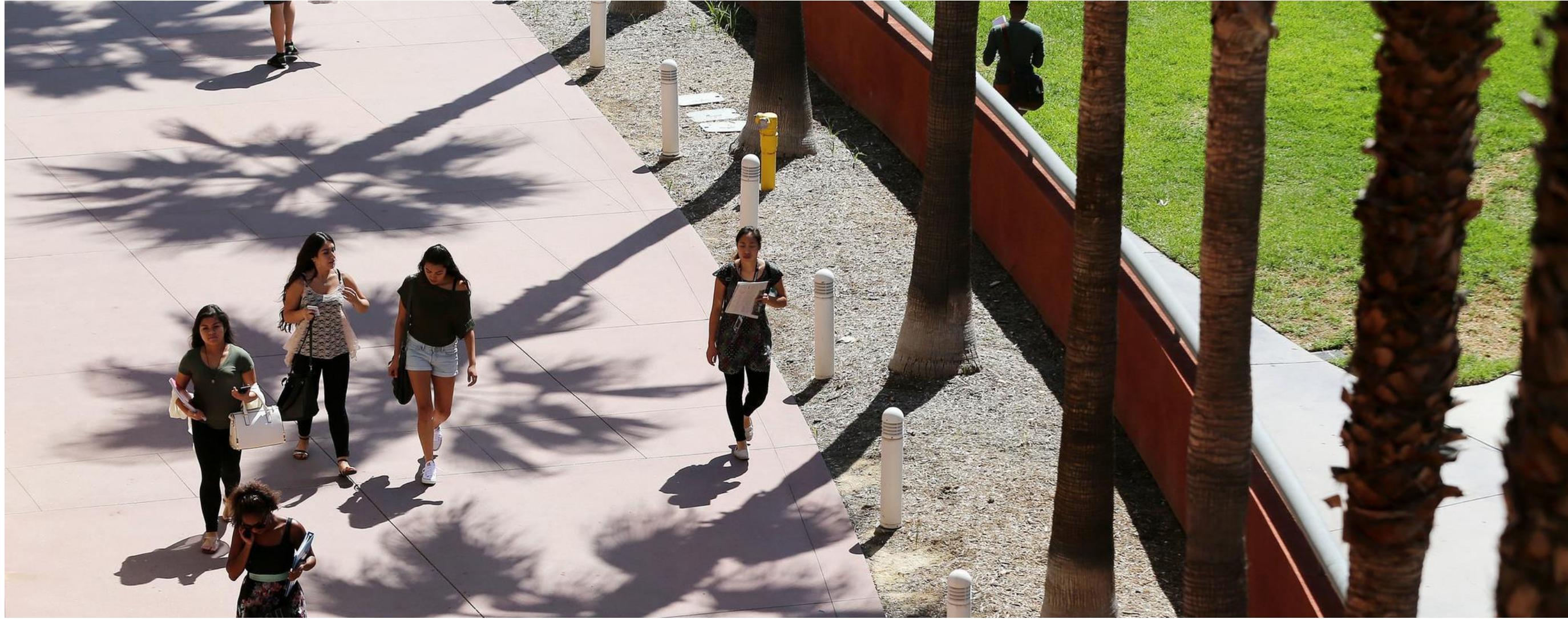


2019-2020 Operating Budget Update

System Budget Advisory Committee
January 29, 2019



Overview

- 2019-2020 Governor's Budget Outlook & Proposal
- Governor's Proposal for CSU
- Next Steps in the 2019-2020 Budget Process

State Budget Outlook & Priorities

- Continued Revenue Growth averaging 3% through 2022-23
- Governor's Priorities
 - Build reserves, eliminate debts & reduce liabilities
 - Assist the most vulnerable Californians
 - Invest in existing state programs
- Cautiously Optimistic

2019-20 Recurring Funding

	Governor's Budget
Compensation & Mandatory Costs	\$193 Million
2% Enrollment Growth (7,295 FTES)	\$62 Million
Graduation Initiative 2025	\$45 Million
Project Rebound	\$250,000
Total	\$300 Million

2019-20 One-Time Funding

	Governor's Budget
Deferred Maintenance	\$247 million
Basic Needs Partnerships	\$15 million
Total	\$262 million

2019-20 Other Notable Items

	Governor's Budget
Paying Down CalPERS Retirement Liabilities	\$3 billion
Undocumented & Immigrant Legal Services	\$7 million
Cal Grant Access Awards for Student-Parents	\$121 million
Higher Education Innovation in the San Joaquin Valley & Inland Empire	\$10 million
Feasibility Study/San Joaquin Valley	\$2 million

Going Forward

- CSU Next Steps
- State Next Steps
 - Budget Hearings and Advocacy
 - Governor's May Revision
 - Final Budget in June