



Academic Affairs Budget Update for the Academic Senate



Academic Resources

9/18/2024

Financial Big Picture

- **2024-25 – \$218 million budget gap in the CSU**
 - Revenues: \$8.5 billion
 - Expenditures: \$8.72 billion
- **What impact should we expect to see?**
 - Cal Poly Pomona is approximately 5.2% of the CSU
 - Expect campus gap \$11.3 million
 - Academic Affairs is approximately 67% of CPP
 - **Expect division gap \$7.6 million**
- Next year will probably be worse
 - 2025-26 – Legislature planning CSU budget cut of \$397 million

POM01 Allocations Summary to Date

• Base Budget – no change from prior year	\$145,305,514
• New One-Time Funding	5,190,001
• Carryforward One-Time Funding	
Designated (GI2025, Fees, Various other)	11,064,330
Undesignated	1,962,029
Total	13,026,359
<i>Carryforward is down 32%, from \$19 million last year</i>	
• Grand Total	\$163,521,874

Division budget is currently down by approximately \$500 thousand.

***Budgeting is an iterative process.
Updates are normal through the first half of the fiscal year.***

Undesignated Carryforward down 68%

- Year to year

2023-24 undesignated carryforward	\$6,760,043
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2024-25 undesignated carryforward	\$1,962,029
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This pool normally covers:

- New faculty assigned time, moving and start-up allocations
- Some division-level software purchases
- Faculty professional needs allocations
- Last year, it also supported backfill operating allocations

Division to Pay for 2/3 of Salary Increases

University Projection

- \$6,882,546 (university total \$8.8M)
- Projection based on all positions filled July 1

Academic Resources Projection

- Approximately \$6.6 million

POM01 New Funding Summary

- New one-time dollars:

One-time for compensation increases	\$2,342,001
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One-time for new tenure-track faculty	\$2,848,000
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- Expenses known to be continuing; base to be provided in a future year
- **Divisions expected to redirect base now from operating uses to cover all salaries with permanent allocations**
- \$5 million in new faculty salaries is covered by attrition savings plus base replaced with new one-time dollars above
- Shortfall in funding for compensation increases will be covered by base moved from operating budget and recurring one-time needs

Despite shortfall, continuing to budget for

- Sabbatical leave replacement WTU
- New faculty assigned time replacement WTU
- Assigned time for Exceptional Levels of Service to Students (EATS)
- Large Classes Program
- Teacher-Scholar awards
- Summer and intersession department chairs
- Student Success funds for Department Student Engagement
- Additional Bottleneck Courses
 - Allocations must also cover benefits

Draft budget to date has significant operating shortfall

• Total POM01 available	\$163.5 million
<u>Expenses</u>	
• Tenure-line, staff and MPP salaries	\$114.0 million
• Basic temporary faculty allocations	\$27.0 million
• Special temporary faculty allocations	\$6.1 million
• Designated operating dollars	\$13.9 million
• SubTotal	\$161.0 million
• Needed undesignated operating dollars	\$8.4 million
TOTAL	\$169.4 million
• Academic Affairs current operating budget gap	\$5.9 million

Tuition and Enrollment Increases

- **Funding is already built into the budget we are discussing**
 - System-wide amounts are \$148M from tuition rate increase and \$24M from enrollment growth
 - CPP received funding for 270 growth FTES plus 330 FTES reallocated from other campuses – **funding is dependent on meeting enrollment expectations**
 - CPP \$11.2M from the tuition rate increase and \$1.6M from enrollment growth
 - New funds for CPP insufficient to cover new mandatory costs
- Allocations to colleges are partly based on enrollment and growth
- **Future campus and college allocations will also follow growth**

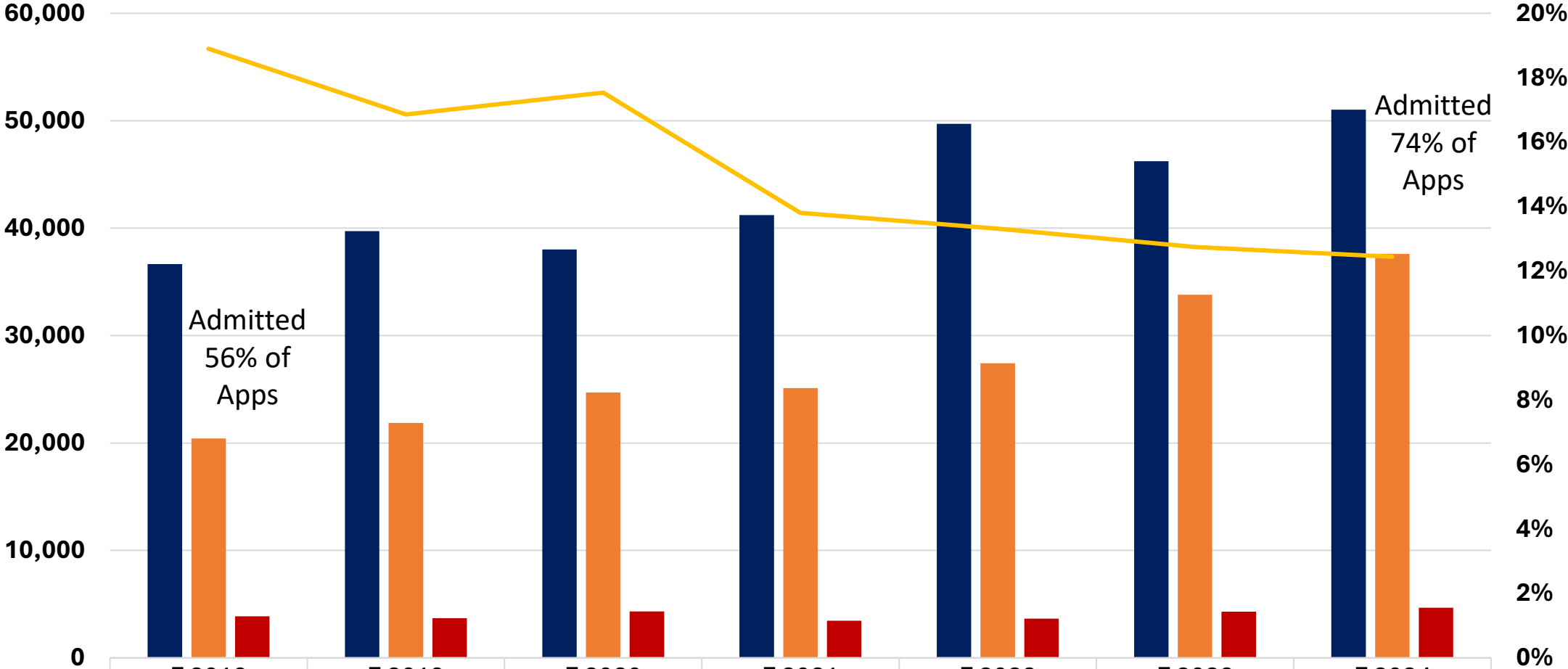
All-Funds Expenditure Planning Must Help

- Academic colleges receive “campus-partners” funding from CPGE – Use this for expenses that support or enhance continuing education
- Cost-Recovery funding is allocated to the division from self-support summer programs – Use this for general operating priorities
- Lottery funding is already providing significant support for Library subscriptions, databases, and materials in the collection, and for some replacement faculty laptops
- Philanthropic and grant funding provides support for targeted purposes

Next Steps and Strategies

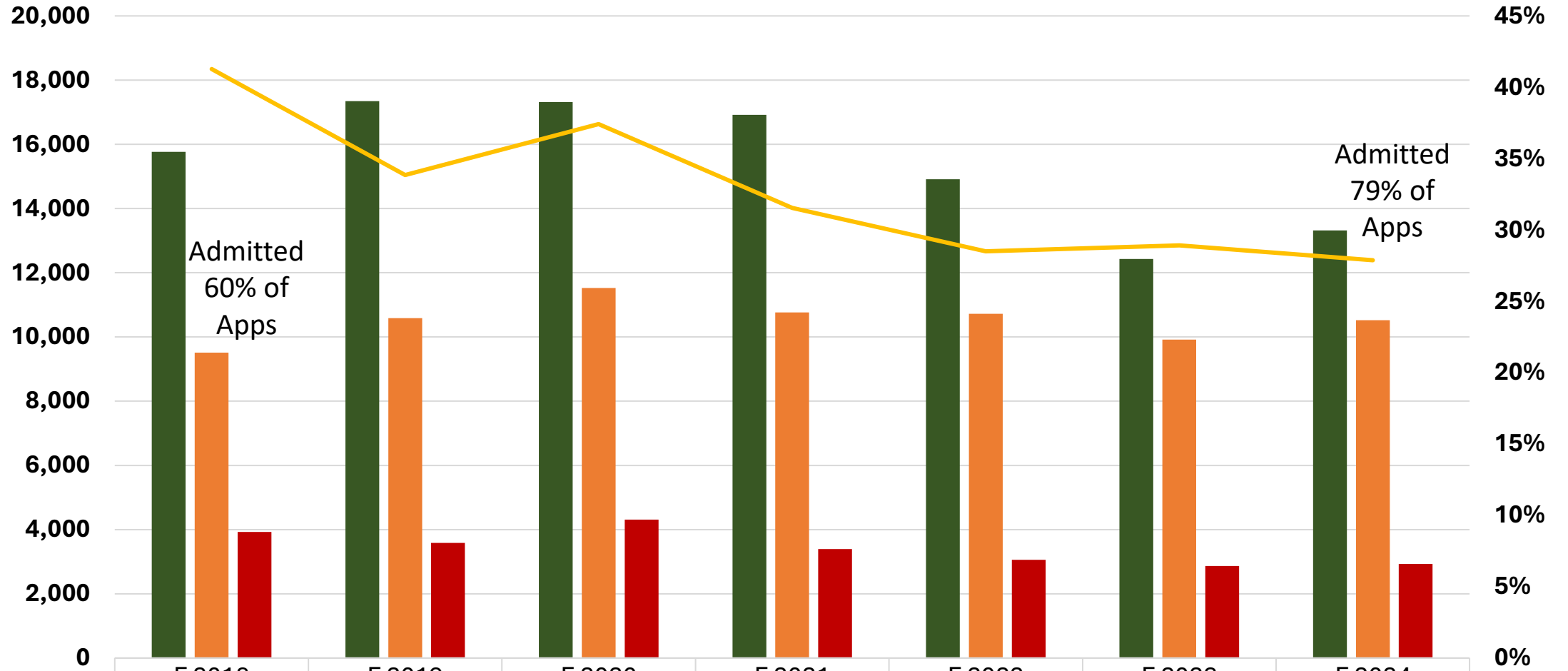
- **Maintain and increase enrollment** to generate current one-time and future base dollars
 - Make strategic investments in pipeline development and match students to capacity
- **Balance the budget** and try to increase operating dollars
- Identify dollars available on a one-time basis from vacant positions
- Finalize budgets for colleges and central offices
- Look for every opportunity to **decrease operating expenses**
- **Reduce student assistant costs**; use Federal Work-study
- **Hold** non-faculty positions **vacant** for an extended period and redirect savings

First-Time Freshmen: Admit to Intent Yield Rate



	F 2018	F 2019	F 2020	F 2021	F 2022	F 2023	F 2024
APPS	36,658	39,725	38,026	41,224	49,720	46,241	51,024
ADMITS	20,434	21,874	24,696	25,110	27,439	33,809	37,607
ENROLLED	3,862	3,689	4,331	3,467	3,654	4,310	4,681
YIELD	19%	17%	18%	14%	13%	13%	12%

Transfers: Admit to Intent Yield Rate



■ APPS	15,763	17,346	17,316	16,919	14,910	12,431	13,321
■ ADMITS	9,512	10,589	11,526	10,762	10,720	9,917	10,520
■ ENROLLED	3,926	3,584	4,313	3,394	3,055	2,867	2,932
— YIELD	41%	34%	37%	32%	28%	29%	28%



Discussion