

Academic Senate Budget Update

October 14, 2024



SJSU's Budget Website

www.sjsu.edu/fabs/services/budget

Budget Operations

SJSU Annual Budget Reports

Communications & Town Halls

Budget Advisory Committee

Quick Links

Budget "Office Hours"
1st Tuesday each Month
4pm Clark 540



Co Chairs: Charlie Faas, CFO & Tabitha Hart – Professor

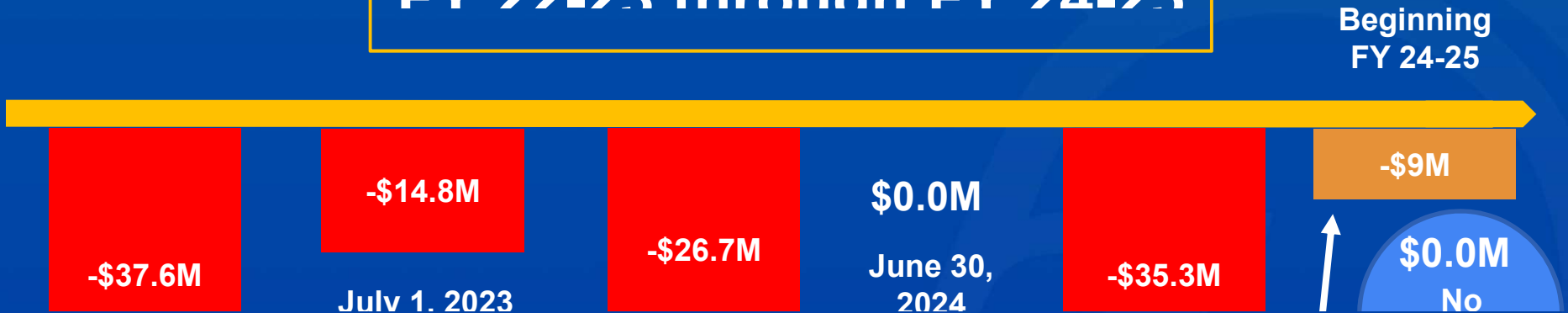
- Audrey Shillington – Dean
- Charita Hill-Avent * – Student Affairs
- Eric Rollerson - Housing
- Maureen Pasag ** – Sr SVP Finance
- Alerie Flandez – Disability Mgmt Specialist
- Namrata Shukla * – Interim Dean
- Simon Rodan – Business Faculty
- Eduardo Munoz-Munoz – Teacher Education
- Jennifer Nathan – Graduate Studies
- Kristen Rebmann – Professor
- Michael Kaufman * – Dean
- Mike Vizzusi ** – Budget Director
- Ravisha Mathur * – Past Senate Chair
- Sami Monsur – Academic Affairs
- Tamar Semerjian – Chair
- Sidhant Sadawart – AS Finance

* Added as Subject Matter Expert in 2023/24

** Finance support staff

**Finding Balance:
SJSU's 2024/25 Budget**

Budget Deficit Timeline FY 22-23 through FY 24-25



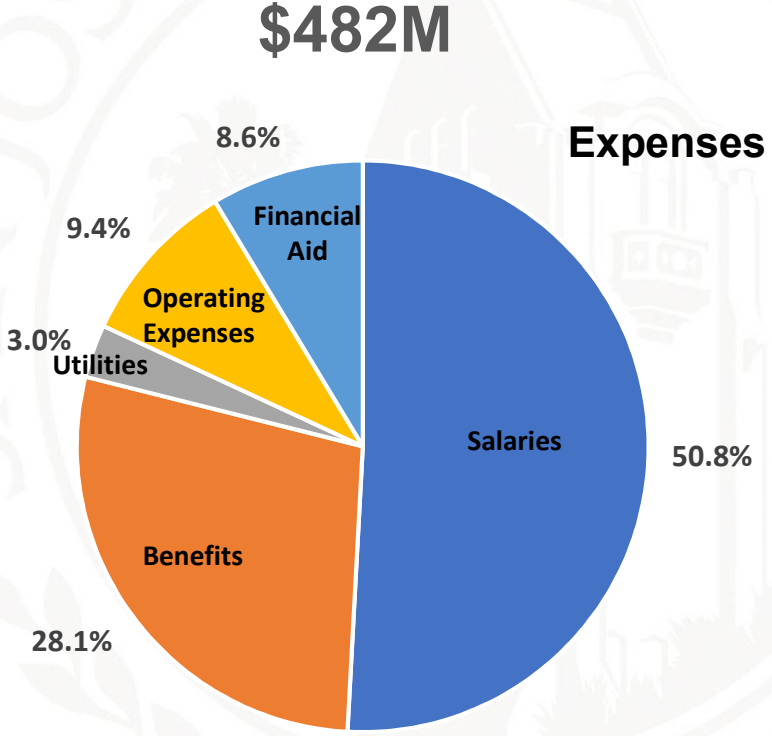
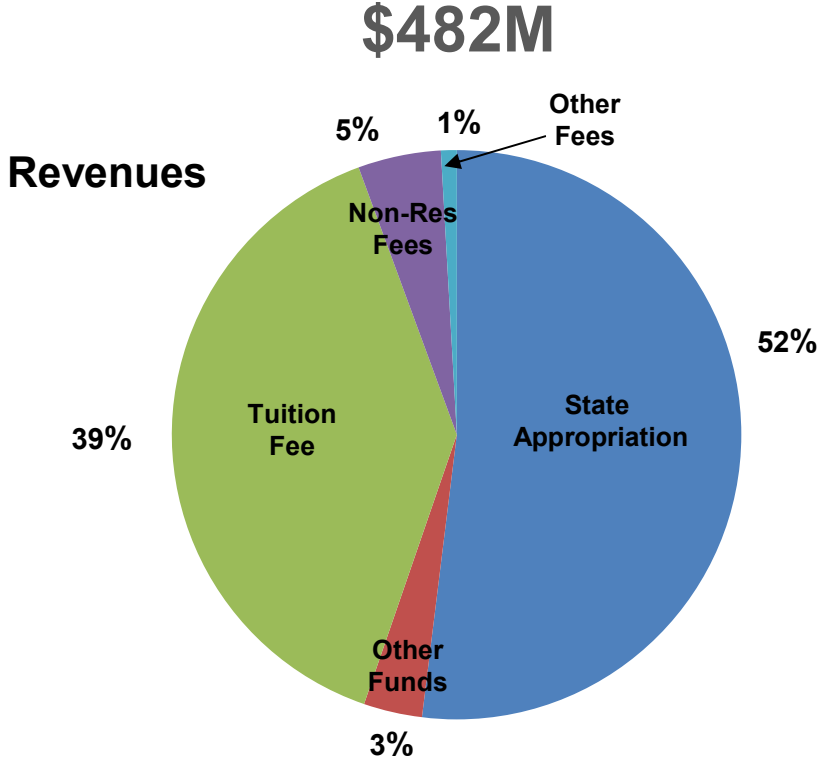
Campuswide Reductions

M\$	Academic	Admin &	Student					Advance-		
TOTAL Reductions	<u>Affairs</u>	<u>Finance</u>	<u>Affairs</u>	<u>Research</u>	<u>IT</u>	<u>Athletics</u>	<u>President</u>	<u>ment</u>	<u>Revenue</u>	<u>TOTAL</u>
23/24 "20M"	\$ 8.37	\$ 5.25	\$ 1.41	\$ 0.60	\$ 1.00	\$ 0.50	\$ 0.72	\$ 0.59	\$ 3.50	\$ 23.18
23/24 Future Years	\$ 3.44	\$ -	\$ -	\$ -	\$ 1.00	\$ 1.10	\$ -	\$ 0.72	\$ -	\$ 6.26
6% Reduction	\$ 16.14	\$ 3.11	\$ 0.91	\$ 0.32	\$ 1.48	\$ 0.98	\$ 0.60	\$ 0.55	\$ 4.50	\$ 28.59
TOTAL	\$ 27.95	\$ 8.36	\$ 2.32	\$ 0.92	\$ 3.48	\$ 2.58	\$ 1.32	\$ 1.86	\$ 8.00	\$ 58.03
% Reduction (w/o SUG)	10.4%	16.1%	15.3%	17.4%	14.1%	15.8%	13.2%	20.2%		13.6%

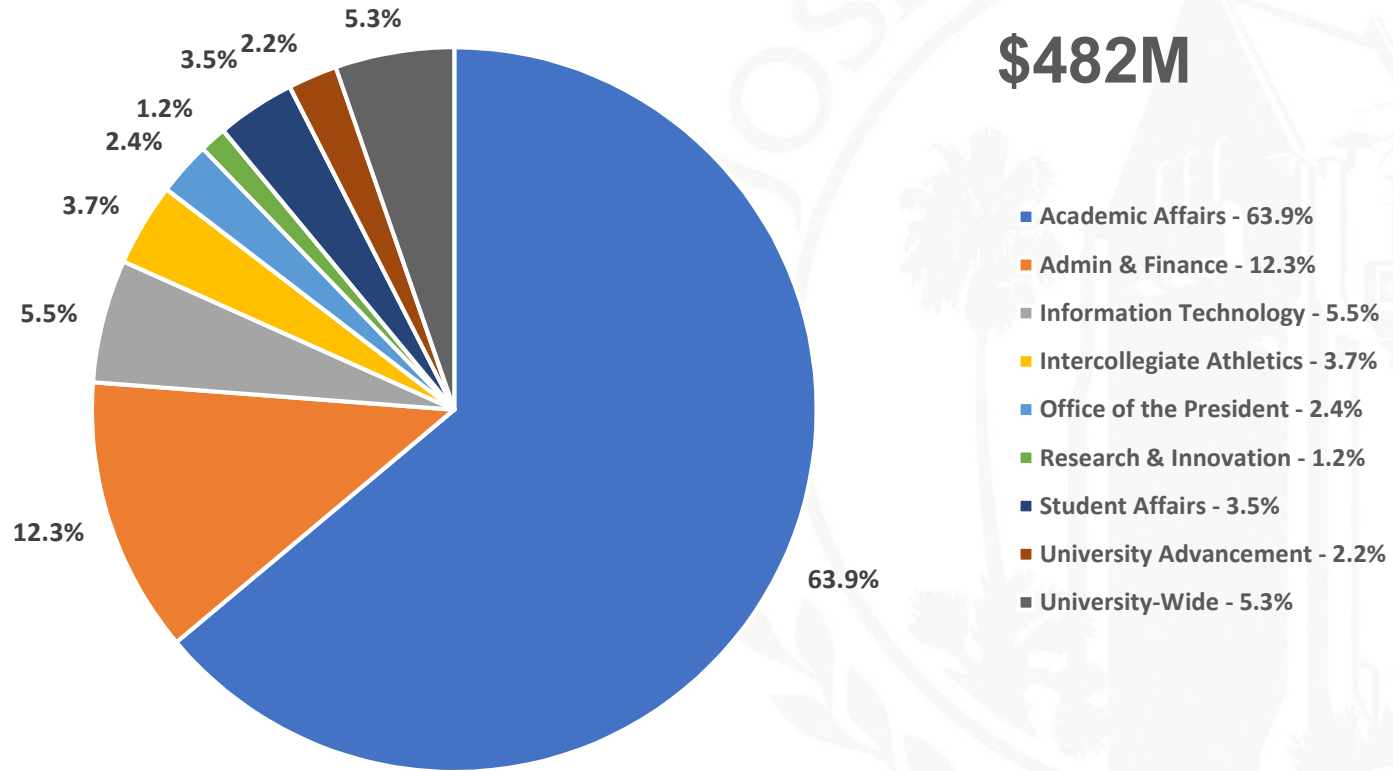
Academic Affairs = 10.4%

Non-Academic = 15.7%

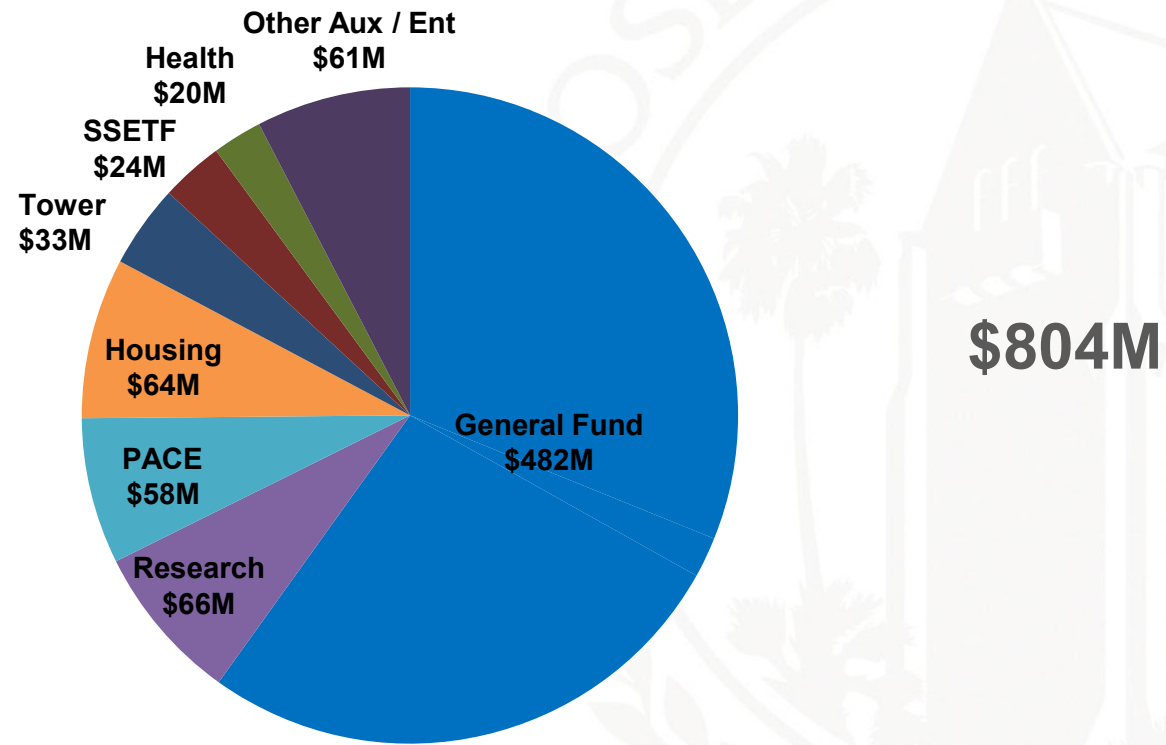
SJSU 2024/25 General Fund



2024/25 Operating Fund Expenditure Budget by Division



SJSU 2024/25 All Funds



Enrollment


	2023/24	2024/25			Change		
	Base	Base	Surplus	Total	Base	Surplus	Total
Resident FTES	24,130	24,353	491	24,844	223	491	714
Non-resident FTES	2,200	2,100	-	2,100	(100)	-	(100)
Total FTES	26,330	26,453	491	26,944	123	491	614

CSU Campus Reallocation = 150
 State Target Growth = 73


Non-Resident Decline = -100
 Surplus in Budget = 491

Surplus in Forecast = 472 103.5%

CSU Base (Recurring) Funding

	<u>2024-25</u>	<u>2025-26</u>	<u>2026-27</u>
Tuition	+6%	+6%	+6%
Compact	+5%	+5%	+5%
			
		<i>Deferred to 26-27</i>	
CSU Base Funding		-8%	

CSU Base (Recurring) Funding

	<u>2024-25</u>	<u>2025-26</u>	<u>2026-27</u>
Tuition	+6%	+6%	+6%
Compact	+5%	+5%	+5%
			
		<i>Deferred to 26-27</i>	
CSU Base Funding		-8%	
<hr/>			
SJSU approx. Amount		-\$24.6M	

CSU 1X Funding

	<u>2024-25</u>	<u>2025-26</u>	<u>2026-27</u>
Compact		-\$252M ??	Repaid ??
CSU 1X	-\$75M		
<hr/>			
SJSU approx. Amount	-\$3.9M	-\$12M	+\$12M ??
			<i>Deferred to 26-27</i>

*No Information is currently available
If this would be funded by campuses*

2025/26 Scenario Modeling



	M\$	Base <u>2025/26</u>	GOAL <u>2025/26</u>	Ultimate <u>2025/26</u>
5% Compact				\$ 11.6
6% Tuition Increase		\$ 14.7	\$ 14.7	\$ 14.7
Enrollment		\$ 13.7	\$ 18.4	\$ 18.4
State 8% Reduction		\$ (24.6)	\$ (24.6)	\$ (24.6)
NET REVENUE SUB TOTAL		\$ 3.7	\$ 8.4	\$ 20.0

2025/26 Scenario Modeling

CSU Funding	M\$	Base 2025/26	GOAL 2025/26	Ultimate 2025/26
Health Care Premiums		\$ 5.0	\$ 5.0	\$ 5.0
Liability & Property Insurance		\$ 1.3	\$ 1.3	\$ 1.3
Utilities		\$ 2.5	\$ 2.5	\$ 2.5
Compensation				\$ 12.9
Campus Investments				
CO Funded Areas				\$ 1.3
Campus Reductions				
COST for Enrollment		\$ 5.0	\$ 6.3	\$ 6.3
State University Grant		\$ 4.0	\$ 4.0	\$ 4.0
NET EXPENSE SUB TOTAL		\$ 17.8	\$ 19.1	\$ 33.3
TOTAL		\$ (14.0)	\$ (10.7)	\$ (13.3)

Frequently Asked Questions - Answered

Why the approximately \$35M was required?

SJSU Divisional Reductions	\$ (35M)
2023/24 Campus portion of compensation increases *	\$ (9.0M)
2024/25 Campus portion of compensation increases *	\$ (10.9M)
2023 Structural Deficit	\$ (14.8M)

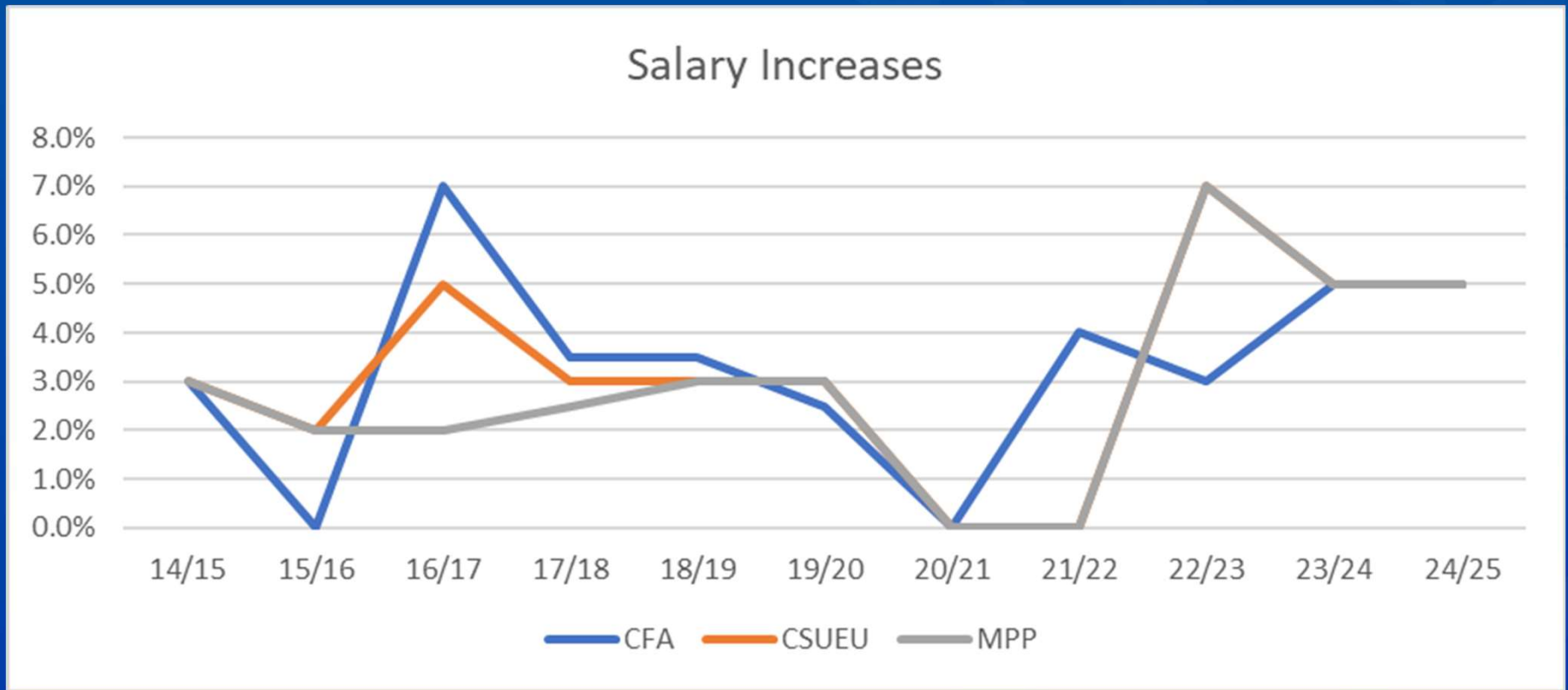
* Note: the other portion is from the State Compact

2024/25 Compensation

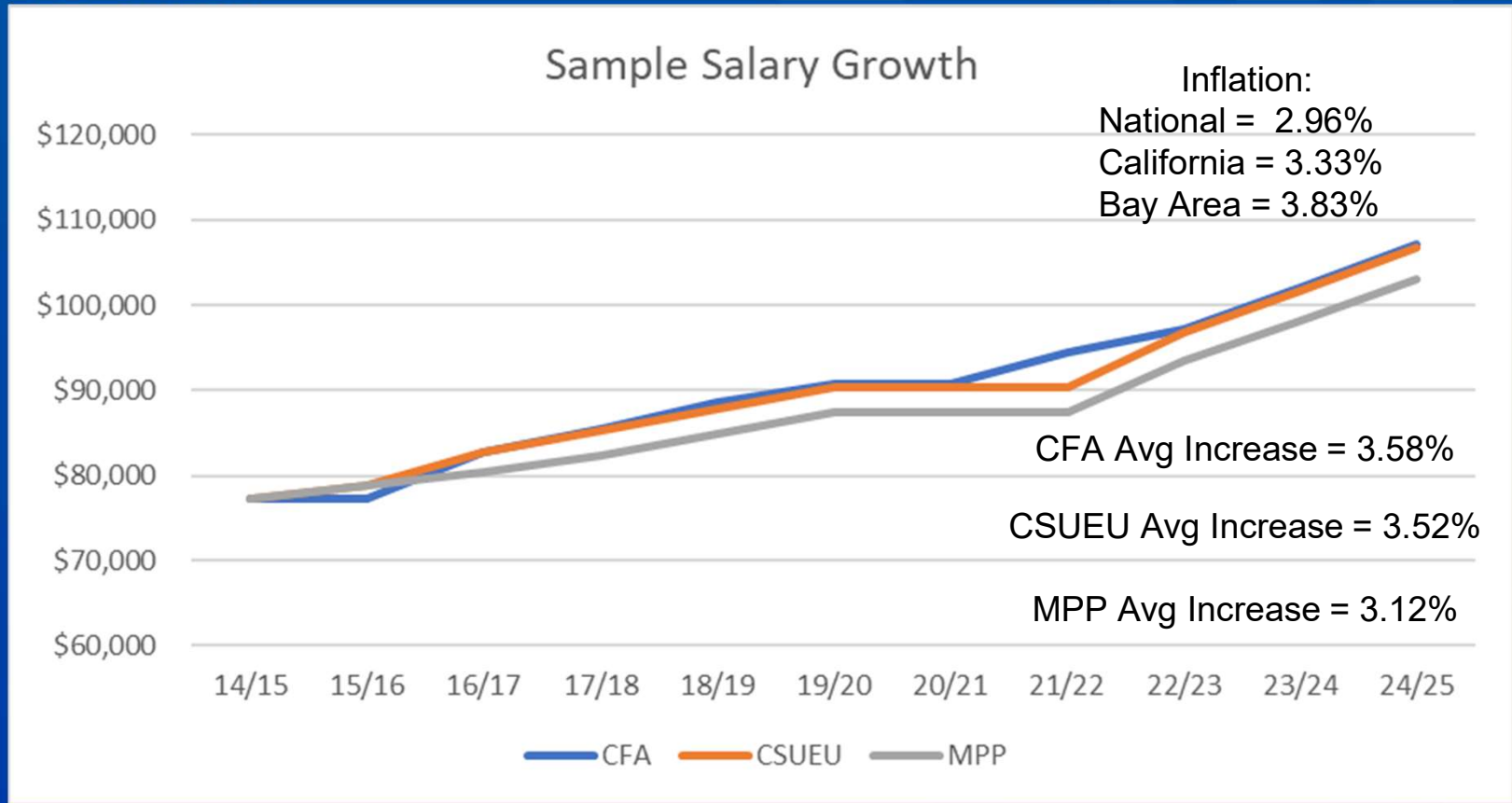
5% Salary Increase	\$14M
Corresponding Benefits	\$ 7M
Health Benefits Cost	<u>\$ 5M</u>
Total	\$26M

CO Funded	\$15M
Campus Funded portion of compensation	\$11M

CSU Based Salary Information



CSU Based Salary Information

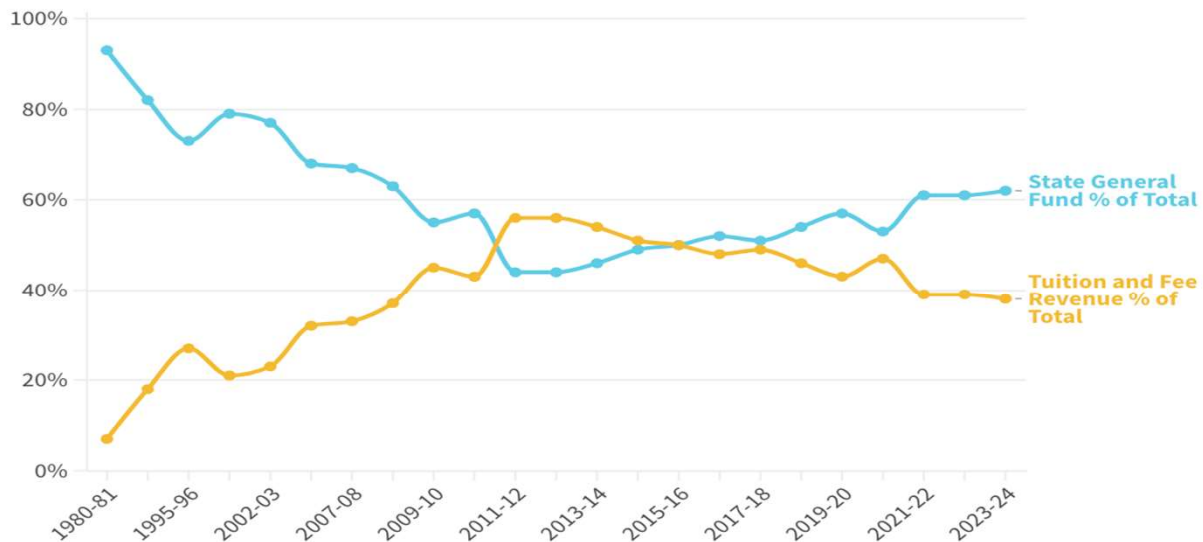


Affordability

Cal State also relies more on tuition revenue than it did 40 years ago

California's contribution to CSU's education mission was as high as 93% in 1980, dropping to 44% after the Great Recession, and bouncing back to around 60% in the last few years.

Share of state support



Source: California State University operating budget historical data • Data provided by request
 Chart by Mikhail Zinshteyn



* A Flourish chart

Academic Year - Resident Undergraduate Student Tuition and Fees

Campus	2023-24	2024-25	Change	%	2028-29	Change	%
University of Connecticut (Storrs, CT)	\$20,366	\$20,977	\$611	3%	\$23,610	\$3,244	16%
Rutgers University (New Brunswick, NJ)	17,239	\$17,756	\$517	3%	\$19,985	\$2,746	16%
Illinois State University (Normal, IL)	16,021	\$16,502	\$481	3%	\$18,573	\$2,552	16%
Wayne State University (Detroit, MI)	15,463	\$15,927	\$464	3%	\$17,926	\$2,463	16%
George Mason University (Fairfax, VA)	13,812	\$14,226	\$414	3%	\$16,012	\$2,200	16%
University of Maryland, Baltimore County	12,952	\$13,341	\$389	3%	\$15,015	\$2,063	16%
Comparison Average	\$12,740	\$13,122	\$382	3%	\$14,769	\$14,769	116%
University of Colorado at Denver	12,366	\$12,737	\$371	3%	\$14,336	\$1,970	16%
Arizona State University at Tempe	12,052	\$12,414	\$362	3%	\$13,972	\$1,920	16%
University of Texas at Arlington	11,314	\$11,653	\$339	3%	\$13,116	\$1,802	16%
Cleveland State University	10,638	\$10,957	\$319	3%	\$12,332	\$1,694	16%
State University of New York at Albany	10,468	\$10,782	\$314	3%	\$12,135	\$1,667	16%
Georgia State University at Atlanta	10,268	\$10,576	\$308	3%	\$11,903	\$1,635	16%
University of Wisconsin at Milwaukee	10,020	\$10,321	\$301	3%	\$11,616	\$1,596	16%
North Carolina State University	9,105	\$9,378	\$273	3%	\$10,555	\$1,450	16%
University of Nevada at Reno	9,012	\$9,282	\$270	3%	\$10,447	\$1,435	16%
California State University	\$7,622	\$8,079	\$457	6%	\$10,200	\$2,578	34%

3% Growth for other institutions is purely an assumption

CSU vs. Comparison Average (\$)	(\$5,118)	(\$4,569)
CSU vs. Comparison Average (%)	-40%	-31%
CSU vs. lowest comparable University (\$)	(\$1,390)	(\$247)
CSU vs. lowest comparable University (%)	-15%	-2%

Actions

The key for San Jose State is for us to optimize what is within our control.

We are proactively addressing our institutional image, enrollment, administrative functions and faculty hiring. We are using our location, in the heart of downtown San Jose and in Silicon Valley to tell our story. Most importantly, we are stressing Student Success initiatives.

Four very positive things working in our favor.

- 1) *We start our planning for next year with no structural deficit. We do have a loan to continue to reduce and payback, but our structural issues are behind us.*
- 2) *We will be in the 2nd year of the CSU's 6% tuition increase.*
- 3) *We are one of seven CSU campuses projected to see enrollment reallocation from other under enrolled campuses, increasing our enrollment target and providing additional State funds for student enrollment on top of tuition.*
- 4) *We are planning to surpass our enrollment target. Continue to support persistence and retention for our existing students.*

Our Challenges include:

- 1) *most likely deferral of the 5% Governor's Compact*
- 2) *The Governor is planning an 8% State Funding Base reduction*

Thank you!