

Budget Update

May 2023



CAL POLY

EXECUTIVE BUDGET SUMMARY

- Governor's May Budget Revise released May 12th
- No change from January's proposed budget - \$227.3M ongoing
- State deficit projected to be \$32B
 - Increase of \$10B from January
- Continued support of the multi-year compact
 - Second year of agreement
 - 5% General Fund base increase
- Increases in exchange for CSU commitments to:
 - Expand student access, equity, and affordability
 - Create pathways to high-demand career opportunities
- State will monitor CSU's actions towards meeting the goals of the compact:
 - Reducing costs of attendance
 - Increasing enrollment
 - Increasing number of students prepared to enter high-need areas



CSU Proposed Budget

Proposed 2023-2024 Operating Budget Request

Incremental, New Revenue	(in million)
State General Fund: Compact	\$227.3
Tuition from Strategic Enrollment Growth	16.1
State General Fund: Above Compact	286.4
Total Revenue	\$529.8

CSU Proposed Budget

Proposed 2023-2024 Operating Budget Request

SOURCES OF FUNDS	Budget Request	Within Compact	Above Compact
Incremental New Revenue			
State General Fund: Compact	\$227.3	\$227.3	
Tuition from Strategic Resident Enrollment Growth	16.1	16.1	
State General Fund: Above Compact	286.4		\$286.4
TOTAL NEW SOURCES	\$529.8	\$243.4	\$286.4

USES OF FUNDS	Budget Request	Within Compact	Above Compact
Incremental New Expenditures			
GI 2025 & Basic Needs: Equitable Student Outcomes	\$75.0	\$30.0	\$45.0
Workforce Investments			
<i>Faculty & Staff Compensation Pool</i>	261.0	92.6	168.4
<i>Health Premium Increase</i>	50.5	50.5	
Academic Facilities and Infrastructure	50.0		50.0
Strategic Resident Enrollment Growth	50.6	50.6	
Required Operational Costs			
<i>Maintenance of New Facilities</i>	6.0	6.0	
<i>Liability & Property Insurance Premium Increases</i>	13.7	13.7	
<i>Inflation on Nonpersonnel Costs</i>	23.0		23.0
TOTAL NEW USES	\$529.8	\$243.4	\$286.4

CSU Proposed Budget

Proposed 2023-2024 Operating Budget Request

One-Time Funding Request	(in million)
Critical Capital Renewal	\$1,300.0

State Budget

May Revise Summary -\$227.3M in base growth



GENERAL FUND

No change from January Budget. Continued support of the multi-year compact with the CSU.
5-percent base increase of \$227.3M



UNIVERSITY FARMS

Restoration of \$75M in one-time General Fund support for improvements at CSU's farming operations. Cal Poly received \$18.75M.



FINANCING

Shift in financing of approximately \$856M for Cal Poly Humboldt infrastructure projects and CSU affordable student housing grants to CSU issued bonds and reflect increase of \$61M in ongoing debt service for those bonds.



CONSTRUCTION

Increase of \$3.1M in ongoing General Fund support for the construction of the Human Identification Laboratory at the CSU Chico campus through the issuance of CSU bonds.

Next Steps

Budget Planning Calendar



MAY

- **Governor's May Budget Revision released on May 12, 2023**
- **Cal Poly's enterprise budgets completed**



JUNE

- **Final State budget approved by June 30th**
- **Auxiliary (Foundation, CPC, ASI) budgets submitted to respective Boards for approval**



JULY

- **CSU funding allocation memo transmitted to Cal Poly**



AUGUST

- **Cal Poly budget loaded into PeopleSoft (financial system of record)**



Questions?

Thank You