



Finance *and* Administration Committee
August 27, 2024

Information Item

FAC – 5 Budget Update

Background Information

Vice Chancellor Bob Shea will provide an update of the current state of the fiscal year state budget. He will address the consequences of the latest enrollment for the Fall semester, the present effects of state appropriations, and our budget strategy for the current fiscal year.

A handwritten signature in cursive script that reads 'Robert J. Shea, Jr.'.

Robert J. Shea, Jr.
Vice Chancellor for Finance *and* Administration



Budget Update

Bob Shea, Vice Chancellor for Finance and Administration

August 2024



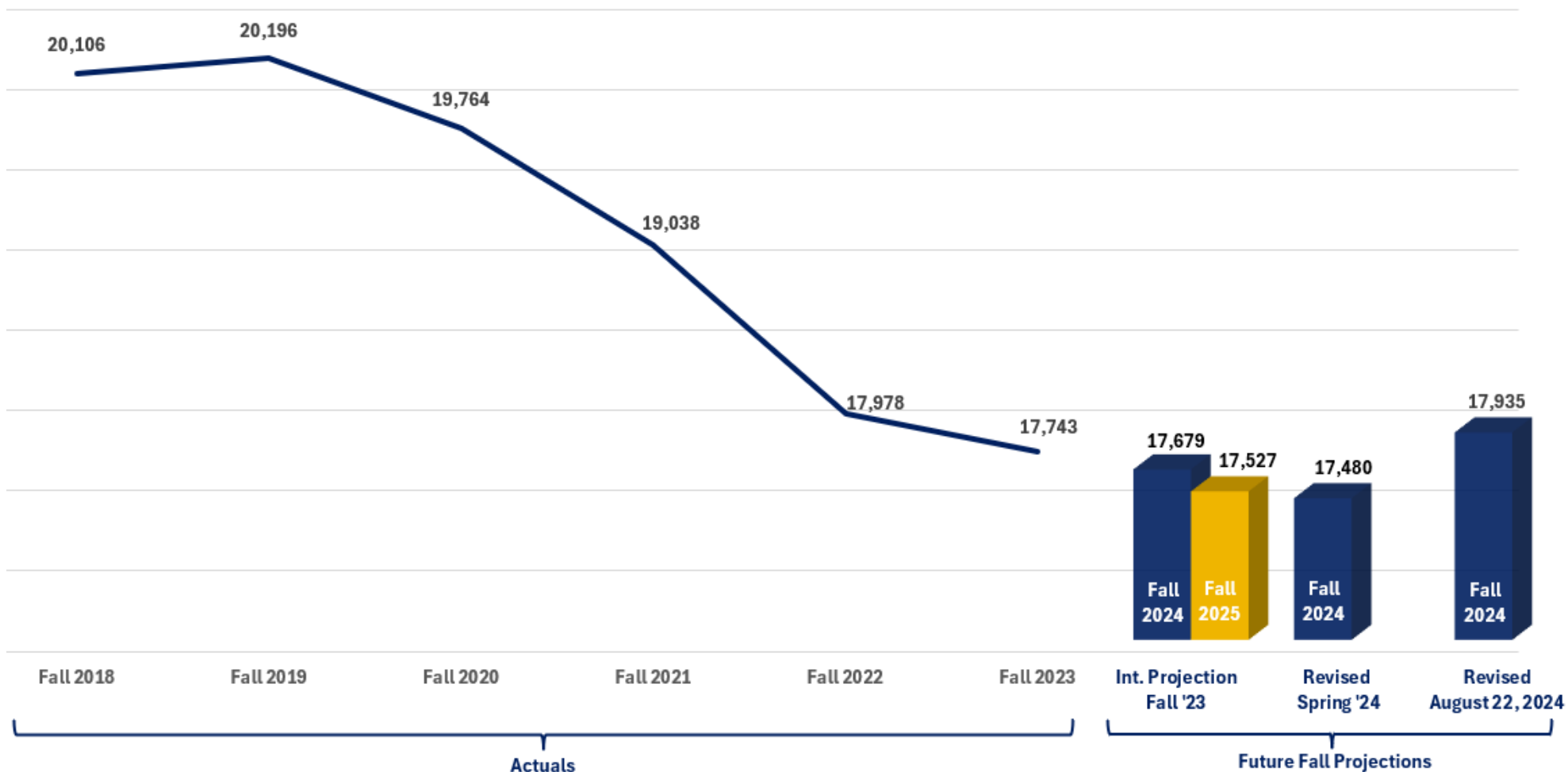
Finance and Administration Update

- Budget
- Endowment RFP Decision and Implementation



Fall Enrollment

Actuals, Future Projections



Fall 2024 enrollment decline addressed with a 1.99% budget cut.

Fall 2025 estimated 1% enrollment decline would result in ~ \$4m reduction to state appropriations, tuition and fees.



Budget Update

- Budget is tied to enrollment, but not the only driver:
 - Enrollment
 - Inflation
 - Recapitalization of IT infrastructure
 - Deferred Maintenance
 - Freeing up money for Chancellor and Provost Strategic Investment
- Employee Headcount, our biggest expense/65-68%
- Carry forward limited to 2.5% and must be approved annually
- State Budget Must Balance
- 1% decrease in student headcount equals \$4m in lost revenue (Appropriation/Tuition/Fees)
- State Budget Short Session TBD/House and Senate negotiating



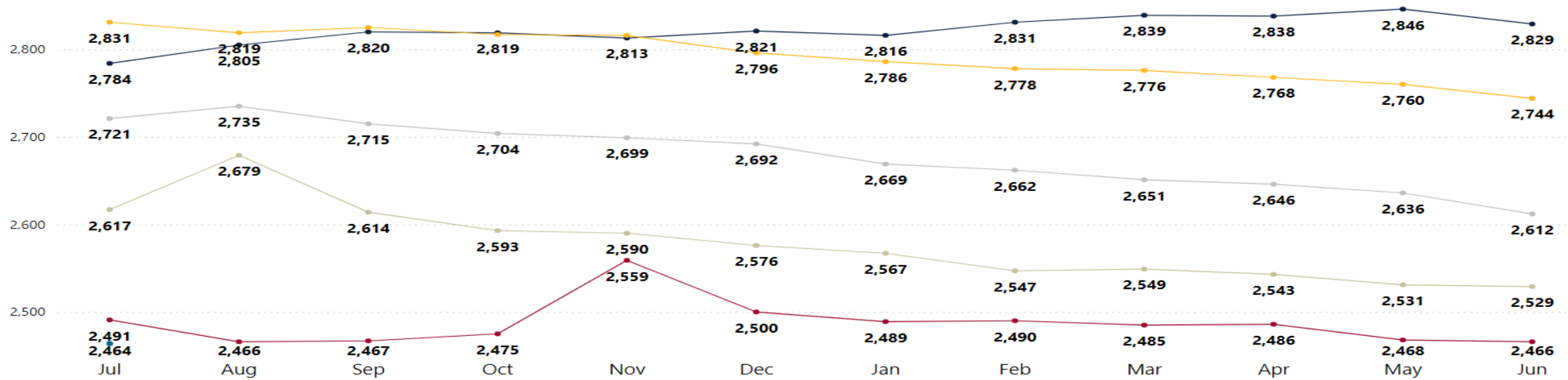
Find your way here

Permanent Employee Headcount Trends Month over Month



Permanent Employee Headcount Month Over Month (End Of Month Data)

Fiscal Year ● FY 2020 ● FY 2021 ● FY 2022 ● FY 2023 ● FY 2024 ● FY 2025

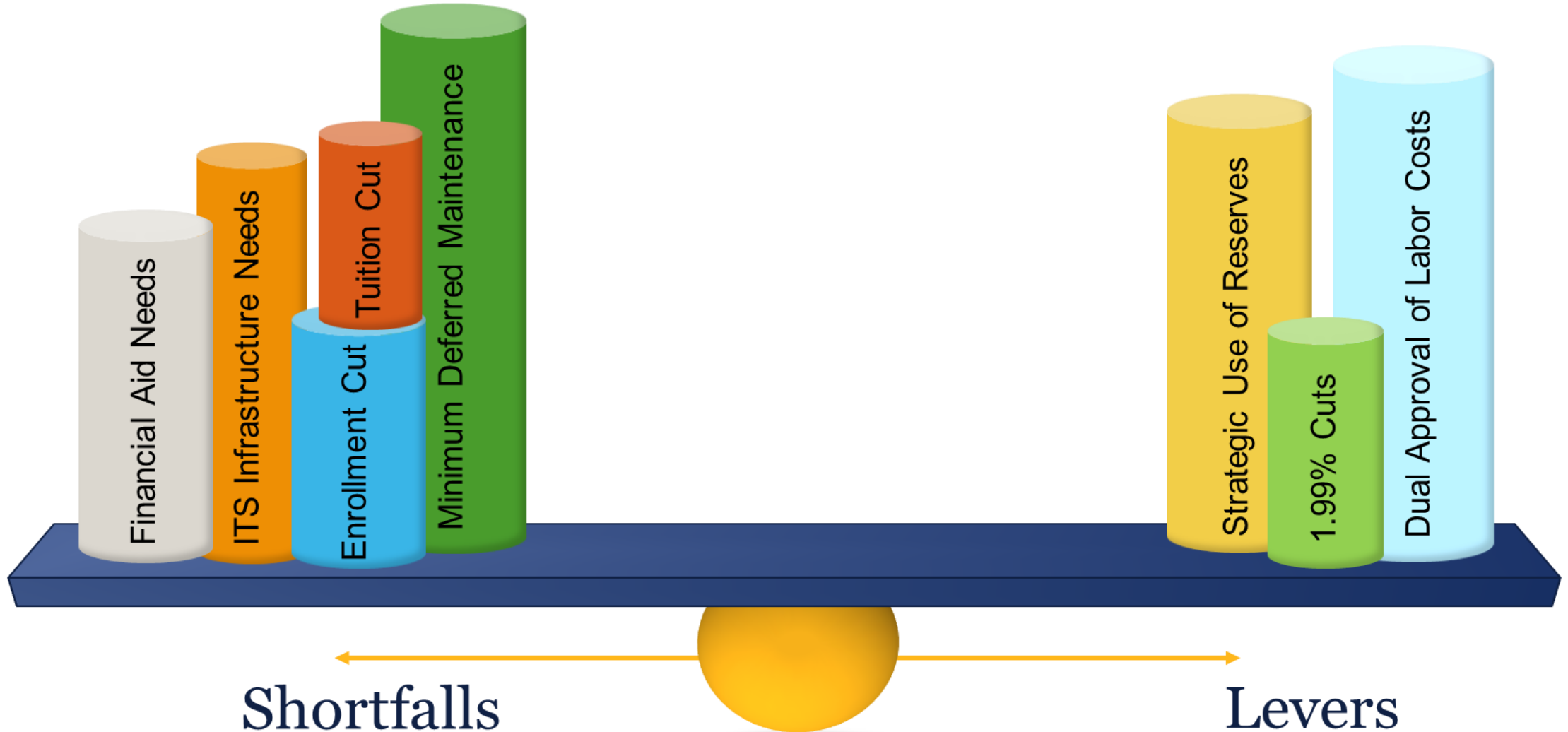


Fiscal Year	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
FY 2020	2,784	2,805	2,820	2,819	2,813	2,821	2,816	2,831	2,839	2,838	2,846	2,829
FY 2021	2,831	2,819	2,825	2,817	2,816	2,796	2,786	2,778	2,776	2,768	2,760	2,744
FY 2022	2,721	2,735	2,715	2,704	2,699	2,692	2,669	2,662	2,651	2,646	2,636	2,612
FY 2023	2,617	2,679	2,614	2,593	2,590	2,576	2,567	2,547	2,549	2,543	2,531	2,529
FY 2024	2,491	2,466	2,467	2,475	2,559	2,500	2,489	2,490	2,485	2,486	2,468	2,466
FY 2025	2,464											



Find your way here

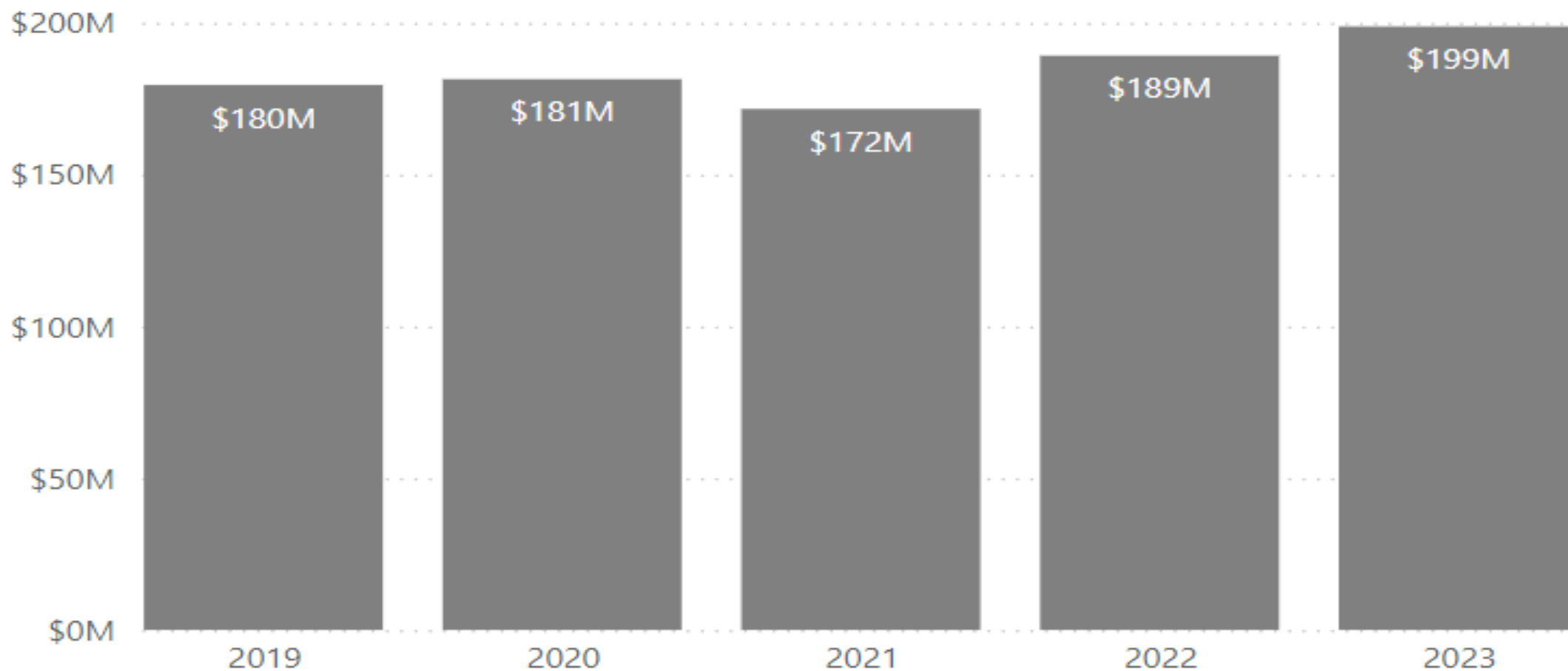
FY24-25 Strategic Operational Decisions





State Appropriations

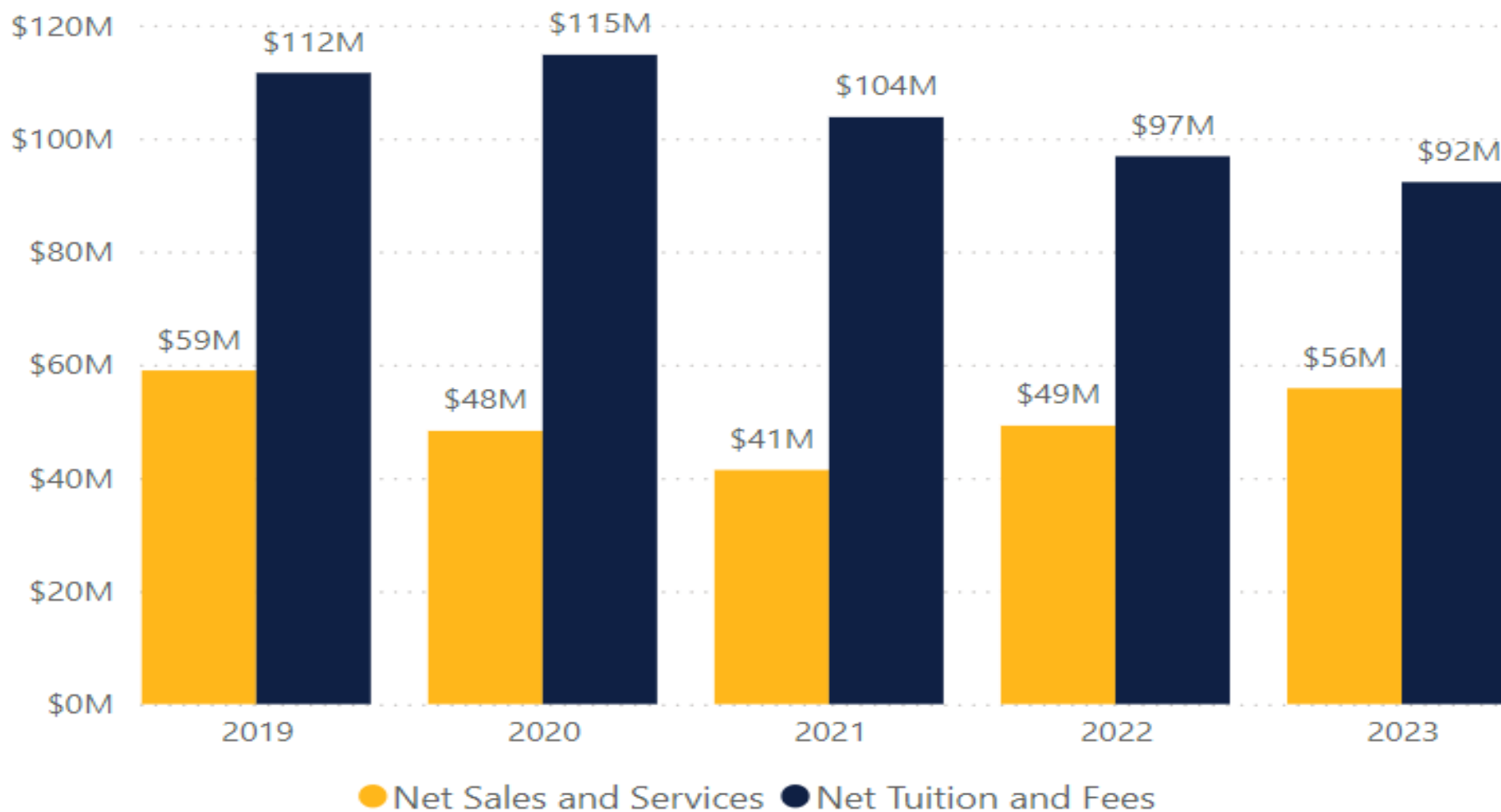
State Appropriations





Tuition & Fees

Sales and Services & Tuition and Fees





Questions and Comments