

Budget Committee Report- Dec 3, 2025

Members: Faculty- Bharti Sharma (Chair), Kang Hoon Sung, Jose M Aguilar-Hernandez, Shokoufeh Mirzaei, Stephen G Osborn, Katie Richardson, Anna L Soper, Don St. Hilaire, Michelle Soto-Peña, Staff- Lisa M. Rotunni, Sabrina Toney, ASI Student representative -Addie Hasson

The Budget Committee has met twice times during this reporting period.

Nov 12, 2025- Engaged in an invited presentation on CPP's Institutional "FY25-26 Budget Updates" by CFO Michelle Cardona and AVP Carol Lee.

The committee also invited Dr. Anthony Orlando and discussed the Lanterman's presentation. CFO Cardona was also supporting this discussion.

Committee members in attendance **Nov 12-** Kang Hoon Sung, Katie Richardson, Anna L Soper, Don St. Hilaire, Addie Hasson, Michelle Soto-Peña, Sabrina Toney, Shokoufeh Mirzaei, Bharti Sharma.

Nov 19, 2025- Engaged in discussions with CIO John McGuthry, supported by Cynthia Morgan regarding IT division's budget.

Committee members in attendance **Nov 19-** Don St. Hilaire, Addie Hasson, Michelle Soto-Peña, Lisa Rotunni, Sabrina Toney and Bharti Sharma.

Cal Poly Pomona's Institutional Budget Presentation Summary (The presentation is uploaded in the Academic Senate Agenda)

Below are the key highlights from the FY 25-26 Budget Update presentation

CPP Spring 2026 Enrollment- Campus remains on track to meet or exceed the 2025–26 enrollment goal. Secures **\$1.8M** in permanent CSU funding. Need at least **600 new transfer students to meet CY 2025–26 goal**. Early indicators show a high intent-to-enroll.

CSU Budget Updates

- CSU accepts the Zero-Interest Loan in One-Time Dollars, must be paid back, in full, on July 1, 2026. Chancellor Garcia has authorized that the **\$144M** be used to create one-time compensation pools for all CSU employee groups. The details are subject to the collective bargaining process.
- CSU approved budget request, proposes a **\$597M** increase to a total of **\$9.09B** for FY 26-27.
- CSU advocates to honor Year 4, Compact Funding and provide **\$252.3M** as promised and also restore the **\$143.8M** general fund reduction to protect programs and student success.



Compact Funding *(based on approved 25-26 State Budget)*

Original Plan

In millions	Year 1 FY22-23	Year 2 FY23-24	Year 3 FY24-25	Year 4 FY25-26	Year 5 FY26-27	FY27-28	FY28-29	Total
Ongoing	\$211.0	\$227.0	\$240.0	\$252.3	\$265.0	n/a	n/a	\$1,195.3

Actual & Revised Plan

In millions	Year 1 FY22-23	Year 2 FY23-24	Year 3 FY24-25	Year 4 ¹ FY25-26	Year 5 FY26-27	FY27-28	FY28-29	Total
Ongoing	\$211.0	\$227.0	\$240.0	(\$143.8)	\$244.7		\$151.4	\$930.3
One-Time						\$252.3		\$252.3

3% base GF reduction ongoing (-\$143.8)
 Restore 25-26 3% base GF reduction ongoing (+\$143.8)
 Yr 4 compact deferral ongoing (+\$100.9)
 No mention of Yr 5 compact funding
 Yr 4 compact one-time back payment (+\$252.3)
 Yr 4 compact deferral ongoing (+\$151.4)

\$265.0 = Diff in ongoing original plan vs. actual/revised plan
 Equate to Yr 5 compact funding of \$265

Funding Deferrals for Year 4:

- 2026-27 - \$100.9 million, ongoing
- 2027-28 - \$252.3 million, one-time
- 2028-29 - \$151.4 million, ongoing

¹ The legislature approved a one-time zero interest GF loan option in the amount \$143.8M to address the 3% budget reduction for FY25-26.

"Ongoing funding" refers to budget allocations that recur each year. Each additional "ongoing" allocation permanently increases the base recurring budget.
 "One-Time funding" refers to a single, non-recurring allocation.

CPP Budget Updates

- Budget uncertainty resulted in multiple iterations and cost reduction measures to reach a balanced budget, **including VSIP, increased SFR, and Divisional budget reduction** and meeting enrollment target of **22,952 FTES**. FY 25-26 Operating budget is **\$430M**.
- **Aug 25-** Budget Planning and Analysis (BPA) released base budget. **Sep 25-** Divisions submitted operating & expense (O&E). In **Oct 25** – Divisions received allocations-Budget in maintenance phase, quarterly review was conducted by BPA.
- Budget allocation to colleges decided by Provost / divisional VPs. For FY 25-26- **\$7.7M** was taken out of reserves to support one-time anticipated shortfalls.

CFO Cardona have noted that - FY25–26 budget is balanced without drawing on reserves. However, an additional \$7.7 million in one-time support is provided to divisions for anticipated shortfalls, CPP have committed reserves to fund this allocation. This step is necessary even with a balanced budget because not all revenues are collected at the beginning of the year, and actual revenues may fall below projections. As a result, the allocations made at the start of the year may require a temporary use of reserves. Once revenues are collected, the reserves will be replenished.

Committee Discussion Themes:

- The committee discussed the potential impacts of VSIP, particularly in relation to how the workload is distributed or restructured. The CFO noted that approximately 10% of the vacated positions will be refilled and divisions are working to reimagine and restructure the workload accordingly.
- The committee discussed the impact of increased SFR ratio (~6.1% as per latest updates) on faculty workload and student learning.

Committee Recommendations

- The committee acknowledges the importance of workload restructuring and recommends continued monitoring of impacts related to VSIP, with an emphasis on ensuring a sustainable workload redistribution.
- The committee also emphasizes to continue with financial transparency efforts to ensure readiness and informed decision-making in response to evolving budget conditions.
- The committee recommends to closely monitoring effects of increased SFR ratio keeping student success and learning outcomes at the center of evaluations.

Lanterman Project Presentation and Discussions

The committee has previously reviewed Dr. Orlando's senate presentation on Oct 15, the presentation to the Budget committee was similar. Please refer to Dr. Orlando's original presentation for highlights.

Committee discussion themes:

- The committee members engaged with Dr. Orlando and inquired the status of developments especially from a budgetary point of view.
- The committee members inquired about the overall vision of this project, its financial feasibility and the major challenges that may impede its implementation.
- The committee inquired about composition of the committee(s) involved in Lanterman planning basically to understand the governance structure and who is the project lead particularly to understand how financial decisions are made for the development of this property.
- The committee inquired about the maintenance cost associated with Lanterman Property (~300 acres). Committee discussed the filming as a source of revenue. The Committee also sought to better understand the role of Cal Poly Pomona Enterprises, since CPPE referenced filming and Lanterman in their presentation. CPPE also contributed \$500K in

revenues in- 2015, 2016, 2017, and 2018. The Committee would like to understand why this funding was discontinued.

- Dr. Orlando had requested CFO Cardona's reference for budget inquiries. CFO referred the committee to the Lanterman's website.

https://www.cpp.edu/lanterman/pdfs/lanterman_cppe-state-side-pl_june-30-2025.pdf

Lanterman
CPP Enterprise & State Profit/Loss Statement
as of June 30, 2025

ENTERPRISE SIDE	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
REVENUES											
Filming Revenue	\$ -	\$ 943,357.00	\$ 1,519,350.00	\$ 1,425,500.00	\$ 1,988,837.00	\$ 1,909,171.00	\$ 2,316,692.00	\$ 3,447,429.50	\$ 2,374,035.00	\$ 2,608,615.00	\$ 3,766,688.42
CPPE Contributions (aside from filming revenues)	\$ -	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Revenues		\$ 1,443,357.00	\$ 2,019,350.00	\$ 1,925,500.00	\$ 2,488,837.00	\$ 1,909,171.00	\$ 2,316,692.00	\$ 3,447,429.50	\$ 2,374,035.00	\$ 2,608,615.00	\$ 3,766,688.42
EXPENSES											
RSI Commission	\$ -	\$ (283,007.00)	\$ (455,805.00)	\$ (427,650.00)	\$ (596,651.00)	\$ (572,751.00)	\$ (679,176.00)	\$ (911,336.85)	\$ (625,302.00)	\$ (695,095.00)	\$ (1,098,846.60)
Enterprise Administrative Fees	\$ (300.00)	\$ (31,885.78)	\$ (48,104.55)	\$ (38,474.22)	\$ (70,904.52)	\$ (78,982.90)	\$ (122,551.15)	\$ (173,434.35)	\$ (124,932.00)	\$ (135,688.00)	\$ (187,801.01)
Equipment and Supplies	\$ -	\$ (1,239.69)	\$ (5,676.97)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Site Maintenance	\$ -	\$ (1,122,448.35)	\$ (451,270.12)	\$ -	\$ -	\$ -	\$ -	\$ (74,179.62)	\$ (13,810.00)	\$ (15,811.00)	\$ (1,600.00)
Consultants/Legal	\$ (29,173.45)	\$ (2,507.00)	\$ (1,925.00)	\$ -	\$ (450.00)	\$ -	\$ (52,298.69)	\$ (262,448.00)	\$ (174,899.00)	\$ (73,353.00)	\$ (113,896.87)
Other Expenses	\$ (548.66)	\$ (2,269.18)	\$ (10,477.12)	\$ -	\$ (1,663.33)	\$ (114.50)	\$ (563.72)	\$ (253.51)	\$ (112.00)	\$ -	\$ (955.91)
Total Expenses	\$ (30,022.11)	\$ (1,443,357.00)	\$ (973,258.76)	\$ (466,124.22)	\$ (669,668.85)	\$ (651,848.40)	\$ (854,589.56)	\$ (1,421,652.33)	\$ (939,055.00)	\$ (919,947.00)	\$ (1,403,100.39)
Net Income (Expense)	\$ (30,022.11)	\$ -	\$ 1,046,091.24	\$ 1,459,375.78	\$ 1,819,168.15	\$ 1,257,322.60	\$ 1,462,102.44	\$ 2,025,777.17	\$ 1,434,980.00	\$ 1,688,668.00	\$ 2,363,588.03
CPPE Transfers to State	\$ -	\$ -	\$ 920,000.00	\$ 1,348,813.00	\$ 1,900,000.00	\$ 855,000.00	\$ 1,753,000.00	\$ 2,100,000.00	\$ 1,410,000.00	\$ 1,512,914.96	\$ 2,538,286.00
STATE-SIDE											
REVENUES											
TX130											
Transfer of Net Film Revenues: CPPE to State	\$ -	\$ -	\$ 920,000.00	\$ 1,348,813.00	\$ 1,900,000.00	\$ 855,000.00	\$ 1,753,000.00	\$ 2,100,000.00	\$ 1,410,000.00	\$ 1,512,914.00	\$ 2,538,286.00
Other Revenue Transfer from Trust	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 146,852.77	\$ -	\$ 226,730.12	\$ -	\$ 1,931,365.36
Cost Recovery fr External Srce	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 86.75	\$ -	\$ -
Total TX130 Revenues		\$ -	\$ 920,000.00	\$ 1,348,813.00	\$ 1,900,000.00	\$ 855,000.00	\$ 1,899,852.77	\$ 2,100,000.00	\$ 1,636,816.87	\$ 1,512,914.00	\$ 4,469,651.36
Other Lanterman Revenues											
Operating Fund Budget	\$ -	\$ 753,613.56	\$ 1,790,282.95	\$ 2,190,280.71	\$ 63,184.87	\$ 103,457.82	\$ 472,016.87	\$ 37,203.59	\$ -	\$ -	\$ 750,000.00
Total Lanterman State-side Revenues	\$ -	\$ 753,613.56	\$ 2,710,282.95	\$ 3,539,093.71	\$ 1,963,184.87	\$ 958,457.82	\$ 2,371,869.64	\$ 2,137,203.59	\$ 1,636,816.87	\$ 1,512,914.00	\$ 5,219,651.36
EXPENSES											
TX130											
Maintenance & Repairs	\$ -	\$ 440,521.72	\$ 320,374.51	\$ 558,019.72	\$ 388,871.73	\$ 413,459.93	\$ 374,065.37	\$ 525,505.41	\$ 525,824.35	\$ 632,918.61	\$ 714,366.23
Security	\$ -	\$ 488,403.15	\$ 847,501.52	\$ 785,541.36	\$ 928,748.55	\$ 1,067,398.98	\$ 885,456.94	\$ 920,585.17	\$ 754,629.73	\$ 728,964.35	\$ 728,964.35
Consultants & Advisors	\$ -	\$ 250,969.62	\$ 337,701.82	\$ 3,366.25	\$ 3,000.00	\$ 181,224.43	\$ 54,582.18	\$ 196,106.47	\$ 233,127.13	\$ 103,829.95	\$ 103,829.95
Legal Services	\$ -	\$ 28,947.22	\$ 167,964.43	\$ 186,652.43	\$ 69,915.97	\$ 51,628.09	\$ 24,955.00	\$ 16,953.00	\$ -	\$ -	\$ -
Utilities	\$ -	\$ 313,091.84	\$ 226,486.38	\$ 323,111.80	\$ 274,505.02	\$ 306,205.31	\$ 298,610.82	\$ 340,017.13	\$ 393,393.69	\$ 421,961.57	\$ 526,407.06
Other Operating Expenses	\$ -	\$ 112,714.20	\$ 61,808.66	\$ 50,620.33	\$ 48,143.67	\$ 100,778.38	\$ 121,548.99	\$ 74,937.08	\$ 81,364.96	\$ 95,534.67	\$ 95,534.67
Other Operating Expenses: Salaries & Benefits	\$ -	\$ 391,335.09	\$ 538,477.58	\$ 494,034.71	\$ 485,837.58	\$ 427,792.47	\$ 385,194.97	\$ 285,368.32	\$ 292,241.03	\$ 308,254.75	\$ 308,254.75
Total TX130 Expenses	\$ -	\$ 753,613.56	\$ 1,790,282.95	\$ 2,695,568.32	\$ 2,164,903.83	\$ 2,372,347.47	\$ 2,519,786.42	\$ 2,363,933.71	\$ 2,421,170.08	\$ 2,433,196.03	\$ 2,477,361.01
Lanterman Operating Expenses-Other Funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Lanterman State-side Operating Expenses	\$ -	\$ 753,613.56	\$ 1,790,282.95	\$ 2,695,568.32	\$ 2,164,903.83	\$ 2,372,347.47	\$ 2,519,786.42	\$ 2,363,933.71	\$ 2,421,170.08	\$ 2,433,196.03	\$ 2,477,361.01
Net Income (Expense)	\$ -	\$ -	\$ 920,000.00	\$ 843,525.39	\$ (201,718.96)	\$ (1,413,889.65)	\$ (147,916.78)	\$ (226,730.12)	\$ (784,353.21)	\$ (920,282.03)	\$ 2,742,290.35
Beginning Balance	\$ -	\$ -	\$ -	\$ 920,000.00	\$ 1,763,525.39	\$ 1,561,806.43	\$ 147,916.78	\$ (0.00)	\$ (226,730.12)	\$ (1,011,083.33)	\$ (1,931,365.36)
ENDING FUND BALANCE-ALL SOURCES & USES	\$ -	\$ -	\$ 920,000.00	\$ 1,763,525.39	\$ 1,561,806.43	\$ 147,916.78	\$ 0.00	\$ (226,730.12)	\$ (1,011,083.33)	\$ (1,931,365.36)	\$ 810,924.99

Committees Recommendations

1. **Clarity on Governance Structure:** The committee recommends clarification on governance structure and which Department/Committee(s) is officially leading this project. Having this information on the Lanterman website will greatly benefit the CPP community enhancing accessibility and transparency.
2. **Pre-development costs- \$750K** received from CO's office were reported to be allocated for market and financial feasibility analysis, for the environmental assessment and historical relevance, and for land use plans and utility infrastructure. The committee recommends follow up on the utilization on these funds and a detailed breakdown of costs

associated with activities. Analysis such as Financial Feasibility are only relevant for a certain time frame, hence are re-conducted as needed.

3. **Update Timeline and Campus Community Involvement-** Given that some of these analyses are expected to be completed by early spring, it will be important to share this information and reports with campus community and involve them in future project planning. It will also be important to transparently communicate the nature of partnerships with the city and with development companies and the new timelines.

Information Technology Division Budget Summary

(The report provided by CIO is uploaded in the Academic Senate Agenda)

CIO McGuthry discussed the IT division budget and projects. Executive Director, IT Business Operations Cynthia Morgan also attended this meeting.

Highlights of this presentation

- The Budget report provided by CIO's office provides a three-year historical overview of the divisional budget. It also shows a detailed breakdown how the budget is allocated across salaries, operational expenses etc. In FY 2025/26 POM01 Base Budget change of **\$822,265** was due two reasons a) **\$162,265** in on-going compensation b) **\$660,000** to offset increasing costs for hardware/software licenses.
- CIO McGuthry emphasized the divisions awareness of rising costs of software and that they are committed to finding affordable solutions. He also noted that hardware maintenance costs for classrooms, costs of projectors and labor have gone up.
- CIO McGuthry discussed their collaboration with CAFE and supporting them with AI training.
- CIO McGuthry also discussed Cyber Security efforts and solutions.

Committee discussion themes:

1. The committee discussed, the effects of budget cuts and VSIP to their division. CIO McGuthry, noted that their division was preparing for such cuts and have adapted to these changes.
2. The committee inquired about how many Staff members and MPP are currently employed in IT division as committee observed some fluctuation in salaries in budget report. The CIO's office responded that the position counts for the IT Division are as following:
 - **22 MPPs**
 - **104** staff total this includes 7 staff funded by Student Success Fees (SSF) and 5 funded through Memorandum of Understanding (MOU)

Committee Recommendations

- 1. Cyber security**-The committee understands the importance of cyber security drills and recommends timely prior communication with campus to minimize disruption.
- 2. Strengthen collaboration** and continued offering of trainings to CAFE and office of Academic Innovation to keep faculty updated and informed on emerging technologies and its effective integration into teaching and research.

Budget Committee Commentary and Collaborative Next Steps

The committee would like to thank CFO Cardona, AVP Lee, CIO McGuthry and Dr. Orlando for their presentations. Looking ahead, the committee encourages continued collaboration, transparent financial analysis, and thoughtful resource allocation.