

CAL POLY

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2019-20 Budget Update

Budget Update

Overview

- Budget Planning Calendar
- Comparison of CSU vs. Governor's 2019-20 proposed budget
- Cal Poly Budget Outlook for 2019-20

Budget Planning Calendar

Month	Description
January	<ul style="list-style-type: none">• Governor's budget released• Confirm Cal Poly enrollment targets• Prelim Cal Poly budget allocations based on Governor's budget
February	<ul style="list-style-type: none">• Budget negotiations in Sacramento (Feb-Jun)• Legislative Analyst Office / Department of Finance analysis of CSU budget and CSU lobbying efforts (Feb-May)
March	<ul style="list-style-type: none">• Receive budget memo from Chancellor's Office with preliminary campus allocations• Vice Presidents develop divisional budget priorities for FY 2019-20 (March-May)

Budget Planning Calendar

Month	Description
May	<ul style="list-style-type: none">• Governor's May Revision released
June	<ul style="list-style-type: none">• Final State budget approved and signed by Governor• Auxiliary (Foundation, CPC, ASI) budgets submitted to respective Boards for approval• Divisional VP presentations to Cabinet with prioritized budget requests
July	<ul style="list-style-type: none">• Update and finalize Cal Poly budget and communicate allocations to division VP's

CSU vs. Governor's Proposed Budget

Board of Trustees November request versus Governor's May Revision for incremental expenditures

Board of Trustees Proposed Incremental Expenditures		Governor's Proposed Incremental Expenditures	
Graduation Initiative (GI) 2025	\$75.0M	Graduation Initiative (GI) 2025	\$45.0M
5% Full-Time Equivalent Resident Student Growth	\$206.1M	2% Full-Time Equivalent Resident Student Growth	\$62.0M
Employee Compensation	\$147.8M	Employee Compensation	\$147.8M
Facilities & Infrastructure Needs	\$80.0M	Facilities & Infrastructure Needs	--
Mandatory Costs	\$45.4M	Mandatory Costs	\$45.2M
		Basic Needs Partnership	\$6.5M
		Project Rebound	\$1.0M
Total Incremental Expenditures	\$554.3M	Total Incremental Expenditures	\$307.5M

CSU vs. Governor's Proposed Budget

Board of Trustees November request versus Governor's May Revision
for one-time expenditures

One Time Funding Request			
Deferred Maintenance	\$250M	Deferred Maintenance	\$247M
Basic Needs Partnership	\$15M	Basic Needs Partnership	\$15M
		First Star Foster Youth at CSU Sacramento	\$0.7M
Total One Time Funding	\$265M	Total One Time Funding	\$262.7M

Cal Poly 2019-20 Budget

Compensation – current known obligations

- CFA 2-year extension agreement (expires 6/30/2020)
 - 2.5% effective 7/1/2019
- CSUEU 3-year contract (expires 6/30/2020)
 - 3% effective 7/1/2019
- APC 3-year contract (expires 6/30/2020)
 - 3% effective 7/1/2019
- Funding Minimum Wage for 19/20
 - \$12 to \$13 effective 1/1/2020
- Other units expected at 3%

Cal Poly 2019-20 Budget

Enrollment Assumptions

- 17,100 Residents
- 3,093 Non-Resident
- No growth

GI 2025 - \$45M initial allocation

- Cal Poly share of increase is \$1M, for a total of \$4.7M
- Allocation driven by number of Pell eligible students (\$25M), progress on closing achievement gaps – based on average unit load (\$5M), and base increase of \$625k per campus and CO (\$15M)

Cal Poly 2019-20 Budget

Cal Poly Opportunity Fee (CPOF)

- Proposed Budget \$1.7M
- 300 new Cal Poly Scholars
- \$299K for Faculty
 - 2 Tenure Track positions
- Student Support – Advisors, Graduate Assistants, Lecturers, Peer Mentors, Program Coordinator, Retention Specialist
- Program oversight – Data& Budget Analyst, Director
- Budget based upon recommendation of the CPOF Advisory Committee

Cal Poly 2019-20 Budget

SATRC Debt Service

- \$1.2M

Chancellor's Office CPOF Assessment

- 5% year 3, 10% year 4, 15% year 5 and forward

Cal Poly 2019-20 Budget

Capital Project Funding

- *2019-20*

- \$247M for Deferred Maintenance

- *Potential future impacts*

- Potential for a General Obligation Bond
 - \$4B each to CSU and to UC

Cal Poly Preliminary Budget Allocation

2019-20 Preliminary Budget Allocations from the Chancellor's Office

Sources		Uses	
General Fund	\$14.4M	Compensation/ Benefits/ Retirement (Including 18-19 adjustment & P&T)	\$12.4M
Designated Campus Fees (CBF/SSF/CPP/Health/CPOF)	\$4.7M	Graduation Initiative (GI) 2025	\$1.1M
		Facilities/Debt Service	\$1.2M
		SUG	(\$.7M)
		Designated Campus Fees	\$4.8M
		CPOF Assessment to CO	\$0.8M
Total Sources	\$19.1M	Total Uses	\$19.6M
		Total Available for Campus Discretion	(\$0.5M)

Questions?

Thank You