



Systemwide Budget Office
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CODED MEMO B 2018-01

To: CSU Chief Financial Officers

From: Ryan Storm, Assistant Vice Chancellor for Budget 
Kara Perkins, Executive Budget Director 

CC: Timothy P. White, Chancellor,
Steven Relyea, Executive Vice Chancellor and Chief Financial Officer,
Loren J. Blanchard, Executive Vice Chancellor for Academic and Student Affairs,
Melissa Bard, Vice Chancellor of Human Resources,
CSU Presidents, Financial Officers, Budget Officers, Financial Aid Directors,
Enrollment Planning and Resource Officers, and Enrollment Managers

Date: March 29, 2018

Re: 2018-19 Preliminary Budget Information

Attachments: Coded Memo B 2018-01, Attachments A and B

This preliminary budget memo provides information for 2018-19. Detailed information by campus can be found on the attached spreadsheets. The Governor's January budget proposed an incremental increase of \$92.1 million for the California State University (CSU). This proposed increase is not sufficient to fully fund the known ongoing cost increases in 2018-19, leaving a gap of \$61 million, equivalent to about one percent of the total operating budget. Our advocacy efforts are focused on securing full funding of the CSU budget request. However, at this point in time, there is not enough information available to provide campuses with a preliminary allocation of new general fund dollars for 2018-19.

In order to help campuses plan for 2018-19, *Attachment A* provides a projection of campus mandatory and compensation cost increases.

For planning purposes, *Attachment B* allocates 95 percent of the total State University Grant (SUG) pool (\$665,901,000) by campus. This number should be considered your minimum SUG obligation for 2018-19 as financial aid offices award new and continuing students for the 2018-19 academic year. This summer, when the final CSU budget is known, additional funding may be allocated to the campuses with the highest share of students having an estimated family contribution of \$0 to \$4,000. Any adjustment to a campus' SUG allocation will include an associated General Fund adjustment.

CSU Campuses
Bakersfield
Channel Islands
Chico
Dominguez Hills
East Bay

Fresno
Fullerton
Humboldt
Long Beach
Los Angeles
Maritime Academy

Monterey Bay
Northridge
Pomona
Sacramento
San Bernardino
San Diego

San Francisco
San José
San Luis Obispo
San Marcos
Sonoma
Stanislaus

2018-19 Preliminary Operating Budget	
2017-18 Final Budget, General Fund (Coded Memo B 2017-05)	\$3,390,564,000
2017-18 Retirement Adjustment	\$39,310,000
2017-18 Revised General Fund — Base	\$3,429,874,000
2018-19 Projected Expenditure Increases	
Mandatory Costs	
Employer-paid Health Care and Dental Premiums	\$12,029,000
Retirement Above Frozen 2013-14 Base	11,226,000
State Minimum Wage Cost Increases	4,032,000
Operations and Maintenance of New Facilities	3,601,000
Employee Compensation Increases	122,100,000
2018-19 Preliminary Incremental Expenditure Increases	\$152,988,000
Preliminary Incremental General Fund Increase	\$92,059,000
Potential Shortfall	(\$60,929,000)
State University Grants	
2017-18 Campus Base	\$700,948,800
Hold Back for Later Redistribution	(35,047,800)
2018-19 Preliminary State University Grant	\$665,901,000

Questions concerning this memo or its attachments may be directed to Kara Perkins, Chris Canfield, or other System Budget Office staff at (562) 951-4560. Please reference the [Budget Office staff directory](#) for additional contact information and staff areas of assignment.

RS: KP

Attachments