



Academic Senate Retreat
Budget Update



CAL POLY

FY 2019-20 Year-End Summary

(\$ millions)

| Fund Type | FY 2019 20 Revenues | FY 2019 20 Expenses | Surplus/ (Deficit) |
|-------------------|------------------------|------------------------|-----------------------|
| General Operating | \$380.7 | \$393.4 | (\$12.7) |
| Enterprise | \$89.8 | \$106.6 | (\$16.8) |
| Auxiliary | \$50.7 | \$50.5 | \$0.2 |
| Total | \$521.2 | \$550.5 | (\$29.3) |

FY 2019-20

Year-End Balances

(\$ millions)

| Fund Type | Beginning Balance | FY 2019 20 Deficit | Ending Balance |
|-------------------|-------------------|--------------------|----------------|
| General Operating | \$74.7 | (\$12.7) | \$62.0 |
| Enterprise | \$53.6 | (\$16.8) | \$36.8 |
| Auxiliary | \$85.7 | \$0.2 | \$85.9 |
| Total | \$214.0 | (\$29.3) | \$184.7 |

Housing Loan

- University Union to loan \$7.9M to Housing
 - 0% interest
 - Repayment over 7 years
 - First payment due FY 2021-22
- \$3.9M to be used to fund Housing's deficit balance
- \$4.0M to bring Fremont Hall back online

FY 2020-21

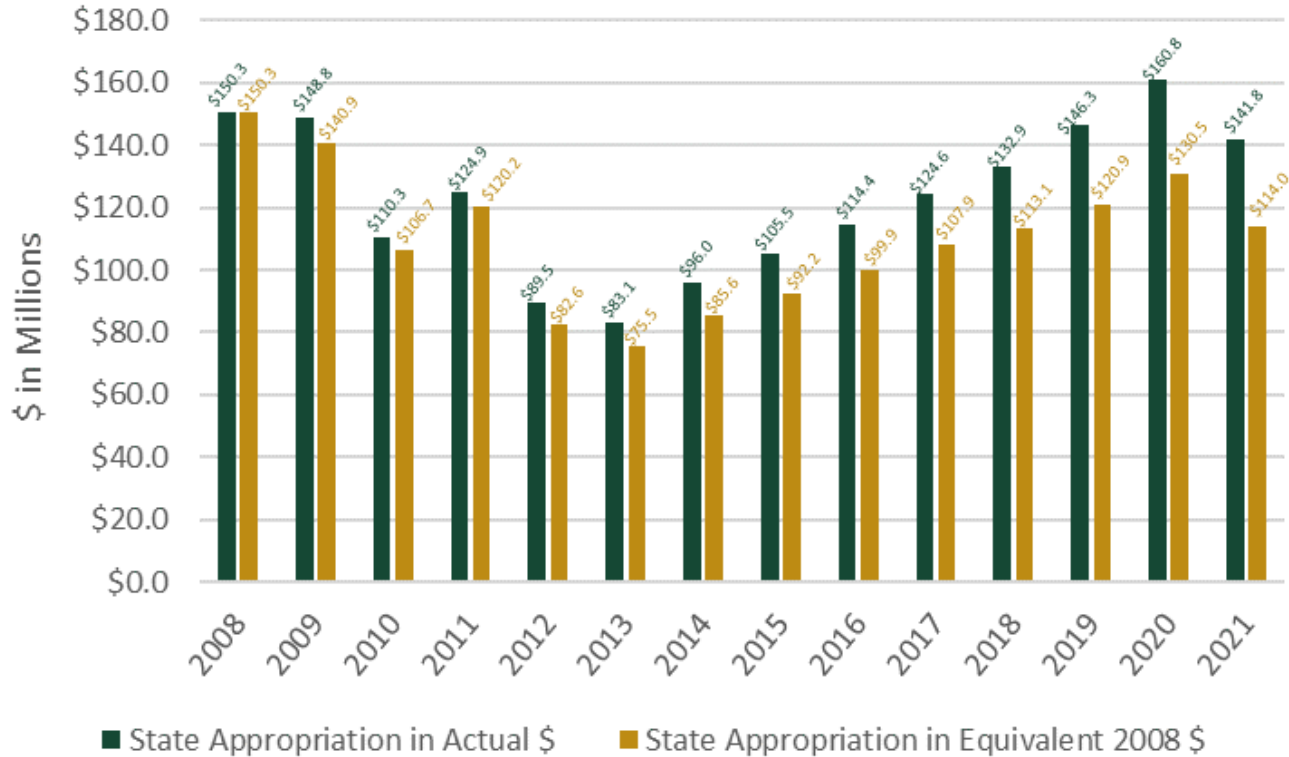
FY 2020-21 Challenges

- Projected Operating Budget Deficit of \$35M
 - Reduction of CSU funding of \$21M
 - Unfunded mandatory costs of \$5M (health benefits, retirement, & insurance)
 - Campus Structural Budget Deficit of \$9M
- Majority virtual learning environment
- Reduction in on campus population and housing residents
 - Parking
 - Housing
 - Dining

FY 2020-21 Challenges

- Cancellation of events
 - Athletics
 - PAC
 - Conference and Event Planning
- Costs related to operating in a COVID 19 environment
 - PPE
 - Testing
 - Technology (computers, hotspots, wireless, software etc.)

Historical CSU Funding



FY 2020-21 Projection Summary

(\$ millions)

| Fund Type | FY 2020 21 Revenues | FY 2020 21 Expenses | Surplus/ (Deficit) |
|-------------------|------------------------|------------------------|-----------------------|
| General Operating | \$387.4 | \$422.6 | (\$35.2) |
| Enterprise | \$81.2 | \$103.1 | (\$21.9) |
| Auxiliary | \$50.3 | \$49.3 | \$1.0 |
| Total | \$518.9 | \$575.0 | (\$56.1) |

*Projections shown prior to budget mitigation actions

FY 2020-21

Deficit Mitigation Actions

- Continuation of travel restrictions and hiring chill
- Early Exit Program (EEP)
- Strategic use one-time funds and reserves
- Centralized Benefits
- Recapture of 50% of unit carryforwards
- University wide budget reductions
- Optimization initiatives

FY 2020-21- General Operating Budget Deficit Mitigation Plan

(\$ millions)

| | Amount |
|--|-----------------|
| Projected General Operating Deficit | (\$35.2) |
| Base Budget Reductions: | |
| Division reduction target | \$15.6 |
| Other base adjustments | \$4.0 |
| One-time savings | \$7.1 |
| Use of Reserves | \$10.0 |
| Total Adjustments | \$36.7 |
| Projected Surplus (Deficit) | \$1.5 |

20-21 Budget Timeline

- **September 9-11** - Budget reduction targets established and communicated to division Vice Presidents and Provost
- **September 30** - Division budget reduction plans submitted for review.
- **October 5-16** - Review of reduction plans by President, Provost/Executive Vice President and Sr. VP for Admin and Finance
- **October 30** - Reduction plans finalized.
- **November** - Adjusted budgets will be recorded
- **Late September-November** - Early Exit program rollout

CARES Allocation

- Cal Poly CARES Allocation of \$14.1M
 - \$7.0M designated for emergency financial aid for students
 - \$7.1M for institutional support
 - \$57.0K for minority serving institutions

Institutional Support

- Institutional portion of the funds are to be used to cover any costs associated with significant changes to the delivery of instruction due to the coronavirus
- It is a Federal reimbursement grant
 - Expenses must be incurred before requesting reimbursement
 - Must be related to the impacts of COVID-19
 - Is subject to Single Audit requirements

| Type | Amount | Description |
|--|--------------------|---|
| COVID 19 Paid Administrative Leave (CPAL) Staff | \$1,686,723 | Paid administrative leave up to 256 hours effective March 23 through December 31, 2020 for eligible employees unable to work due to COVID-19-related reasons |
| Emergency Pay | 765,205 | Emergency pay provisions available to certain employees assigned to work on campus during the governor's stay at home order |
| Academic Affairs Resources | 367,635 | Resources and teaching materials to assist with a virtual teaching environment |
| Technology | 394,818 | Technology equipment purchased for virtual learning and work from home resources such as laptops, hotspots, headsets, and software |
| COVID 19 Paid Administrative Leave (CPAL) Students | 372,597 | Paid administrative leave for eligible student employees unable to work due to COVID-19-related reasons |
| Faculty Stipends | 312,175 | Faculty support to assist with transitioning and training of faculty to move to a virtual teaching environment |
| Travel | 100,283 | Cost of student travel cancellations |
| Personal Protective Equipment (PPE) | 9,195 | Equipment worn to minimize exposure to hazards that could cause workplace injuries and illnesses such as face shields, face masks, gloves, and gowns (25% of expenses, remaining 75% submitted to FEMA) |
| Estimated Virtual Summer Instructional Support | 408,000 | This is covering faculty technology fellows (\$47,000), training for faculty in online course development (\$256,000), and faculty peer coached (\$105,000) |
| Estimated Virtual Fall Instructional Support | 264,000 | Covers student assistants for \$131,000 and faculty technology fellows for \$133,000 |
| COVID 19 Testing | 200,000 | Viral testing, isolation/quarantine, contact tracing, and community training for Fall Quarter |
| Housing Refunds | 2,000,000 | Reimbursed \$20.2M for Spring Quarter |
| Parking Refunds | 225,000 | Reimbursed \$449K for Spring Quarter |
| Total Reimbursement | \$7,105,631 | |

Questions?