



# **California State Budget 2008-09 CSU Budget**

**Patrick J Lenz, AVC, Budget**

**January 22 & 23, 2008  
Board of Trustees**

## **2008-09 CSU Budget**

- State Budget and Fiscal Condition
  - 2007-08 Fiscal Year
  - 2008-09 Fiscal Year
- 2008-09 CSU Budget
- Student Fees & Financial Aid

# 2008-09 CSU Budget

## State Budget and Fiscal Condition

- 2007-08 Fiscal Year
- 2008-09 Fiscal Year

## 2008-09 CSU Budget

### 2007-08 Governor's Budget

<b>Total Spending</b>	<b>\$145.7 Billion</b>
State General Fund	\$102.3 Billion
Special Funds	\$ 29.2 Billion
Bond Funds	\$ 14.2 Billion
<b>Budget Reserve</b>	<b>\$ 4.1 Billion</b>

## 2008-09 CSU Budget

### 2007-08 Governor's Budget

- Budget Reserve \$ 4.1 Billion
- Nov. LAO Outlook Report (\$ 9.8 Billion)
- DOF December Projections (\$14.0 Billion)
- State Agency G.F. Cut Plans 10 Percent
- Governor's January Budget (\$14.5 Billion)

## 2008-09 CSU Budget

### 2007-08 Governor's Budget Recommendations

- Special Session under Proposition 58
- Mid-Year Budget Reductions \$817 Million
  - Proposition 98 \$400 Million
  - Medical Cuts \$198 Million
  - CalWORKS Reforms \$ 74 Million
  - SSI/SSP COLA \$ 23 Million
  - Prisoner Release \$ 18 Million
  - State Agency Cuts \$104 Million

## 2008-09 CSU Budget

### 2008-09 Governor's Budget

<b>Total Spending</b>	<b>\$141.1 Billion</b>
State General Fund	\$101.0 Billion
– Special Funds	\$ 26.2 Billion
– Bond Funds	\$ 13.9 Billion
<b>Budget Reserve</b>	<b>\$ 2.8 Billion</b>

## 2008-09 CSU Budget

### 2008-09 Governor's Budget Balancing Reductions

- |                               |               |
|-------------------------------|---------------|
| ■ Deficit-Financing Bonds     | \$3.3 Billion |
| ■ Deficit Bonds Prepayment    | \$1.5 Billion |
| ■ Accruing Tax Revenues       | \$2.0 Billion |
| ■ Reducing Proposition 98     | \$4.4 Billion |
| ■ State Agencies and Programs | \$4.0 Billion |



# 2008-09 CSU Budget

## 2008-09 CSU Budget

### CSU - General Fund

- 2007-08 CSU Budget \$2,977,296,000
- 2008-09 CSU Budget,  
GF Budget Allocation \$213,576,000
- 2008-09 CSU Budget,  
Total General Fund \$3,190,872,000
- 2008-09 Budget,  
Balancing Reduction **(\$312.9 Million)**

## 2008-09 CSU Budget

### CSU – Fee Revenue

- 2007-08 CSU Budget \$1,376,853,000
- 2008-09 Trustees Proposal \$ 34,444,000
  - \$34.5 M – 2.5% Growth
  - (\$73.2 M – GF Buy-Out)
- 2008-09 CSU Budget \$ 144,224,000
  - \$34.5 M – 2.5% Growth
  - \$109.7 M – 10 % Fee\*
- 2008-09 CSU Budget  
Total Fee Revenue \$1,521,077,000
- \* Student Fee “Buy-Out” **\$73.2 Million**

## 2008-09 CSU Budget

### Revenue Assumptions

- General Operations (4%)
- Enrollment Growth (2.5%)  
(8,572 FTES, 11,100 students)
- Academic Infrastructure (1%)
- Revenue Augmentation
- **General Fund**
- Enrollment Growth Revenue
- **Total Funding**

### CSU Trustees

\$117.0 Million

\$68.8 Million

\$29.2 Million

\$73.2 Million

**\$288.2 Million**

\$34.5 Million

**\$322.7 Million**

## 2008-09 CSU Budget

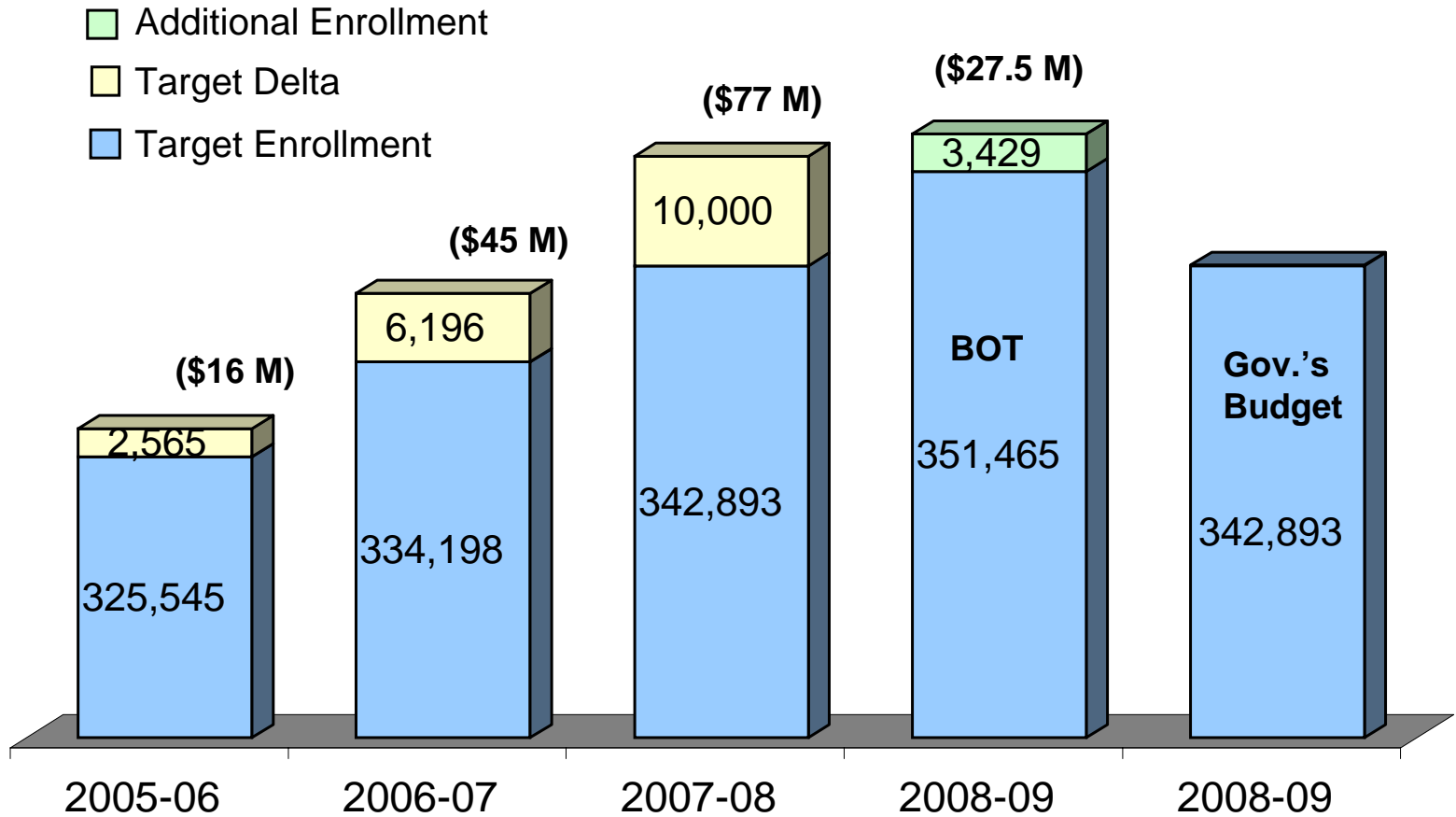
### Expenditure Assumptions

- |                            |                 |
|----------------------------|-----------------|
| ■ Mandatory Costs          | \$36.0 Million  |
| ■ Enrollment Growth (2.5%) | \$82.5 Million  |
| ■ Compensation             | \$154.3 Million |
| ■ Financial Aid            | \$6.9 Million   |
| ■ Long Term Need           | \$43.0 Million  |

**Total Funding**

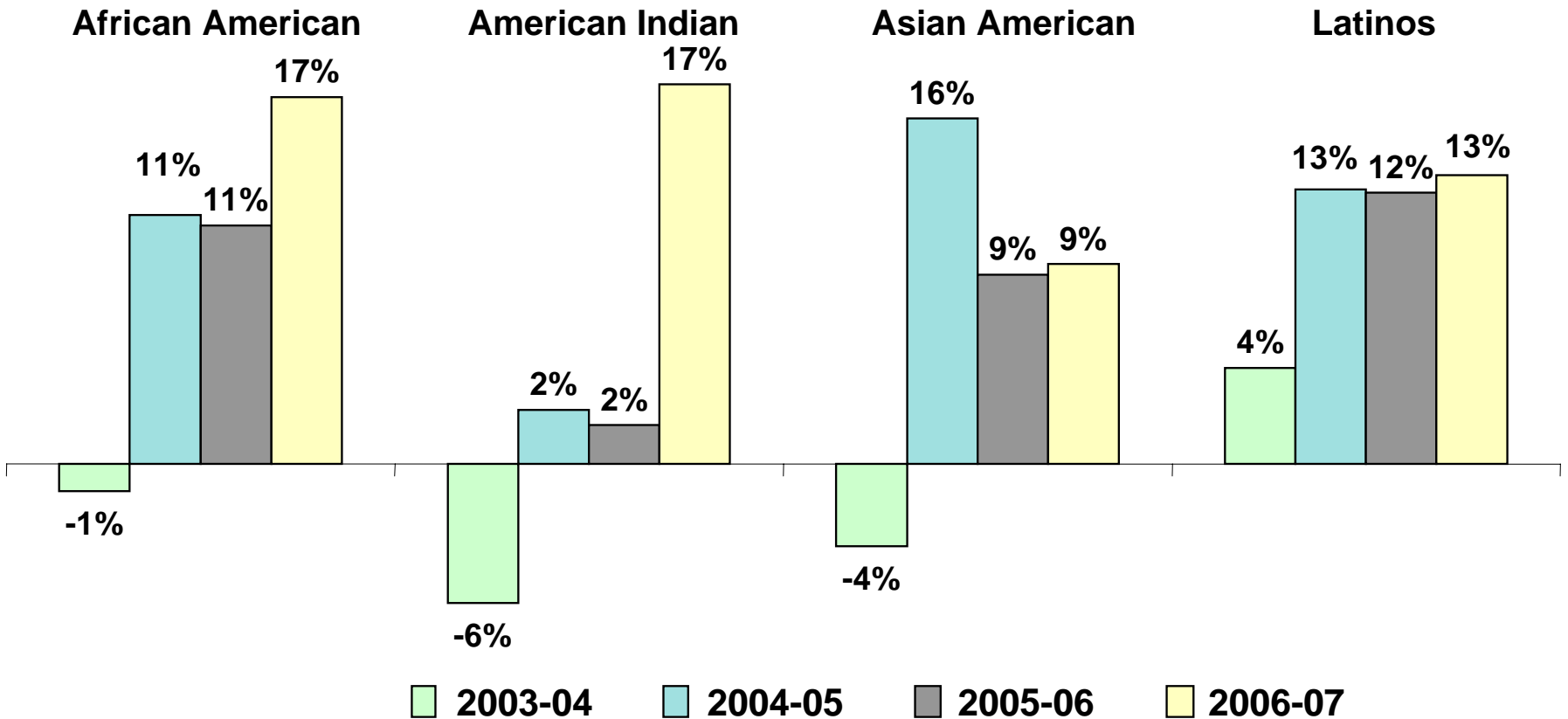
**\$322.7 Million**

# Enrollment Growth (2.5%) Above Enrollment Growth (1.0%)



# Enrollment Growth

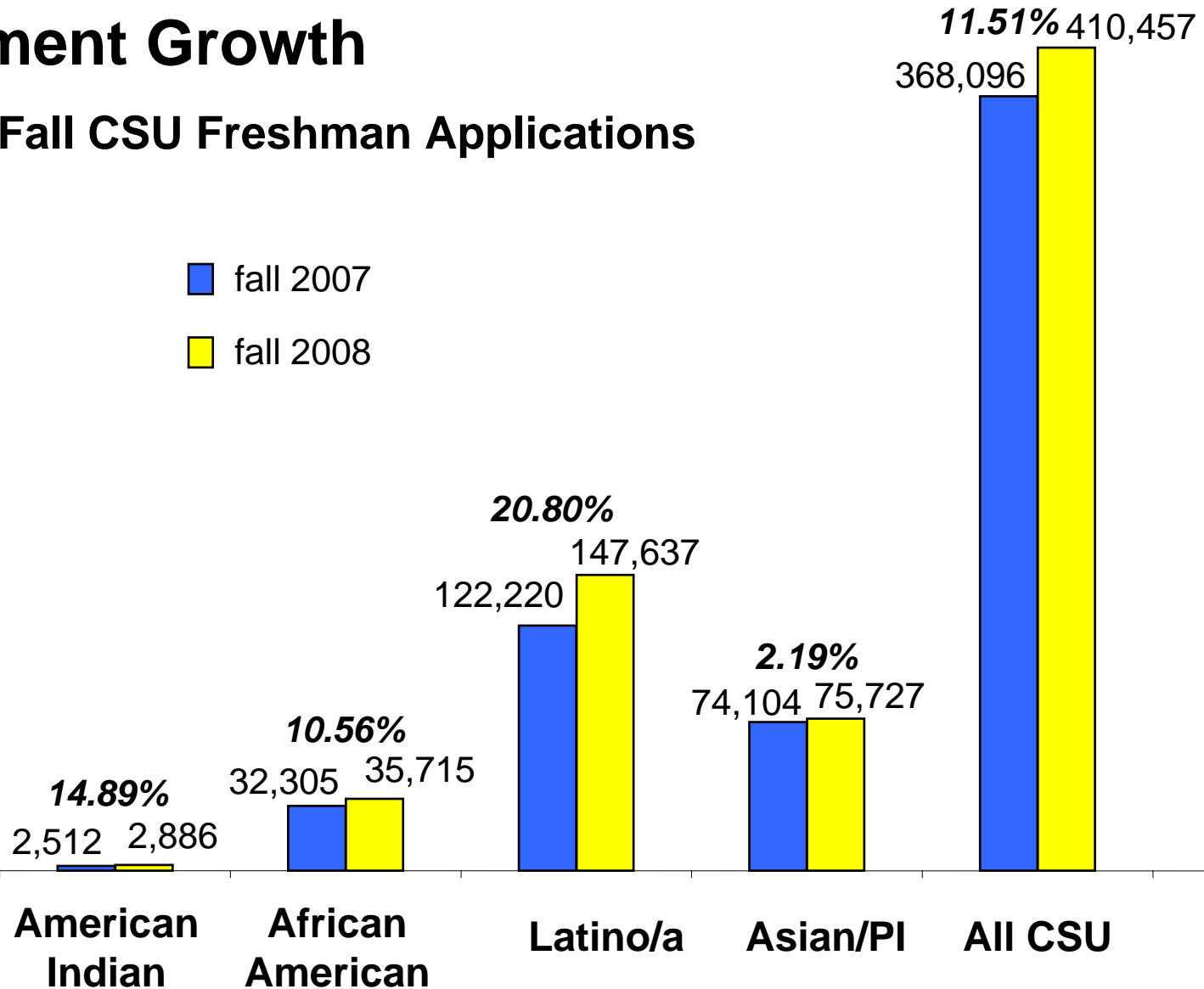
## First Time Freshman Enrolled in CSU



# Enrollment Growth

## Fall to Fall CSU Freshman Applications

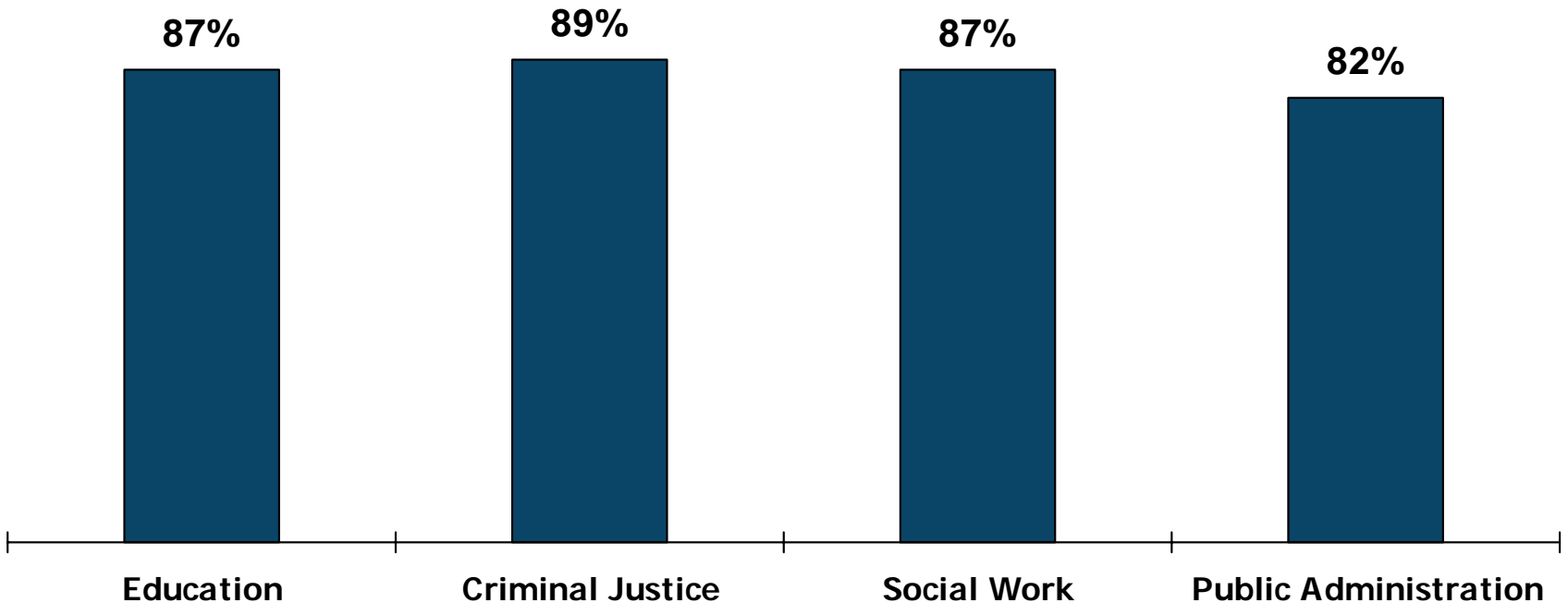
■ fall 2007  
■ fall 2008





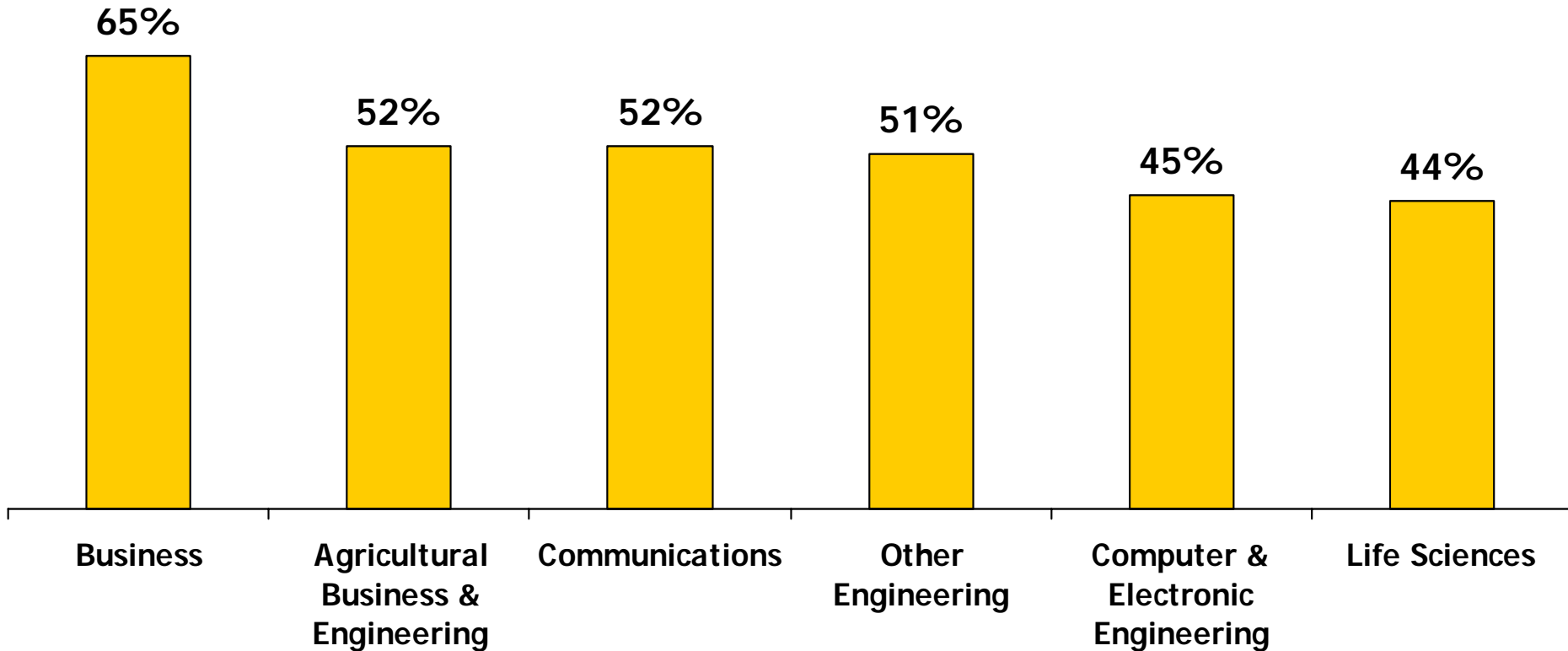
# CSU Workforce Contribution

CSU Bachelors Degrees as Percent of All Public and Private University Bachelors Degrees Awarded in California, Service Fields 2002-2003



# CSU Critical to State Workforce Development

CSU Bachelors Degrees as Percent of All Public and Private University Bachelors Degrees Awarded in California, Critical Fields 2002-2003



## Key Messages

- The proposed budget will not allow the CSU to serve all qualified students, reduces access to college
- Long term prospects of increasing college going rates of underserved communities will be negatively impacted just as we are making real progress
- Less access to the CSU will impact industries and the state's economy given our role in preparing the state's workforce

## 2008-09 CSU Budget - CSU Advocacy

- Adjusted State General Fund Reduction \$312.9 Million
- State General Fund Augmentation
  - Fee Buy-Out \$73.2 Million
- **Total Augmentation Request \$386.1 Million**



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