

A large, stylized graphic on the left side of the slide. It consists of several overlapping triangles in shades of blue, green, and yellow, forming a shape that resembles a stylized 'P' or a cluster of geometric shapes. The colors are vibrant and the shapes are layered, creating a sense of depth and movement.

**CalPoly**  
Pomona

# FY23-24 Budget Development

January 23, 2023



# Agenda

- I. Reporting Units Defined**
- II. Budget Assumptions & Strategies**
- III. Budget Deliverables**



# I. Reporting Units

# Reporting Units

- Units with operating budgets from the following sources are required to submit budget deliverables in the standard format.

General Fund (GF)	Auxiliary Enterprises (AE)	Auxiliaries (A)
All six divisions and centrally managed costs (undesignated, designated, fees)	Housing	Foundation
	Parking	Philanthropic Foundation
	College of Professional and Global Education (CPGE)	Associated Students, Inc.

- ✓ General Fund
- ✓ Auxiliary Enterprises
- ✓ Auxiliaries



## **II. Budget Assumptions & Strategies**

Goal of budget planning is to create a *balanced and sustainable* ongoing budget that supports the University's strategic plan, mission, and vision.

An all-funds budgeting approach provides an *enterprise-wide view* of fiscal resources and ensures resource allocation decisions are made with an understanding of all available funding sources and uses.

*Capital planning* will be part of the annual budget development process.

✓ General Fund

✓ Auxiliary Enterprises

✓ Auxiliaries

# Budget Assumptions & Strategies

- Enrollment: CPP's over-enrollment declined from 10.5% to 9.1%
  - Assume no new state appropriation for FY23-24 enrollment
  - Fees: build in contingency in enrollment
- Campus lost 3,000 FTES from 24,987 in FY20-21 to 21,983 in FY22-23 (projected)
- We are serving 3,000 FTES less students. Consider reversing or reducing expenses that were added when the campus was growing.
  - Fees: Benchmark expenses against other CSU campuses
- Re-evaluate timing of planned one-time expenses
- Re-consider investments that will trigger recurring expenses
- Use carryforward/reserve to balance the budget in the short-term while working towards reducing expenses in the long term

✓ General Fund

✓ Auxiliary Enterprises

✓ Auxiliaries

# Governor's January Budget Proposal

- Governor's January budget proposes a \$227.3 million ongoing General Fund base increase, fulfilling the multi-year compact commitment of five percent (or a 2.85% increase to the operating budget)
- Proposal is despite the declining condition of the state's budget
- No new enrollment growth according to this budget; 1% enrollment growth is embedded in the Governor's compact

✓ General Fund

✓ Auxiliary Enterprises




✓ Auxiliaries





## **III. Budget Deliverables**

# Budget Deliverables - Due March 9, 2023

<b>Excel Budget Workbook (new)</b>   <ul style="list-style-type: none"> <li>• Position report (GF &amp; AE)</li> <li>• Position FTE, revenues &amp; expenses</li> <li>• New budget requests</li> <li>• Capital requests (new)</li> </ul>	<b>Budget Narratives (new)</b>   <ul style="list-style-type: none"> <li>• Strategic planning &amp; reporting</li> <li>• Reallocation</li> <li>• New budget requests</li> <li>• Capital request (space)</li> <li>• Org Chart</li> </ul>	<b>Budget Journal Template</b>   <ul style="list-style-type: none"> <li>• Budget journal template for upload to PeopleSoft</li> </ul>
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GF	X (draft; <b>final due in July?</b> )	X	X (July?)
AE	X (final)	Pro forma, if applicable	X
A	X (draft; <b>final due June 30</b> )	Pro forma, if applicable	

General Fund     
  Auxiliary Enterprises     
  Auxiliaries

# Excel Budget Workbook (GF)

## Excel Budget Workbook (new)



- Position report (GF & AE)
- Position FTE, revenues & expenses
- New budget requests
- Capital requests (new)

- General Fund – separate forms for undesignated, designated, and fees. Carryforward is your best estimate of the year-end balance. Also estimate PCR Cost Recovery carryforward.
- Each Category II fee should have its own separate worksheet.
- Use the New Budget Requests tab for operating budget requests.
- Both GF and PCR will resubmit the Excel Budget Workbook after BP&A finalizes FY23-24 budget allocation.

✓ General Fund

Auxiliary Enterprises

Auxiliaries

# Excel Budget Workbook (GF & AE)

## Excel Budget Workbook (new)



- Position report (GF & AE)
- Position FTE, revenues & expenses
- New budget requests
- Capital requests (new)

- **A position listing** (like the shared position control report but much shorter) will be shared with divisional budget officers by February 3rd. Update & return it to BP&A by March 9. [Numbers should match the totals in the Excel Budget Workbook.](#)
- BP&A will migrate the Position Control Report from Excel to Questica and will request *quarterly updates* from divisions

✓ General Fund

✓ Auxiliary Enterprises    Auxiliaries

# Excel Budget Workbook (AE & A)

## Excel Budget Workbook (new)



- Position report (GF & AE)
- Position FTE, revenues & expenses
- New budget requests
- Capital requests (new)

- Auxiliary enterprises and auxiliaries are required to submit a two-year revenue and expenditure forecast in addition to the FY 2023-24 budget plan.
- Revenues and fund balance should be entered as negative numbers.
- Baseline assumptions including applicable fees/rates and escalation factors plus intended use of fund balances (reserves) must accompany the forecast.
- Multi-year pro formas must be submitted for all units that currently hold debt obligations, i.e., Housing, Parking, Foundation, and ASI Student Union. A 20-year forecast must be maintained with sufficient debt service coverage ratio (DCSR). Reserves designations and major capital investment plans must be incorporated.

General Fund

✓ Auxiliary Enterprises

✓ Auxiliaries

# Excel Budget Workbook Capital Requests

## Excel Budget Workbook (new)



- Position report (GF & AE)
- Position FTE, revenues & expenses
- New budget requests
- Capital requests (new)

- Capital Request Template: Narrative includes a section for Space. The Excel template has been added to allow ease of consolidation.
- ALL units with capital requests should use this template and coordinate projects with FP&M.
- Auxiliary enterprises and auxiliaries should self fund all capital and FF&E projects
- Submission of listing does not guarantee approval. For example, renewal before the normal renewal cycle may not be approved
- A revised Excel Workbook was sent out Friday

✓ General Fund

✓ Auxiliary Enterprises

✓ Auxiliaries



# Capital Projects - Definitions

A **Capital Project** is a project that helps *extend the life of an asset* by maintaining or improving the interior or exterior of a building or support system such as mechanical, electrical, plumbing, roads, or other physical infrastructure. To be included in the Capital Budget, a project must meet ONE of the following requirements (criteria): It is a new construction, expansion, renovation, or replacement project for an existing facility or facilities.

**Furniture, Fixtures & Equipment (FF&E)** refers to movable furniture, fixtures, or other equipment that have no permanent connection to the structure of a building. These items include desks, chairs, computers, electronic equipment, tables, bookcases, and partitions.

✓ General Fund

✓ Auxiliary Enterprises

✓ Auxiliaries



# Budget Narratives (GF)

## Budget Narratives (new)



- Strategic planning & reporting
- Reallocation
- New budget requests
- Capital request (space)
- Org Chart

- **Strategic Planning & Reporting:** Overview of your division's progress towards the strategic initiatives based on VP's direct reporting units (include auxiliary enterprises and auxiliaries)
- **Reallocation:** Demonstrate how your division addresses changes in operating needs by allocating resources first as a strategy before requesting new funds. Examples include reallocating funding from positions that have been vacant for a while.
- **New Funding Requests:** Describe your budget requests. Align your narrative with the Excel Budget Workbook.
- **Space (capital):** Describe how your existing space inventory meet your need. What constraints do you face, and what capital projects do you need?
- **Organizational Chart:** Include a one-page org chart.

✓ General Fund

Auxiliary Enterprises

Auxiliaries

# Budget Narratives

## Capital Projects (Space)

- **Complete the Narrative (Space) and CPP Excel Budget Workbook (Capital)**
- **Current Space Inventory**
  - Does your current space inventory meet your programmatic requirements?
  - Does the type or quality of space place any constraints on your ability to meet program requirements?
  - Will your unit be able to accommodate your needs within existing inventory of space?
- **Growth Plans (Capital and FF&E Projects)**
  - If additional space and/or FF&E will be needed, or work will be needed to extend the life of the existing space, please describe the amount, type, or quality of additional space you may need
  - Submission of listing guarantee approval. For example, capital renewal before the normal renewal cycle may not be approved
- **Funding**
  - How much will your unit contribute to the capital project?
  - Cosmetic items such as painting the walls a different color or removing a wall, etc. will not be centrally funded

✓ General Fund

Auxiliary Enterprises

Auxiliaries

# Budget Journal Template (GF & AE)

## Budget Journal Template



- Budget template for upload to PeopleSoft

- Auxiliary Enterprises: submit the budget journal template by March 9, 2023
- General Fund supported units: submit the budget journal template once the budget is finalized (July?)

✓ General Fund

✓ Auxiliary Enterprises    Auxiliaries

# Budget Approval

All budgets, as well as the new requests for operating budget and capital projects, must be reviewed and approved by the divisional VP before submission.

Submit forms and narratives to BP&A at [budget@cpp.edu](mailto:budget@cpp.edu) and copy Anne-Marie Larrabure and Carol Lee.

- ✓ General Fund
- ✓ Auxiliary Enterprises
- ✓ Auxiliaries



# Thank you

Any Questions?