
	New First-Time Freshmen	4,600
	New Fall Transfers	2,744
	New Spring Transfers	620
	Summer State-Side Headcount	2,420
	Summer Total Headcount	5,474
	Fall Total Headcount	26,580
	Spring Total Headcount	24,620
	College Year Headcount	26,810

3-Year Admission Trends: Applications, Admits, and Enrollments by College

College	Admission Type	Fall 2022				Fall 2023				Preliminary Fall 2024			
		App	Admit	Intent	Enroll	App	Admit	Intent	Enroll	App	Admit	Intent	Enroll
AG	First-time Freshman	3,404	2,030	511	451	2,973	1,818	387	343	3,381	1,952	373	317
	New Transfer	747	429	274	234	625	509	248	215	619	486	238	210
CBA	First-time Freshman	7,704	3,596	506	413	7,143	6,635	970	818	7,379	5,870	744	634
	New Transfer	3,330	1,957	858	700	2,717	2,260	685	574	2,840	2,539	728	612
CEIS	First-time Freshman	860	516	95	79	822	750	107	93	853	776	104	77
	New Transfer	615	382	185	160	534	468	163	140	544	500	162	146
COE	First-time Freshman	9,300	4,445	1,103	991	9,325	5,578	1,256	1,117	11,251	6,715	1,521	1,354
	New Transfer	2,052	1,170	687	574	1,757	1,424	695	591	1,859	1,444	665	549
ENV	First-time Freshman	2,754	1,260	266	228	2,822	1,697	389	336	2,997	1,668	395	344
	New Transfer	798	374	244	205	704	543	294	246	719	473	245	213
COLLINS	First-time Freshman	338	293	78	67	362	308	86	71	373	329	84	65
	New Transfer	152	101	81	70	156	127	76	65	130	111	62	51
CLASS	First-time Freshman	9,294	5,672	695	564	8,279	6,720	777	608	8,751	7,998	921	754
	New Transfer	4,209	2,254	852	669	3,320	2,786	735	597	3,530	3,034	733	600
SCI	First-time Freshman	13,623	7,604	731	621	12,614	8,484	845	696	13,986	10,441	1,129	936
	New Transfer	2,732	1,134	468	348	2,365	1,510	442	336	2,615	1,581	430	371
UNIV	First-time Freshman	2,444	1,763	298	239	1,902	1,747	280	227	2,056	1,860	265	218
TOTAL	First-time Freshman	3,653				4,309				4,699			
	New Transfer	2,960				2,764				2,752			

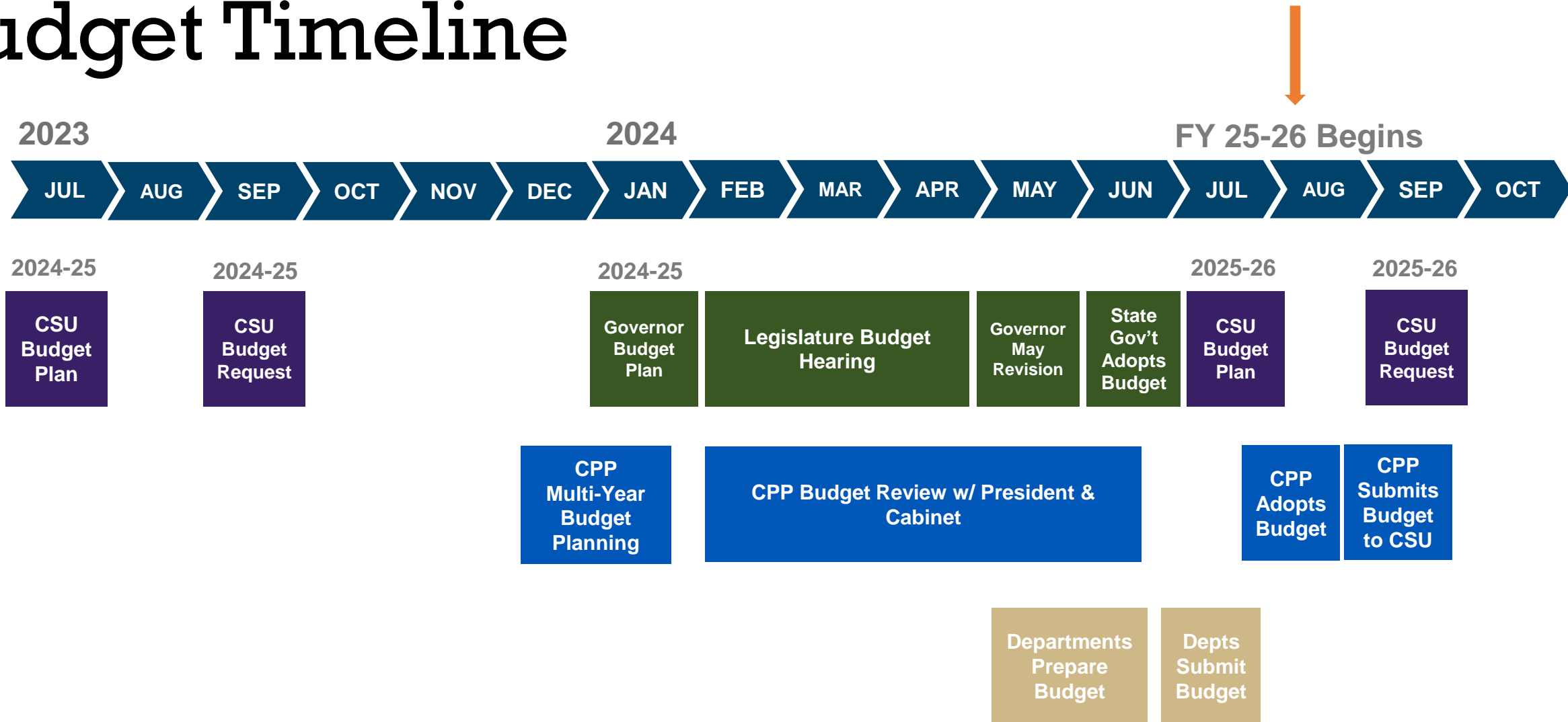
3-Year Enrollment Yields: Percentage Change & Average

College	Admission Type	Percentage Change from Fall 2022 to 2024				Three Year Average			
		App	Admit	Intent	Enroll	App	Admit	Intent	Enroll
AG	First-time Freshman	-0.7%	-3.8%	-27.0%	-29.7%	3,253	1,933	424	370
	New Transfer	-17.1%	13.3%	-13.1%	-10.3%	664	475	253	220
CBA	First-time Freshman	-4.2%	63.2%	47.0%	53.5%	7,409	5,367	740	622
	New Transfer	-14.7%	29.7%	-15.2%	-12.6%	2,962	2,252	757	629
CEIS	First-time Freshman	-0.8%	50.4%	9.5%	-2.5%	845	681	102	83
	New Transfer	-11.5%	30.9%	-12.4%	-8.8%	564	450	170	149
COE	First-time Freshman	21.0%	51.1%	37.9%	36.6%	9,959	5,579	1,293	1,154
	New Transfer	-9.4%	23.4%	-3.2%	-4.4%	1,889	1,346	682	571
ENV	First-time Freshman	8.8%	32.4%	48.5%	50.9%	2,858	1,542	350	303
	New Transfer	-9.9%	26.5%	0.4%	3.9%	740	463	261	221
COLLINS	First-time Freshman	10.4%	12.3%	7.7%	-3.0%	358	310	83	68
	New Transfer	-14.5%	9.9%	-23.5%	-27.1%	146	113	73	62
CLASS	First-time Freshman	-5.8%	41.0%	32.5%	33.7%	8,775	6,797	798	642
	New Transfer	-16.1%	34.6%	-14.0%	-10.3%	3686	2,691	773	622
SCI	First-time Freshman	2.7%	37.3%	54.4%	50.7%	13,408	8,843	902	751
	New Transfer	-4.3%	39.4%	-8.1%	6.6%	2,571	1,408	447	352
UNIV	First-time Freshman	-15.9%	5.5%	-11.1%	-8.8%	2,134	1,790	281	228

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Budget Timeline



State
 CSU
 CPP
 Divisions/Depts

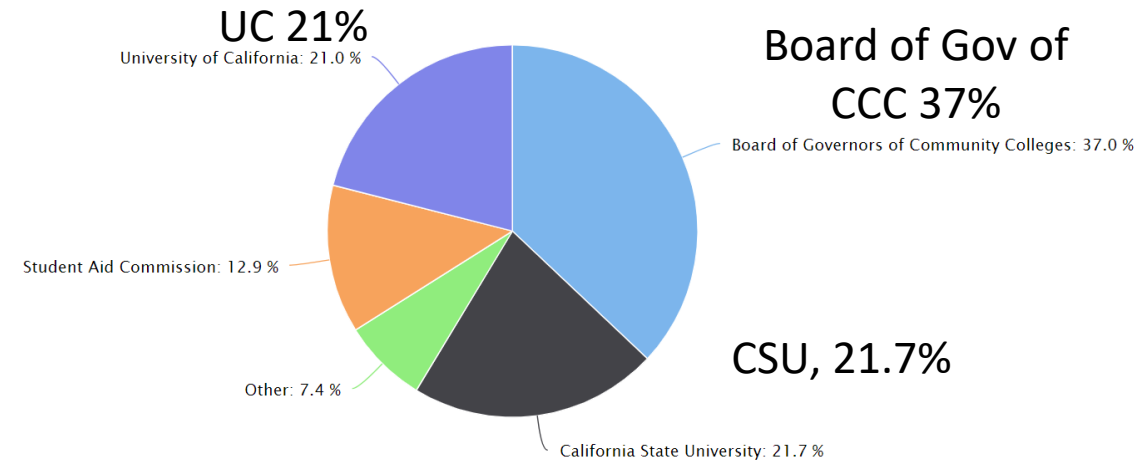
State of California General Fund

Total State Funds for Higher Ed

(Dollars in Millions)

	2023-24	2024-25
Legislative, Judicial, Executive	\$12,886	\$7,872
Business, Consumer Services & Housing	3,703	1,541
Transportation	1,043	669
Natural Resources	12,143	5,389
Environmental Protection	2,275	218
Health and Human Services	73,621	71,360
Corrections and Rehabilitation	15,430	14,176
K-12 Education	69,800	81,319
Higher Education	21,186	23,477
Labor and Workforce Development	1,356	949
Government Operations	4,592	2,767
General Government:		
Non-Agency Departments	2,880	1,310
Tax Relief/Local Government	595	653
Statewide Expenditures	1,565	-196
Total	\$223,075	\$211,504

Note: Numbers may not add due to rounding.



Public higher education is 11% of the State General Fund.

- CSU and UC are discretionary – not driven by formula.
- State budgets are built and approved annually.

CSU Operating Budget – 2024/25

CSU The California State University

Final State Budget & CSU Budget Plan

(in millions)

Ongoing	CSU Plan	Final Budget	
State General Fund	\$385	\$240	
Tuition from Rate Increase	\$148	\$148	
Tuition from Resident Enrollment Growth	\$24	\$24	
Total Ongoing Increases	\$557	\$412	-26%
One-Time			
Unallocated State General Fund Reduction	\$0	-\$75	
State General Fund	\$2,400	\$0	
Total One-Time Actions	\$2,400	-\$75	

CSU Operating Budget – 2024/25

CSU The California State University

2024-25 Budget Situation

- Implementing additional cost reduction strategies, use of balances & reserves, increase enrollment
- Three main challenges:
 1. Funding gap
 2. Compensation costs
 3. Enrollment



**\$218
Million
Gap**

Gap is based on CSU
Total Operating Budget
for 2024/25

Revenues: \$8.5B
Expenditures: \$8.72B

CSU Operating Budget – 2024/25



Key Takeaways

State Decisions

- \$240 million ongoing increase for 24-25
- One-time \$75 million reduction in 24-25
- State budget reductions expected in 25-26

CSU Operating Budget – 2024/25

Ongoing Fiscal Challenges

- Negative impacts on academic offerings and support services to students
- Potential redirection of existing campus funding for employee compensation commitments
- CSU priorities not funded
- Federal and state compliance, legislative mandates and compact expectations
- Critical capital renewal backlog, academic facilities and infrastructure projects
- Inflationary effects

CSU Operating Budget – 2025/26

CSU The California State University

2025-26 and Beyond Budget Situation

State Leader Intentions

2025-26 State cuts -\$397 million ongoing

CSU spends \$252 million one-time

2026-27 State reimburses \$252 million one-time

State appropriates \$252 million ongoing (year 4 of compact)

CSU spends \$264 million one-time

2027-28 State reimburses \$264 million one-time

State appropriates \$264 million ongoing (year 5 of compact)

Key item



CSU Operating Budget – 2025/26

CSU The California State University

Key Considerations

Identify Priorities for 2025-26

- Must identify priorities and needs at this planning stage
- Share consequences if priorities unfunded

CSU System Board of Trustees will approve the CSU 2025/26 Operating Budget at their September meeting.

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CPP Budget 2023/24 – Ending Budget Balanced with no Deficit

(in millions)

	Base			One-Time		Grand
	Univ	Div	Total	Univ	Div	Total
Divisional Requests	\$ 9.6	\$ -	\$ 9.6		\$ 5.7	\$ 15.3
Compensation	6.0	7.7	13.7			13.7
Mandatory Costs				5.6		5.6
	\$ 15.6	\$ 7.7	\$ 23.3	\$ 5.6	\$ 5.7	\$ 34.6

- Funded \$15.3 million divisional requests, including 25 new T/TT faculty (45 new; 20 departures), with GI2025 and Basic Needs Designated base & divisional carryforward.
- Funded \$13.7 million compensation increase with CO allocations \$6 million. Divisions reallocated \$7.7 million base from salaries and O/E.
- Mandatory cost increases (utilities/insurance premiums, benefit increases) of \$5.6M funded with one-time funds.

CPP Budget 2024/25



54%*

State

- CSU System provides 270 growth FTES, reallocates 330 FTES from other CSU campuses to CPP, and takes back 447.
- Amount allocated is not sufficient to cover new mandatory costs.
- CPP to self-fund over 50% of compensation adjustments, which is \$11.6 million as estimated by the CO.



46%*

Students

- FY24-25 resident enrollment goal increased from 21,433 to **22,172 FTES** (difference: 739).
- Resident over-enrollment goal now 9.5% above the 20,253 funded FTES.

24/25 Incremental Budget Plan

Revenue Sources (in millions)

State Appropriation Change	(2.2)	← [Enrollment Other One-Time Cut CalPERS Pullback	Enrollment	1.6
Tuition Increase	11.2		Other	6.8
Student Fee Increase	1.1		One-Time Cut	(3.5)
			CalPERS Pullback	(7.0)
Revenue Sources	10.2			(2.2)

Expenditures

Cost of Compensation Increase	\$ 22.3
32 New Tenure-Track Hires	4.3
Mandatory Cost Increase	8.8
Financial Aid	0.6
Fee-Related Expenses (Univ Level)	(1.3)
Total Expenditures	34.7
Other Funds Needed	24.5

Incremental budget plan refers to the amount of revenues and expenses above prior year's amounts.

Revenue Assumptions: Resident enrollment 22,172 FTES (330 reallocation and 270 growth FTES funded but 447 FTES funding reversed)

Expense Assumptions: 5% GSI, 4% benefits, 20% utilities, 11.7% risk management, 3.6% space rental.

24/25 Incremental Budget Plan

(in millions)		<u>24/25</u>
	Revenue Sources	10.2
	Total Expenditures	34.7
	Other Funds Needed	24.5
Less:		
3.5% Salary Savings - Division		7.6
Benefits Savings (Fees) - Division		0.2
Benefits Savings - Central		4.2
Reserves for Mandatory Costs		8.3
	Funding Gap	\$ 4.2

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CPP Next Steps

1. Fall 2024

- Engage all divisions on strategies to address the \$4.2-million gap
 - Budget relies on enrollment growth
 - Future funding is enrollment driven

2. January 2025

- Governor releases 2025/26 budget proposal
- Begin campus conversation to prepare for 2025-26



Discussion