

The logo graphic for Cal Poly Pomona is a large, stylized arrow pointing to the right. It is composed of several overlapping triangles in shades of blue, green, and yellow. The text "Cal Poly Pomona" is positioned to the left of the arrow.

**CalPoly**  
Pomona

# **CSU and CPP Budget Overview 2023-24 and 2024-25**

**Academic Senate Presentation**

**April 24, 2024**

# Presenters

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# Topics

- I. Enrollment Trends
- II. FY23-24 CPP Budget Overview
- III. FY24-25 CSU Budget Overview

# I. Enrollment Trends

# National Enrollment Trends

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Undergraduate enrollment increased by 2.1% in Fall 2023, marking the first post-pandemic growth across all institutions.

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Community college attendance was up 4.4% and was responsible for about 60% of the overall gains in undergraduate attendance.

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While overall undergraduate enrollment growth was up, freshmen attendance declined by 6.1% in public and 4% in private institutions.

# University of California (9 Campuses)



A record number of CA freshmen admits, totaling 88,285 - a 3.5% YOY increase

Increased admission rates for community college transfers - from 75.7% to 77.5% YOY

Significant increase in the number of underrepresented students in its history, with a 4% growth

55% of California students at the university pay no tuition

19% decrease in out-of-state admissions

12.2% decline in international admission



# UC Strategies to Grow and Diversify Students

CALIFORNIA, HIGHER EDUCATION

Data shows rise in underrepresented groups, in-state students in UC admissions



UC admits record number of California first-year students for fall 2023, led by Latinos



Los Angeles Times

- The UC admitted the largest class of California freshmen and historically underrepresented students in the system's history for the 2023-24 academic year.
- UC admitted 39,000 underrepresented students, making up 44% of admitted freshmen, the highest percentage ever.
- A total of 88,285 California residents, comprising 68% of the UC incoming freshman class.

<https://www.diverseeducation.com/reports-data/article/15544357/uc-system-admits-most-underrepresented-minorities-ever>

<https://www.latimes.com/california/story/2023-08-08/uc-admits-record-number-of-california-first-year-students-led-by-latinos>

[https://www.ucop.edu/institutional-research-academic-planning/\\_files/factsheets/2023/admission-table-1-1.pdf](https://www.ucop.edu/institutional-research-academic-planning/_files/factsheets/2023/admission-table-1-1.pdf)

# California Community Colleges: AB 927

Where to get a low-cost bachelor's degree close to home and a job lead: Community college



**Los Angeles Times**

Promise Roberts, 58, an Antelope Valley College graduate, stands near a plane used for a class that is part of the college's bachelor's degree program in airframe manufacturing technology. (Genaro Molina / Los Angeles Times)

<https://www.latimes.com/california/story/2023-09-25/california-community-colleges-baccalaureate>

“Most of the other colleges in the region that offer baccalaureate programs in dental hygiene are private universities, where tuition can run more than \$120,000. Tuition for the bachelor's program at West Los Angeles costs about \$10,000.”

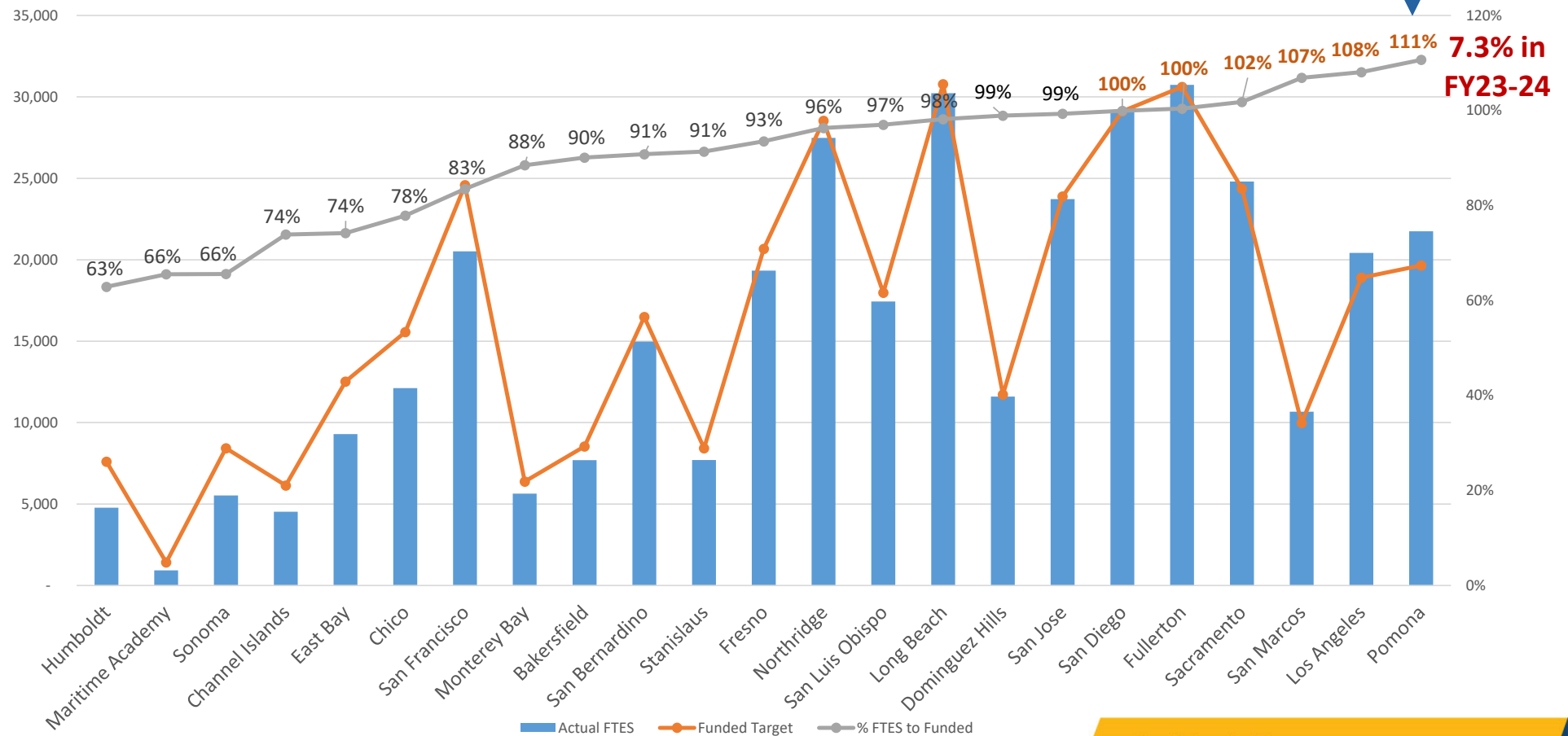
Nathan Evans, deputy vice chancellor of academic and Student affairs for the CSU, said the state must be mindful of not “creating situations that are inefficient or are waste of taxpayer money” by developing programs that resemble those already in place in other systems.



# CSU Resident Enrollment

## Full-time Equivalent Students (FTES) to Funded Targets, CY22-23

CPP: Over-Enrollment  
= additional \$18M

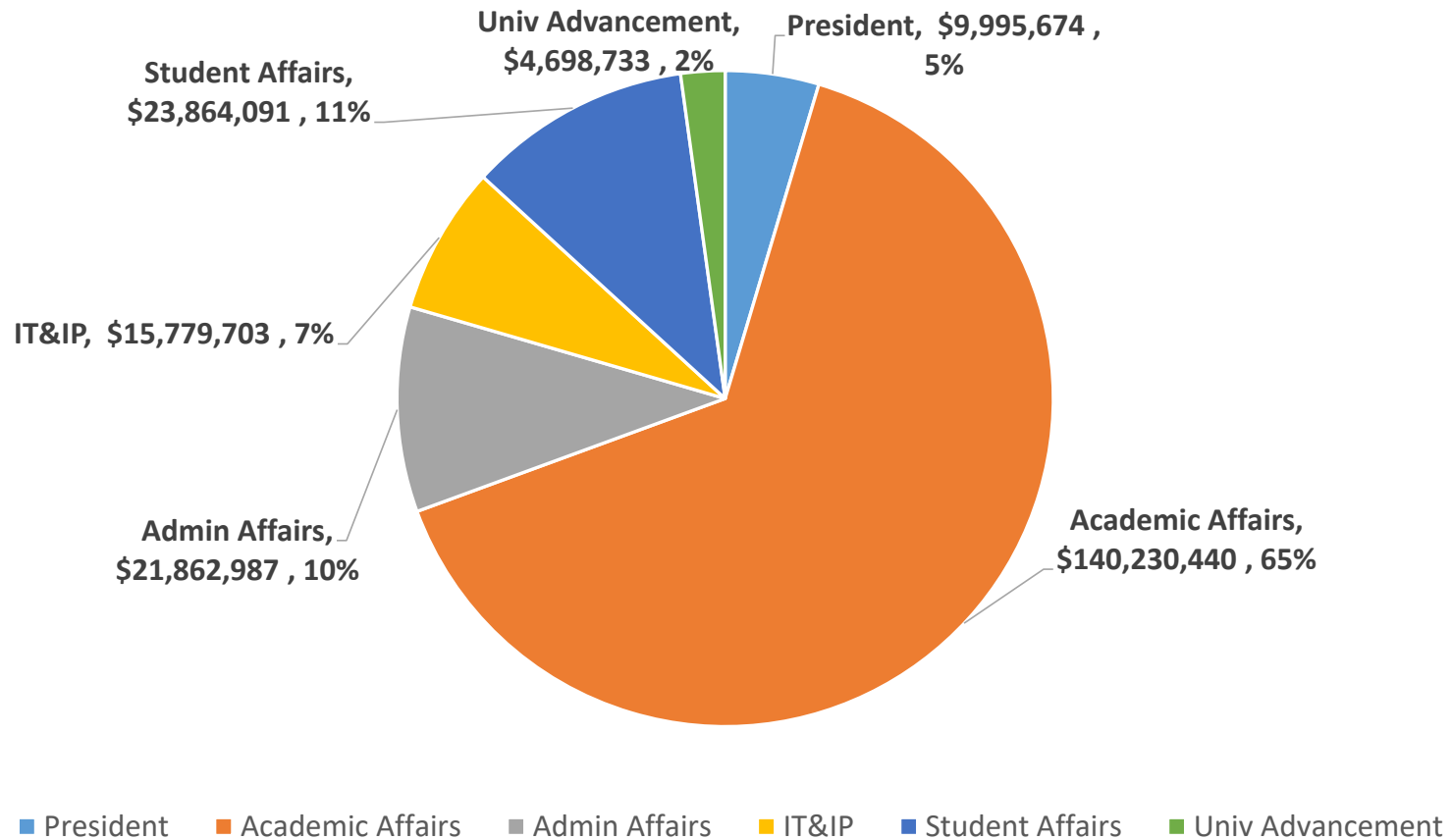


7.3% in  
FY23-24

Data Source: CO Institutional Research website; based on CY22-23 resident actual achieved vs. funded enrollment  
<https://www.calstate.edu/data-center/institutional-research-analyses/Pages/reports-and-analytics.aspx>

## II. FY 23-24 CPP Budget Overview

# FY 23-24 CPP Base Budget Distribution



Note: Based on allocations made to date; EODA reflected in the President's Office. Does not include comp allocation to be released in May 2024.

# FY23-24 Balanced Budget

	FY21-22 Budget	FY22-23 Budget	FY23-24 Budget (w/ 5% Comp)
<b>Sources</b>			
01 State Appropriation	\$ 178,307,000	\$ 200,568,000	\$ 219,820,000
02 Tuition	166,345,925	147,318,263	145,689,767
03 Student Fees	22,316,167	22,004,251	24,134,423
<b>Total Sources</b>	<b>\$ 366,969,092</b>	<b>\$ 369,890,514</b>	<b>\$ 389,644,190</b>
<b>Uses</b>			
11 Salaries	\$ 177,881,196	\$ 192,187,420	\$ 202,711,014
12 Benefits	93,200,829	97,630,422	117,342,173
13 Operations Exp (O/E)	33,838,113	23,791,654	15,564,368
14 Cen. Mged Costs - Other	10,848,814	12,738,991	12,238,991
15 University Level Financial Aid	40,481,409	40,172,909	40,039,409
16 U Level Committed Resources	0	0	1,748,235
17 Uncommitted Resources	10,718,731	3,369,118	0
<b>Total Uses</b>	<b>\$ 366,969,092</b>	<b>\$ 369,890,514</b>	<b>\$ 389,644,190</b>
<b>Net Increase / (Decrease)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 0</b>

- Modified funding structure to ensure positions have base funding.
- Total compensation cost = \$13M; CO provided approximately 50% for compensation increases; reallocation of existing base fundings will cover remaining 50% plus benefits increase costs
- Projected year end is balanced with no budget deficit

One-time funds will help to balance the budget as necessary.

# III. FY 24-25 CSU Budget Overview

# State Budget Outlook

## Short Term

- \$38 billion state budget deficit
- State tax revenues lower than expected for past, current, and budget years (i.e., 2022-23, 2023-24, & 2024-25)
- No consensus on immediate recession

## Long Term

- Tax revenue growth expected to return to pre-pandemic normal rates
- State anticipated to have 15% annual operating budget deficits (2025-26 through 2027-28)

# Governor's 2024-25 Proposal for CSU

- No new ongoing or one-time funding in 2024-25
- Compact **Deferral**
  - The compact provides a five-year resource plan to the CSU that addresses annual base budget increases of up to 5% from 2022-23 through 2026-27, with the expectation of a one percent growth in enrollment to increase access.
  - The 24-25 proposal would deliver the same level of funding per year, per the compact.
  - However, Governor proposed to *suspend* the third year (2024-25) payment of \$240 million and pay it in 2025-26.
- Administration remains committed to the compact goal.
- More information pending the Governor's May revision.

## Trustee's Funding Priorities

- Academic and student support
- Basic needs and mental health services
- Title IX implementation and ongoing costs
- Infrastructure, including new facilities and ongoing maintenance
- Compensation to attract and retain outstanding faculty and staff
- Increased funding for State University Grant program



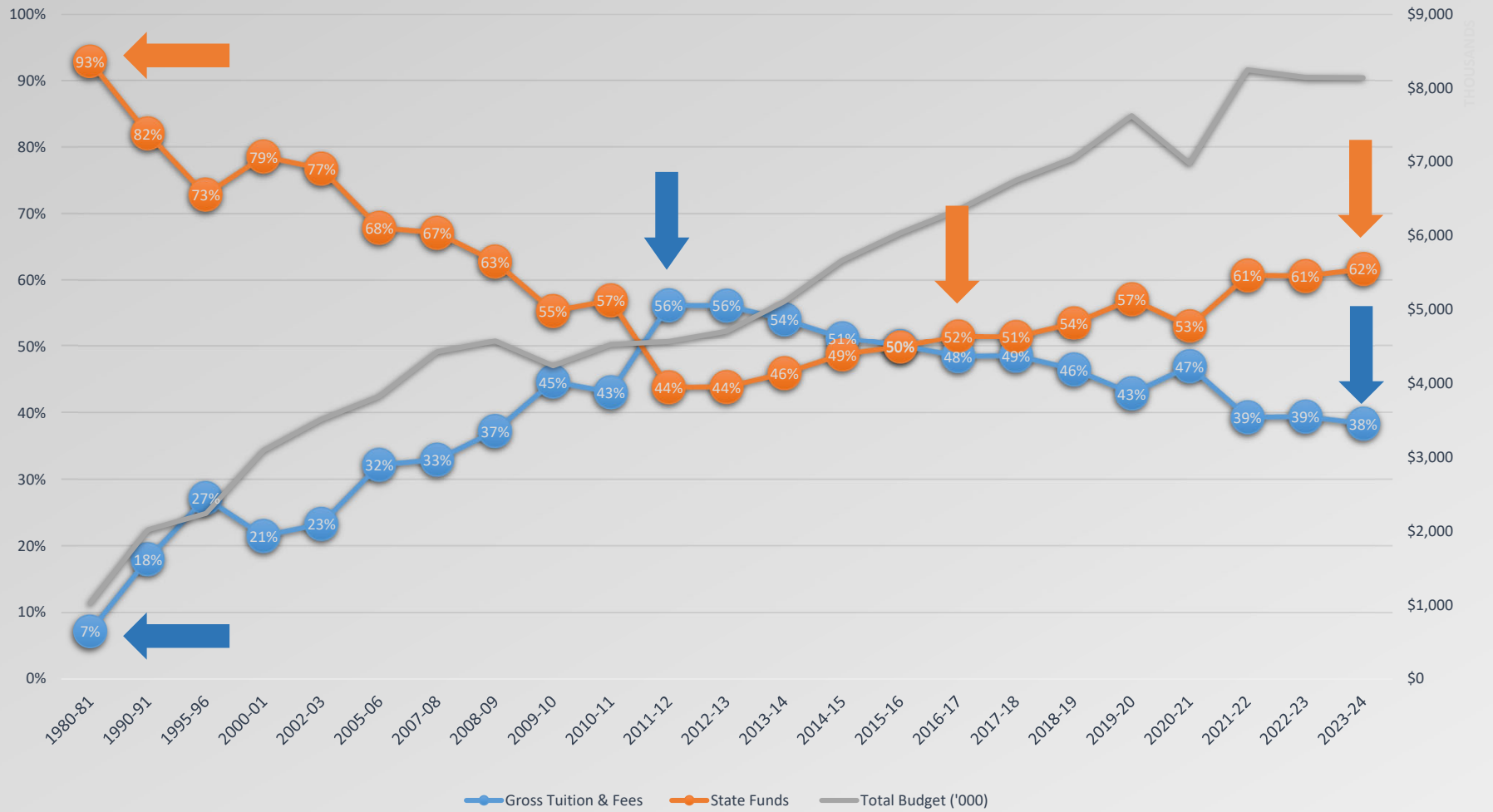
# Planning Implications

- The Governor's compact (contingent upon the CSU achieving the enrollment target) and tuition rate increase are key.
- Many – but not all – budget priorities could still be advanced.
- State is limited in this budget cycle as well as the next budget cycle.
- CSU is re-balancing university budgets based on enrollment in 2024-25.
- **Universities to cover more ongoing cost increases**
  - \$128 million shortfall due to compensation absorbed by universities in current year (**CPP: \$13 million total compensation cost with \$6.7 million funded by CPP**).
  - Projected \$110 million shortfall in 2024-25, and \$74 million shortfall in 2025-26 (\$6 million and \$4 million respectively for CPP).

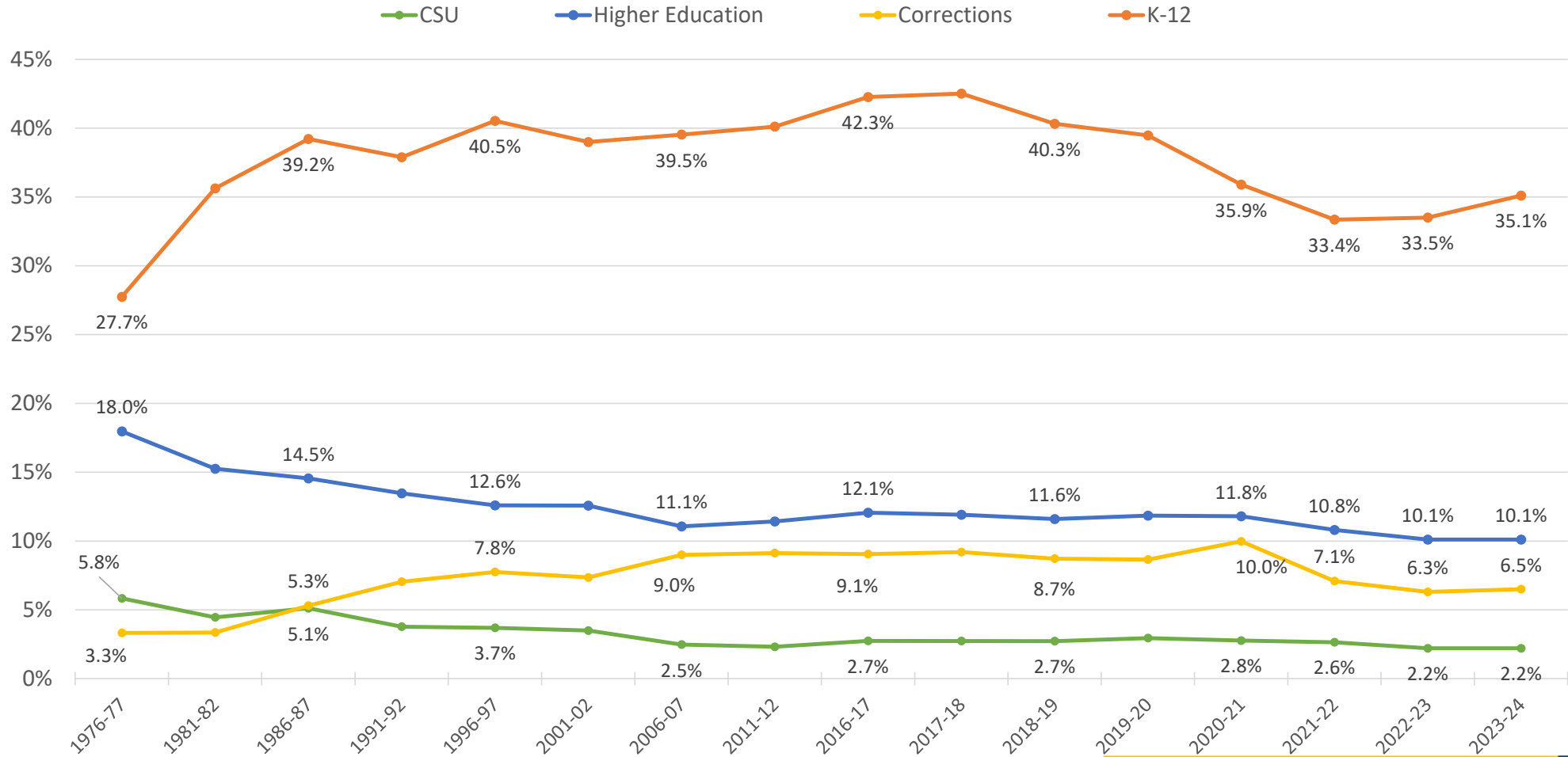
# CSU Is Re-Balancing the Budget

- A portion of our funding from the CSU is tied to enrollment (resident full-time equivalent students, or FTES).
- To help the CSU achieve the systemwide enrollment target, CSU is shifting funding from under-enrolled campuses to universities that can grow
- The framework: Beginning in CY24-25, 3% of the funding for resident FTES will be reduced for eight campuses not achieving enrollment targets and redistributed to nine campuses including CPP.
- Campuses receiving reallocated FTES funding must demonstrate actual year-over-year growth to retain this funding.

### Change in Share of Funding for CSU over 40 Years



# Allocations as % of Total State General Fund



# Our Opportunities and Challenges

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- CPP continues to be a **high-demand campus**, and we will seek to achieve the systemwide enrollment target. However, some program areas have been experiencing declines in enrollment and targeted outreach will be critical for colleges with drops in enrollment
- We are unique among universities in bringing together the **CPP polytechnic experience**, diversity and economic mobility in our culture of care
- To grow the academic programs that can support this direction, we will need to **shift resources** and redistribute funds to those areas.
- We must **remain adaptable** to ensure continued relevance and impact as we embrace emerging challenges and opportunities.



# Questions / Discussion