

**Presentation:**

**2021-2022 Budget Update**

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# University Budget Update

August 26, 2021

San Francisco State University  
University Budget Committee

# University Budget Update

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3. 2021 – 2022 Working Budget

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## Introduction

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## 2020 – 2021 Performance

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## 2020 – 2021 Performance

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# University Budget Update – 2020-2021 Performance Review

## Overview

### Terminology

**Budget** = final 2020-2021 budget (“Plan”)

**Actuals** = final 2020-2021 recorded balances

**Performance** = simply compares budget to actuals; how did we actually do compared to our plan?

**SFCMP/Campus** = campus operations (no self-supports, no 501 c3 auxiliaries)

**(Note abbreviations:** AAF = Academic Affairs, A&F = Administration & Finance, OP = Office of the President, SAEM = Student Affairs and Enrollment Management, UA = Univ. Advancement, UE = Univ. Enterprises, UW = University Wide)

# University Budget Update – 2020-2021 Performance Review

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# University Budget Update – 2020-2021 Performance Review

## Budget - General Operating Fund – SFCMP (campus)

	2020-2021 Final Budget
Resources (State Allocation + Revenues)	\$368,003
Expenditures	<u>380,185</u>
<b>Surplus/(Deficit)</b>	<b>(\$12,117)</b>

# University Budget Update – 2020-2021 Performance Review

## Actuals - General Operating Fund – SFCMP (campus)

	2020-2021 Final Actuals
Resources (State Allocation + Revenues)	\$363,905
Expenditures	<u>367,501</u>
<b>Surplus/(Deficit)</b>	<b>(\$3,596)</b>

# University Budget Update – 2020-2021 Performance Review

## Performance - General Operating Fund – SFCMP (campus)

	<b>2020-21 Budget</b>	<b>2020-21 Actuals</b>	<b>\$ Variance</b>	<b>% Variance</b>
Resources (State Allocations + Revenues)	\$368,003	\$363,905	(\$4,098)	-1%
Expenditures	380,120	367,501	(\$12,619)	-3%
<b>Surplus/(Deficit)</b>	<b>(\$12,117)</b>	<b>(\$3,596)</b>	<b>\$8,520</b>	<b>-70%</b>

# University Budget Update – 2020-2021 Performance Review

## Performance - General Operating Fund – SFCMP (campus)

### Resources

	FY2020-21 Budget	FY2020-21 Actuals	\$ Variance	% Variance
<b>Resources</b>	\$368,003	\$363,905	(\$4,098)	-1%

This is a negative variance. Resources were **\$4 million**, or **1%**, less than budgeted.

# University Budget Update – 2020-2021 Performance Review

## Performance - General Operating Fund – SFCMP (campus) Resources

	<b>2020-21 Budget</b>	<b>2020-21 Actuals</b>	<b>\$ Variance</b>	<b>% Variance</b>
State Allocation	\$179,928	\$176,902	(\$3,026)	-2%
Higher Ed Fees	175,853	173,100	(2,754)	-2%
Other Financial Sources	12,222	13,903	1,682	14%
<b>Total Revenue</b>	<b>\$368,003</b>	<b>\$363,905</b>	<b>(\$4,098)</b>	<b>-1%</b>

# University Budget Update – 2020-2021 Performance Review

## Performance - General Operating Fund – SFCMP (campus)

### Resources

Factors driving revenue performance:

1. Retirement adjustment to state allocation
2. Non-resident enrollment lower performance than planned
3. Short-term financial investment performance higher than expected

# University Budget Update – 2020-2021 Performance Review

## Performance - General Operating Fund – SFCMP (campus)

### Expenses

	FY2020-21 Budget	FY2020-21 Actuals	\$ Variance	% Variance
<b>Expenditures</b>	\$380,120	\$367,501	(\$12,619)	-3%

This is a positive variance. Expenditures were **\$12.6 million**, or **3%**, less than budgeted.

# University Budget Update – 2020-2021 Performance Review

## Performance - General Operating Fund – SFCMP (campus) Expenses

	<b>FY2020-21 Budget</b>	<b>FY2020-21 Actuals</b>	<b>\$ Variance</b>	<b>% Variance</b>
Salaries and wages	\$201,290	\$194,265	(\$7,025)	-3%
Benefits	102,017	99,102	(\$2,916)	-3%
Operating Expenses	76,813	74,135	(\$2,678)	-3%
<b>Total Expenses</b>	<b>\$380,120</b>	<b>\$367,501</b>	<b>(\$12,619)</b>	<b>-3%</b>

# University Budget Update – 2020-2021 Performance Review

## Performance - General Operating Fund – SFCMP (campus)

Cabinets	2020-2021 Budget	2020-2021 Actuals	\$ Variance	% Variance
Academic Affairs	\$227,872	\$220,675	(\$7,197)	-3%
Administration & Finance	48,496	46,124	(2,372)	-5%
Office of the President	2,136	1,919	(216)	-10%
Student Affairs & Enrollment Mgt	29,294	26,581	(2,713)	-9%
University Advancement	8,207	7,939	(268)	-3%
University Enterprise	3,191	3,109	(82)	-3%
University Wide	60,924	61,154	(230)	0%
<b>Total expenses</b>	<b>\$380,120</b>	<b>\$367,501</b>	<b>(\$12,619)</b>	<b>-3%</b>

# University Budget Update – 2020-2021 Performance Review

## **Performance** - General Operating Fund – SFCMP (campus)

### Expenses

1. Salary vacancy factor
2. Benefits associated with vacant positions
3. Lower volume of commodity supplies purchase and ongoing operational contract cost renegotiation

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# University Budget Update – 2020-2021 Performance Review

## 3-year Performance Review

	2018-2019 Budget	2019-2020 Budget	2020-2021 Budget
<b>Resources</b>	<b>\$377,419</b>	<b>\$395,701</b>	<b>\$368,003</b>
Salaries and wages	204,909	214,540	201,290
Benefits	100,184	106,440	102,017
Operating expenses	72,326	80,916	76,813
<b>Expenditures</b>	<b>377,419</b>	<b>401,896</b>	<b>380,120</b>
<b>Surplus/(Deficit)</b>	<b>\$0</b>	<b>(\$6,196)</b>	<b>(\$12,117)</b>

# University Budget Update – 2020-2021 Performance Review

## 3-year Performance Review

	2018-2019 Actuals	2019-2020 Actuals	2020-2021 Actuals
<b>Resources</b>	<b>\$380,783</b>	<b>\$399,015</b>	<b>\$363,905</b>
Salaries and wages	199,549	209,385	194,265
Benefits	98,015	104,444	99,102
Operating expenses	87,657	80,386	74,135
<b>Expenditures</b>	<b>\$385,221</b>	<b>\$394,215</b>	<b>\$367,501</b>
<b>Surplus/(Deficit)</b>	<b>(\$4,438)</b>	<b>\$4,800</b>	<b>(\$3,596)</b>

# University Budget Update – 2020-2021 Performance Review

## 3-year Performance Review

SFCMP		2018-19	2019-20	2020-21
Revenues	Budget	377,419	395,701	368,003
Revenues	Actuals	380,783	399,015	363,905
<b>Revenues</b>	<b>Variance</b>	<b>+\$3,364</b>	<b>+\$3,314</b>	<b>-( \$4,098)</b>
Expenditure	Budget	377,419	401,896	380,120
Expenditure	Actuals	385,221	394,215	367,501
<b>Expenditure</b>	<b>Variance</b>	<b>-\$7,802</b>	<b>+( \$7,682)</b>	<b>+( \$12,619)</b>
Surplus/(Deficit)	Budget	0	-6,196	-12,117
Surplus/(Deficit)	Actuals	(4,438)	4,800	-3,596
<b>Surplus/(Deficit)</b>	<b>Variance</b>	<b>-( \$4,438)</b>	<b>+\$10,996</b>	<b>+( \$8,520)</b>

# University Budget Update – 2020-2021 Performance Review

## 3-year Performance Review

2018 – 2019	2019 – 2020	2020 - 2021
<p>Actual revenues exceeded budgeted revenues; that is a positive variance.</p>	<p>Actual revenues exceeded budgeted revenues; that is a positive variance.</p>	<p>Actual revenues were less than budgeted revenues; that is a negative variance.</p>
<p>Actual expenses exceeded budgeted expenses; that is a negative variance.</p>	<p>Actual expenses were less than budgeted expenses; that is a positive variance.</p>	<p>Actual expenses were less than budgeted expenses; that is a positive variance.</p>
<p>Actual expenses exceeded actual revenues resulting in an actual deficit. This is a negative variance.</p>	<p>Actual revenues exceeded actual expenses resulting in an actual surplus. This is a positive variance.</p>	<p>Actual revenues were less than actual expenses resulting in a deficit. However the actual deficit was less than the budgeted deficit.</p>

# University Budget Update – 2020-2021 Performance Review

## 3-year Performance Review – considerations

1. Campus-level operating fund data may not reflect division- and unit-level budget, actuals, and performance.
2. From an analysis perspective, higher than budgeted revenues are a positive variance but it's important to understand the underlying causes (e.g. missed opportunities, reasonable budget)
3. From an analysis perspective, lower than budgeted expenses are a positive variance but it's important to understand if missional or operational objectives were not achieved (e.g. not enough classes/sections, health and safety, maintenance and repairs)

# University Budget Update – 2020-2021 Performance Review

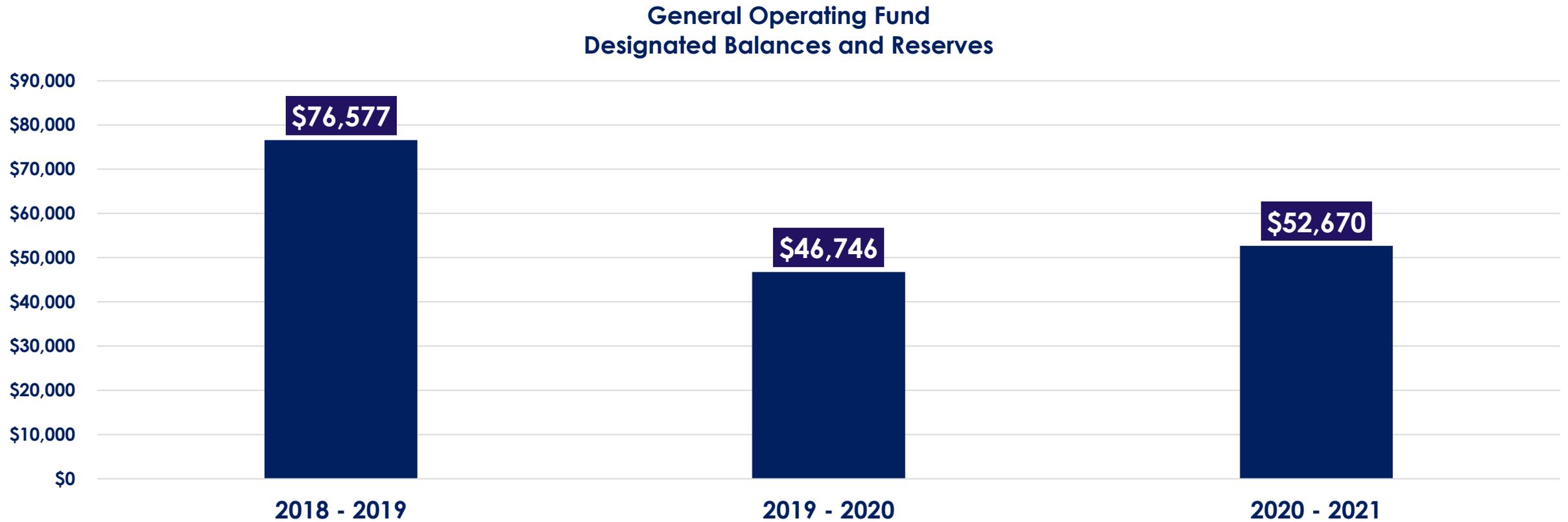
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# University Budget Update – 2020-2021 Performance Review

## Designated Balances and Reserves

Dollars in 000s



# University Budget Update – 2020-2021 Performance Review

## Designated Balances and Reserves

Dollars in millions

Designation	2018-2019	2019-2020	2020-2021
Capital	\$0.0	\$0.4	\$0.2
Equipment acquisition	0.7	0.1	0.1
Program development	9.0	0.0	1.8
Facilities maintenance & repair	2.1	0.0	4.0
Outstanding commitments	19.0	25.4	30.1
Encumbrances	7.1	6.0	6.9
Financial aid	0.0	0.4	0.6
Reserve for economic uncertainty	38.7	14.4	9.1
<b>Total</b>	<b>\$76.6</b>	<b>\$46.8</b>	<b>\$52.7</b>

# University Budget Update – 2020-2021 Performance Review

## Designated Balances and Reserves

Dollars in millions

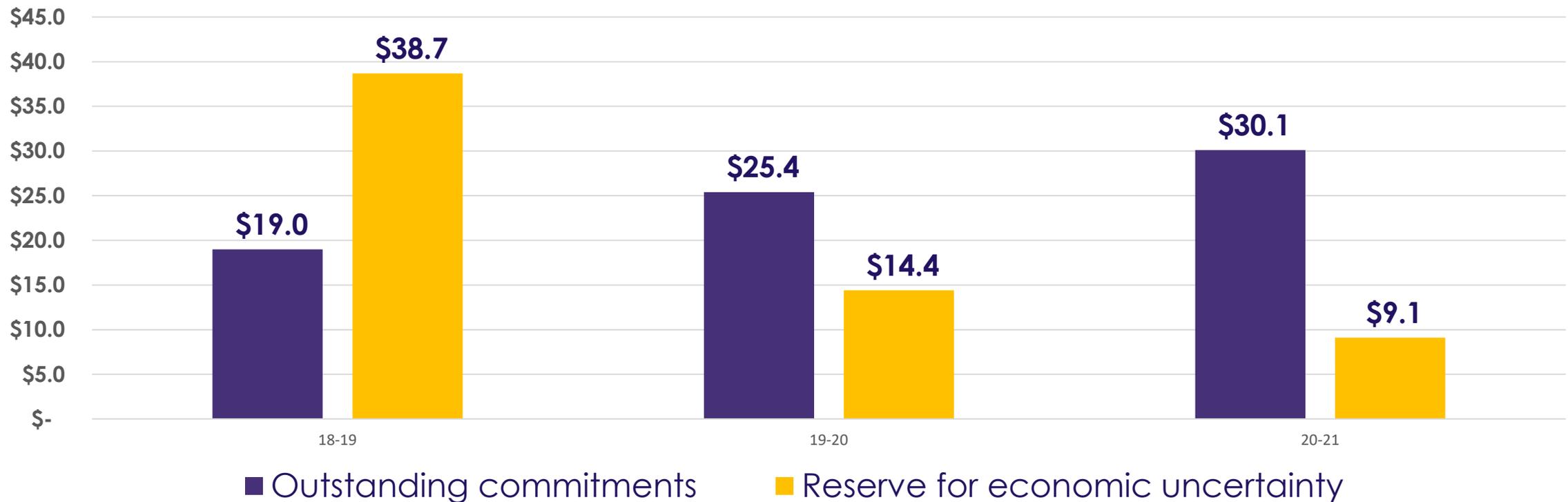
Designation	2018-2019	2019-2020	2020-2021
Capital	\$0.0	\$0.4	\$0.2
Equipment acquisition	0.7	0.1	0.1
Program development	9.0	0.0	1.8
Facilities maintenance & repair	2.1	0.0	4.0
<b>Outstanding commitments</b>	<b>19.0</b>	<b>25.4</b>	<b>30.1</b>
Encumbrances	7.1	6.0	6.9
Financial aid	0.0	0.4	0.6
<b>Reserve for economic uncertainty</b>	<b>38.7</b>	<b>14.4</b>	<b>9.1</b>
<b>Total</b>	<b>\$76.6</b>	<b>\$46.8</b>	<b>\$52.7</b>

# University Budget Update – 2020-2021 Performance Review

## Designated Balances and Reserves

Dollars in millions

### Highlighted Designated Balances

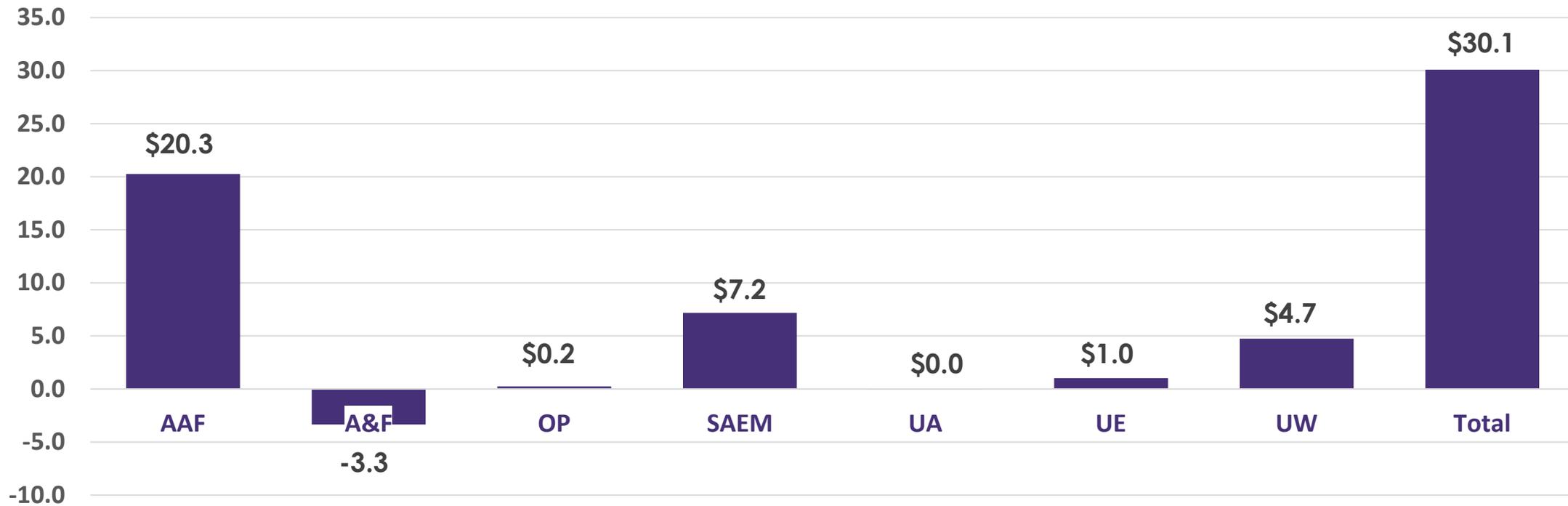


# University Budget Update – 2020-2021 Performance Review

## Designated Balances and Reserves

Dollars in millions

Chart Title



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## 2021 – 2022 Working Budget

1. 2021-2022 CSU Incremental Request, Gov's Budget and CSU Final B-memo Allocation with mandatory and designated costs
2. Resources (state allocation + tuition, fees, and other revenues)
3. Expenditures (mandatory, designated, campus proposals)
4. Divisions' proposals

# University Budget Update

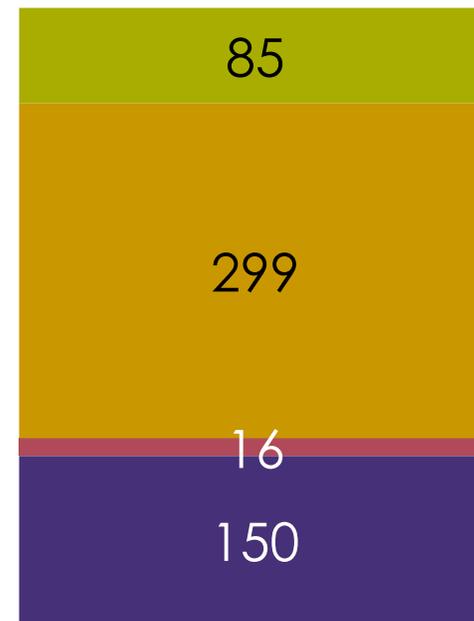
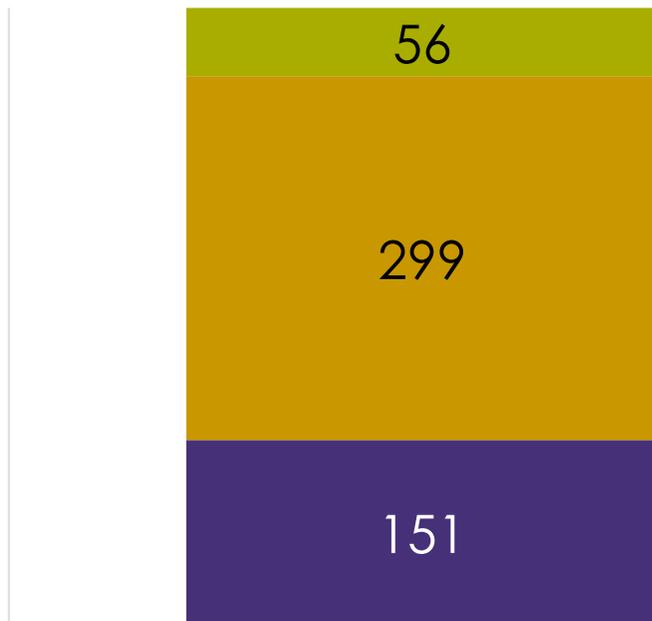
## CSU Increment Request and Final State Budget

(Recurring Funds)

(In millions)

### CSU REQUEST

### GOV BUDGET



- Mandatory Costs
- Restoration of 20-21 Reductions
- AB1460 Ethnic Studies
- GI025 and Closing Equity Gaps

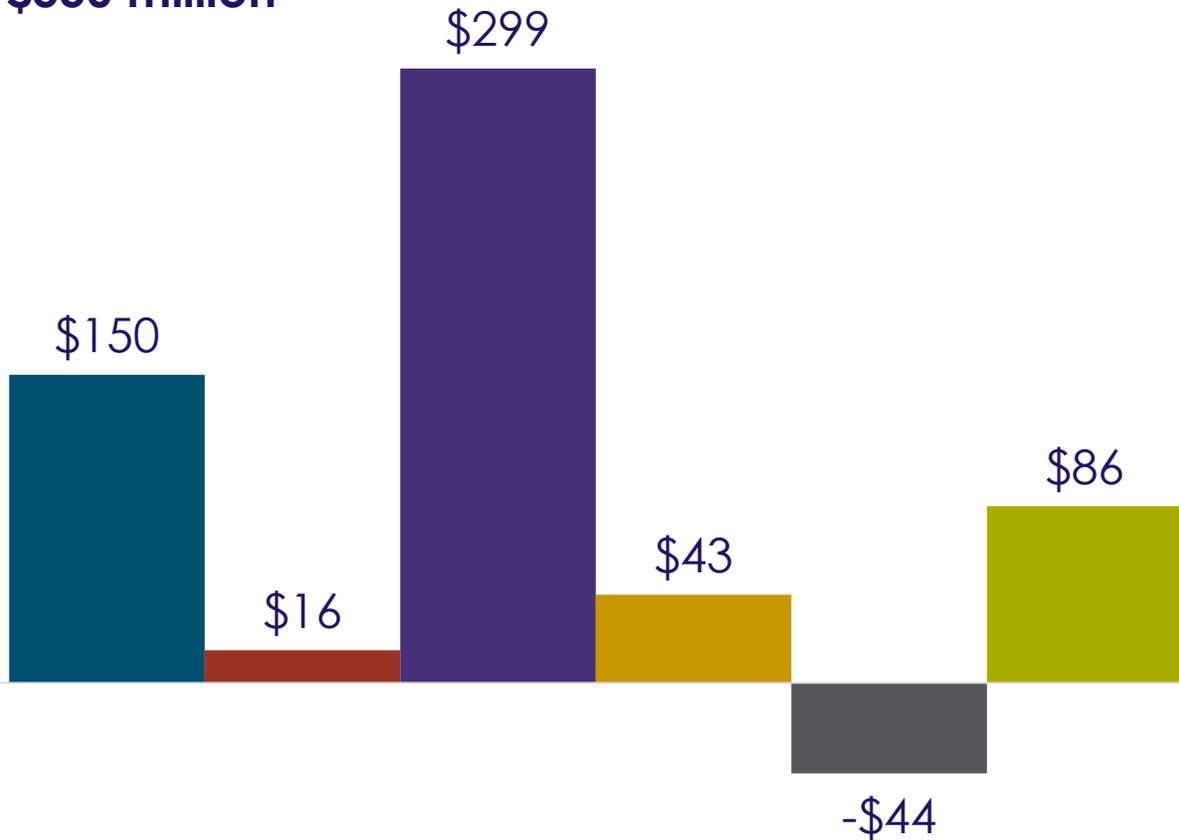
**\$506 million**

**\$550 million**

# University Budget Update – SF State Final B Memo

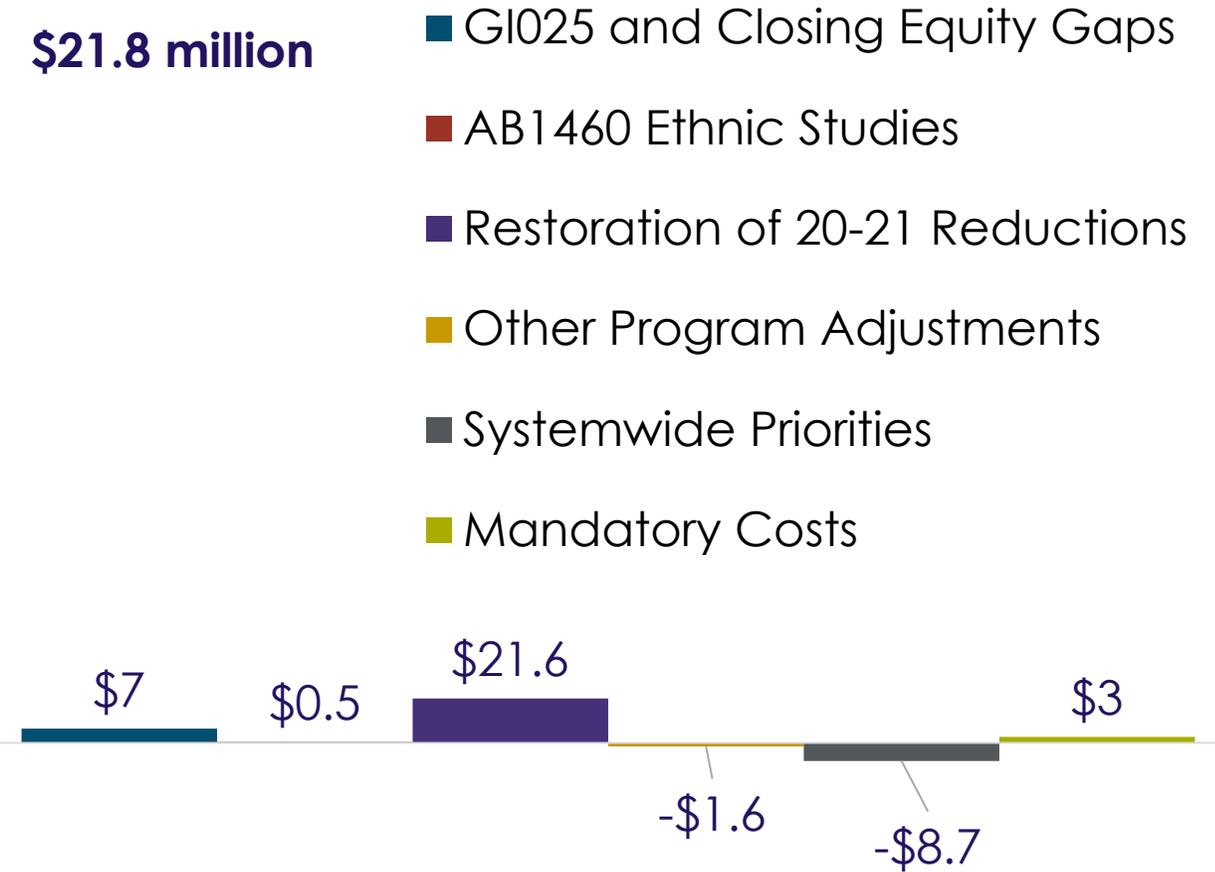
## CSU FINAL

\$550 million



## SFSU FINAL

\$21.8 million



# University Budget Update

## Final Budget – CSU recurring funds

General Fund (In millions)	(\$)
2020-21 Revised General Fund Budget	\$3,678
2021-22 General Fund Increase	550
<b>2021-22 Total General Fund Budget</b>	<b>4,228</b>
2021-22 Gross Tuition & Fees	3,037
<b>2021-22 Total Operating Budget</b>	<b>\$7,265</b>

# University Budget Update

## Final State Budget – CSU one-time funds

One Time -\$976.3 million		(\$)
1	Deferred Maintenance	325
2	Northridge's Center for Equity in Innovation and Technology	25
3	Humboldt Polytechnic Capital	433
4	Emergency Financial Assistance Grants To Students	30
5	Monterey Bay Computing Talent Initiative	10
6	San Francisco's Stop AAPI Hate	10

# University Budget Update

## Final State Budget – CSU one-time funds

One Time -\$976.3 million (continuation)		(\$)
7	Professional Development And Equal Opportunity Practices	10
8	Dominguez Hills Capital Outlay Infrastructure	60
9	Stanislaus' Stockton Center Improvements	54
10	Bakersfield's Nursing And Health Professional Programs	6
11	Project Rebound	5
12	Humboldt's Nursing Program	2.5

# University Budget Update

## Final State Budget – CSU one-time funds

One Time -\$976.3 million ( continuation)		(\$)
13	An Evaluation Of The Existing Salary Structure Of Represented Staff Employees	2
14	San Bernardino's Physician Assistant Program	1.8
15	Fullerton's Pedestrian Bridge And Arboretum	2

# University Budget Update

## Final State Budget – CSU one-time funds

One Time -\$976.3 million ( continuation)		(\$)
1	Operations	67
2	Facilities and Infrastructure	898
3	Legislative Priorities	11.3

# University Budget Update

## Final State Budget

Other Proposal with Impact over CSU ~ \$9.3 <u>billion</u>		(\$)
1	Low Cost Student Housing Grant Program	4
2	Teacher Preparation And Retention Program	3.3
3	Learning – Aligned Employment Program	1
4	Golden State Education, Entrepreneurship, And Training Grant Program	1

# University Budget Update

## Budget Planning Framework

1. Set Milestones (**Adopted By UBC, November 2020**)
2. Governor's January Proposal (**Released January 10, 2021**)
3. CSU/State Advocacy And Negotiations (**Ongoing**)
4. Scenario Planning (**Presented At The Feb. 25th UBC**)
5. Campus Planning Iterations (**Presented At The April 29th UBC**)
6. Governor's May Proposal (**Presented At The May 20<sup>th</sup> UBC**)
7. Final State Budget
8. **Working Campus Budget**

# FY 2021 – 2022 Campus Budget Planning - Resources

Resources	FY2020-21	FY2021-22	Variance	%
State allocation	\$179,928,000	\$198,812,000	\$18,884,000	11%
Tuition and fees	175,853,474	174,594,106	(\$1,259,368)	-1%
Other revenues	12,221,687	11,731,224	(\$490,463)	-4%
<b>Total Resources</b>	<b>\$368,003,161</b>	<b>\$385,137,330</b>	<b>\$17,134,169</b>	<b>5%</b>

# FY 2021 – 2022 Campus Budget Planning - Resources

<b>State Allocation</b>	<b>(\$)</b>
<b>FY2020-21 Final</b>	<b>\$179,928,000</b>
2020-21 Reduction Restoration	18,643,000
2021-22 Ongoing Base Mandatory and Designated Costs	9,003,000
2021-22 Systemwide Priorities (withheld by CO)	(8,762,000)
<b>Subtotal</b>	<b>18,884,000</b>
<b>FY2021-22 , as of July 2021 (11% increase)</b>	<b>\$198,812,000</b>

# FY 2021 – 2022 Campus Budget Planning - Resources

<b>Tuition, fees, and other revenues</b>	<b>(\$)</b>
State tuition fee (at 5.4% below CO target)	158,550,516
Non-resident tuition fee ( 20-21 performance)	13,904,634
Category II and IV fees	2,138,850
<b>Total Tuition and Fees</b>	<b>\$174,594,000</b>
<b>Other Revenues</b>	<b>11,731,000</b>
<b>Total Revenues</b>	<b>\$186,325,000</b>

# FY 2021 – 2022 Campus Budget Planning

<b>2021 – 2022 Mandatory And Designated Costs (CO)</b>	<b>(\$)</b>
Health Insurance Premium	\$1,410,000
New Space (Marcus Hall)	1,458,000
Unit 8 Compensation (1/2 Yr.)	65,000
AB1460 Ethnic Studies, GI2025, Basic Needs Initiatives, Student Mental Health Services (See Next Slide)	7,638,000
State University Grant (SUG) Reduction	(1,568,000)
<b>Total Mandatory And Designated Costs (CO)</b>	<b>\$9,003,000</b>

# FY 2021 – 2022 Campus Budget Planning

<b>GI2025 &amp; Basic Needs Initiatives &amp; Student Mental Health Services</b>	<b>(\$)</b>
AB1460 Ethnic Studies	579,000
GI2025 (78% of \$7,059,000 allocation)	5,506,020
Basic Needs Initiatives (11% of \$7,059,000 allocation)	776,490
Student Mental Health Services (11% of \$7,059,000 allocation)	776,490
<b>Total</b>	<b>\$7,638,000</b>

# FY 2021 – 2022 Campus Budget Planning

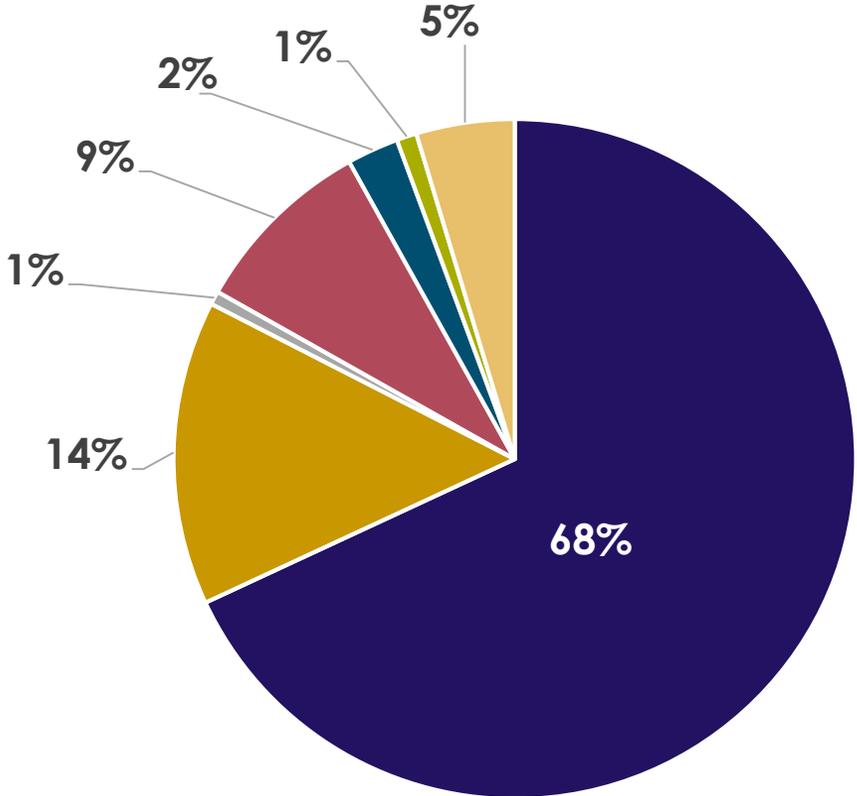
Campus Mandatory and Designated Costs	(\$)
Campus Utilities (100% Operation)	1,744,000
Risk Pool Adjustment (Insurance)	300,952
SUG/CALPER Adjustment	(462,479)
<b>FY2021-22 Mandatory and Designated Cost (Campus)</b>	<b>\$1,582,473</b>

# FY 2021 – 2022 Campus Budget Planning

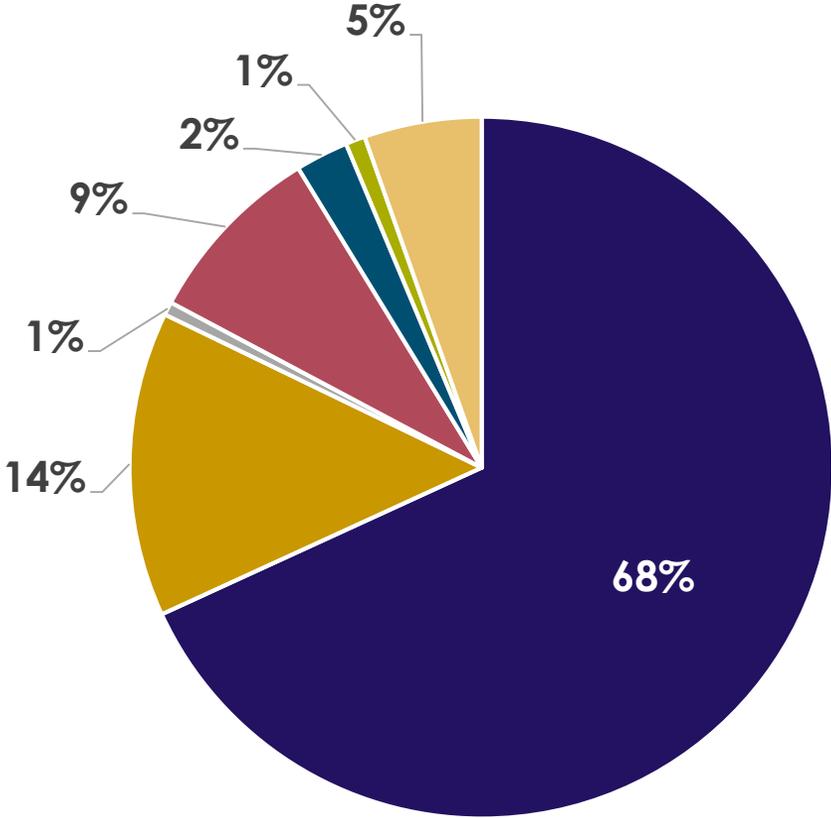
With Division's Proposal	FY2020-21	FY2021-22	Variance	%
Resources (revenues)	368,003,161	385,137,330	17,134,169	5%
Costs (expenditures)	380,119,955	393,254,817	13,134,862	3%
<b>Surplus / (Deficit)</b>	<b>(\$12,116,794)</b>	<b>(\$8,117,487)</b>	<b>\$3,999,307</b>	<b>-33%</b>

# FY 2021 – 2022 Campus Budget Planning

- Academic Affairs
- Administration & Finance
- Office of the President
- Student Affairs & Enroll Mgmt
- University Advancement
- University Enterprise
- University Wide



FY 2020 - 2021



FY 2021 - 2022

# FY 2021 – 2022 Campus Budget Planning

