

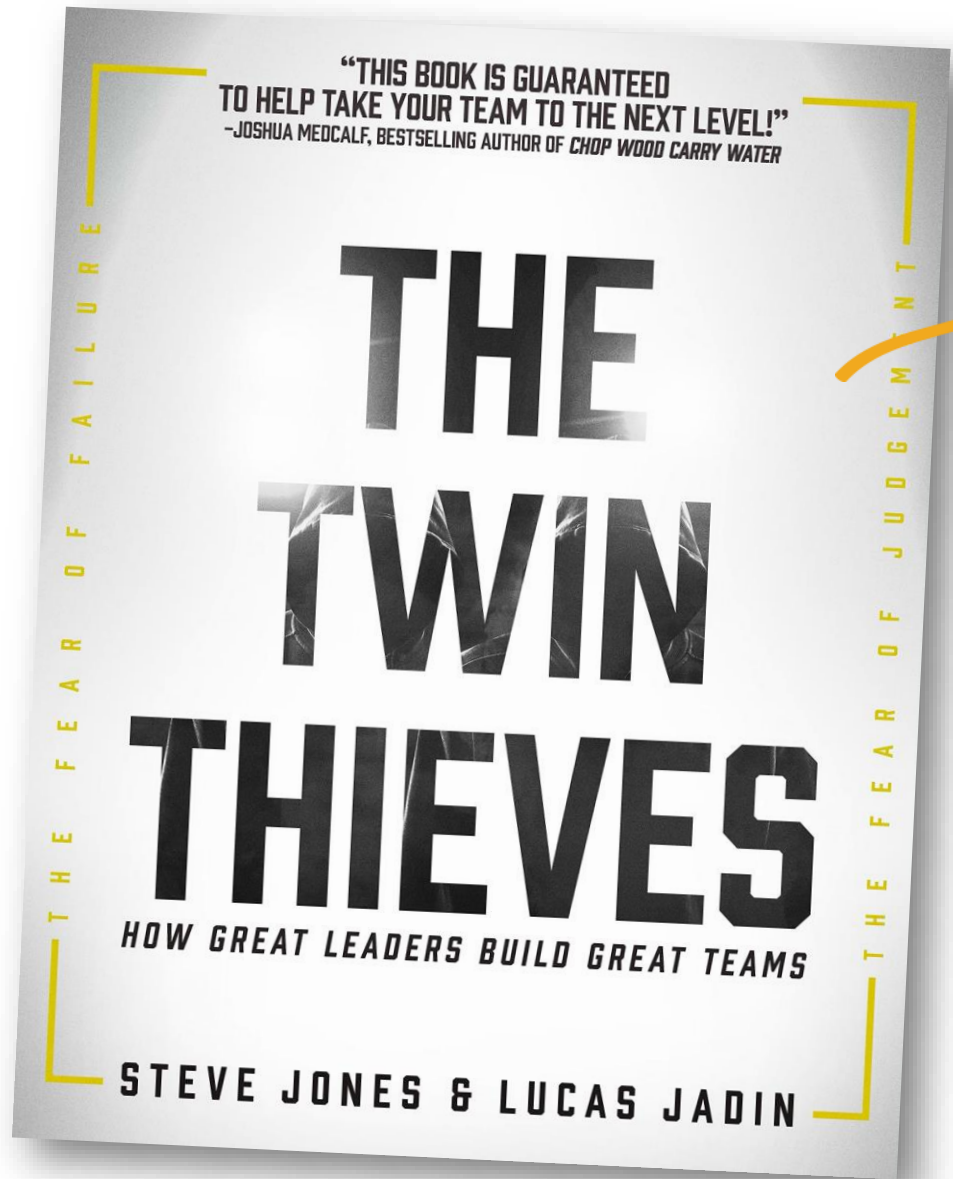


State of the University

Spring 2025

Steve Perez, President





OVERCOMING

***The Fear of Failure
and the Fear of
Judgment***

E + R = O

- **E** is Events

You might think of it as circumstances

- **R** is Response

- **O** is Outcome

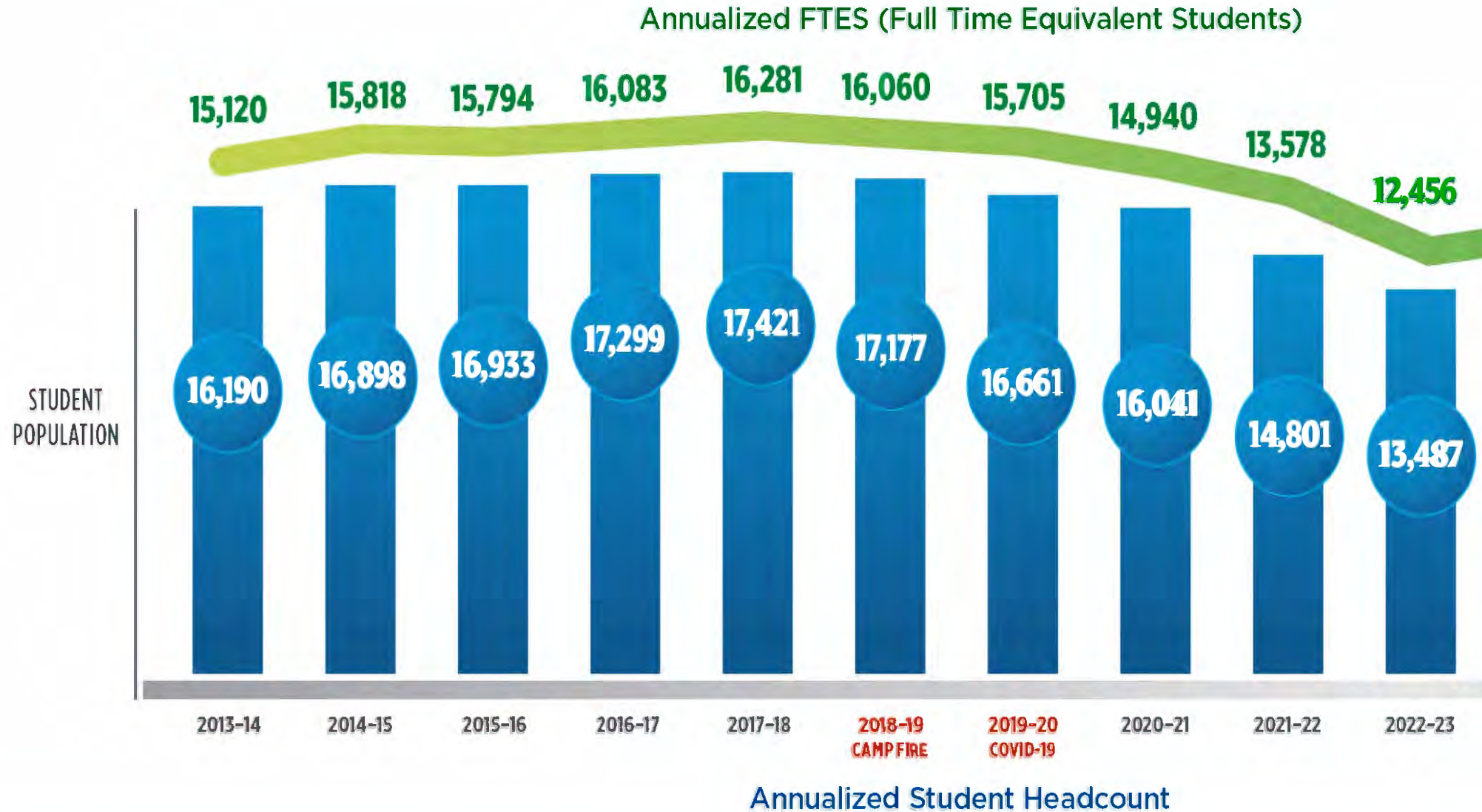
What do we control?

Events (Circumstances)

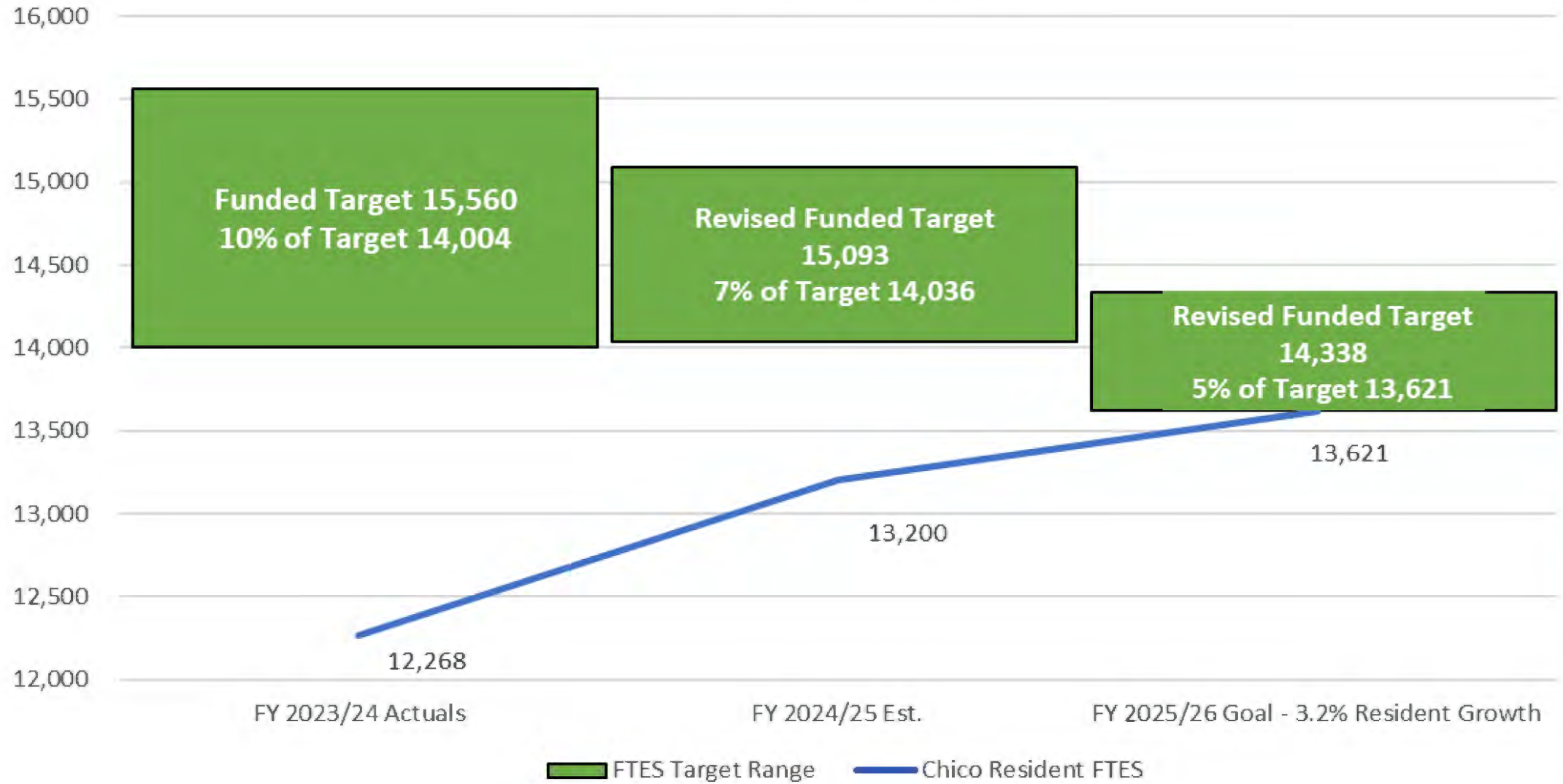
What are we looking at?

- National, State-wide, Local Events
 - Changing every day
- Enrollment
- Budget

Enrollment Overview



Annualized Resident FTES Target



Budget

Not the worst ever

Not great

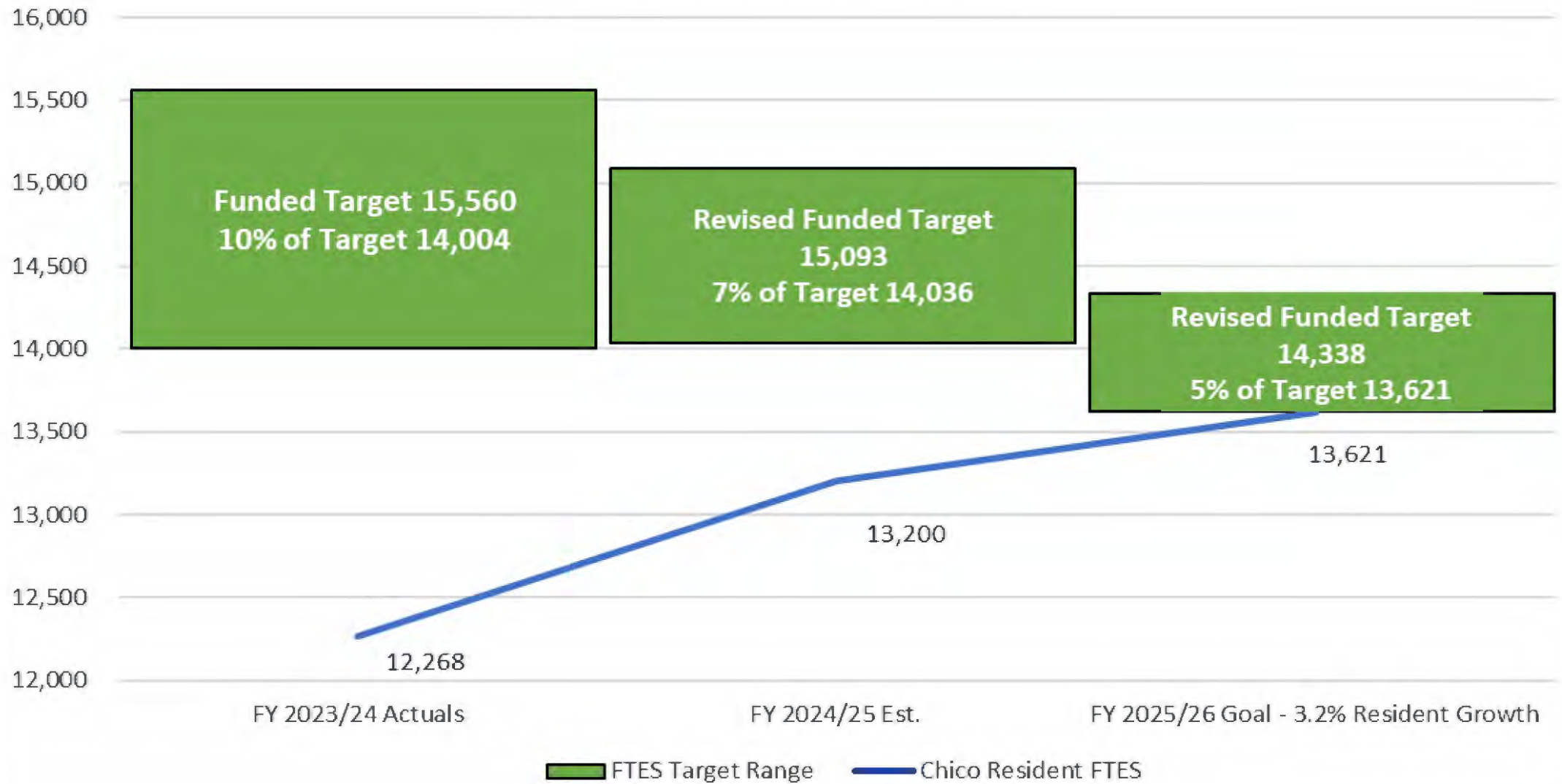
2025/26 Projected Base Deficit - \$35M - Friday

2024/25 Ongoing Base Deficit	<\$8M>
State 7.95% Reduction	<\$12M>
System Enrollment Reduction - 5%	<\$7.4M>
Unfunded Compensation Increases	<\$6.9M>
Unfunded Benefit Increases	<\$3.9M>
Utilities/Risk Pool/Fin Aid Increases	<\$4.1M>
Tuition Revenue Increase <i>(Tuition 6% and FTES 2%)</i>	\$7M

2025/26 Projected Base Deficit - \$32M

2024/25 Ongoing Base Deficit	<\$8M>
State 7.95% Reduction	<\$12M>
System Enrollment Reduction - 3%	<\$4.4M>
Unfunded Compensation Increases	<\$6.9M>
Unfunded Benefit Increases	<\$3.9M>
Utilities/Risk Pool/Fin Aid Increases	<\$4.1M>
Tuition Revenue Increase <i>(Tuition 6% and FTES 2%)</i>	\$7M

Annualized Resident FTES Target



Multi-Year Projections 25/26 to 27/28

Summary of CSU, Chico Operating Fund Sources and Uses

Fiscal Years 2024/25 Projected through 2027/28

	<i>Estimated</i>	<i>Projected</i>	<i>Projected</i>	<i>Projected</i>
	<i>2024/25</i>	<i>2025/26</i>	<i>2026/27</i>	<i>2027/28</i>
Total Sources	278,451,173	271,336,000	279,401,720	295,730,320
Total Uses	288,381,868	303,369,295	314,157,295	325,430,295
Net of Sources & Uses	(9,930,695)	(32,033,295)	(34,755,575)	(29,699,975)

<u>2,266,000</u>	Add Back: one-time reduction from State
<u>(7,664,695)</u>	Base Deficit

Reserves as of 6/30/2024

CSU Special Initiative Grants	\$798K
Short-Term Obligations	\$8.5M
Catastrophic Events	\$9.2M
Divisional Programs/Obligations	\$19.8M
Restricted by State Statute/Budget	\$27.9M
Student Fee-Funded Programs	\$30.9M
Unrestricted Reserves	\$45.2M
Capital Infrastructure	\$60.8M
	\$203M

https://www.csuchico.edu/bud/_assets/documents/25-26-budget-development/reserves-talking-points-06-30-2024.pdf

Response(s)

What can we do for the numbers?

**Decrease
Costs**

**Increase
Enrollment**

- We have done a lot
- We can do more

- To close a \$32M deficit with student fees and tuition would be over 5,000 students.
 - We could hope for more enrollment funding which would lower that number significantly.

From CSU Financial Dashboard



Expenses

← 2. Expenses per FTES - Multi Year

Expenses	\$7,387,462,581	\$7,159,321,470	\$7,906,507,440	\$8,250,608,655	\$8,508,755,300
Expenses per FTES	\$18,032	\$17,410	\$20,084	\$21,607	\$21,811

Expenses Per FTES by University
Functional Categories:
All

University		2019-2020	2020-2021	2021-2022	2022-2023	2023-2024
Bakersfield	FTES	9,603	9,738	8,556	7,906	8,290
	Expenses	\$155,170,385	\$157,471,658	\$175,700,439	\$191,387,817	\$197,648,551
	Expenses per FTES	\$16,158	\$16,171	\$20,537	\$24,208	\$23,842
Channel Islands	FTES	6,197	5,939	5,297	4,608	4,423
	Expenses	\$135,974,449	\$137,507,533	\$141,773,641	\$151,948,186	\$184,182,580
	Expenses per FTES	\$21,941	\$23,152	\$26,764	\$32,978	\$41,644
Chico	FTES	15,705	14,941	13,578	12,456	12,639
	Expenses	\$262,498,735	\$272,360,431	\$270,417,666	\$303,793,170	\$285,428,494
	Expenses per FTES	\$16,714	\$18,229	\$19,916	\$24,389	\$22,583
Dominguez Hills	FTES	13,284	13,729	12,543	11,824	11,280
	Expenses	\$240,594,815	\$229,466,539	\$245,117,008	\$282,625,253	\$264,229,541
	Expenses per FTES	\$18,112	\$16,714	\$19,542	\$23,903	\$23,425
East Bay	FTES	12,615	12,581	11,317	10,066	10,162
	Expenses	\$241,806,265	\$234,794,793	\$247,653,632	\$261,903,984	\$248,262,654
	Expenses per FTES	\$19,168	\$18,663	\$21,884	\$26,018	\$24,431
Fresno	FTES	20,915	21,466	20,776	19,920	20,232
	Expenses	\$357,412,887	\$366,169,132	\$389,923,312	\$423,282,561	\$441,180,501
	Expenses per FTES	\$17,089	\$17,058	\$18,768	\$21,249	\$21,806
Fullerton	FTES	32,671	33,687	31,590	31,735	33,652
	Expenses	\$551,251,062	\$498,251,408	\$563,211,019	\$568,095,263	\$607,565,902
	Expenses per FTES	\$16,873	\$14,790	\$17,829	\$17,901	\$18,055
Humboldt	FTES	6,367	5,608	5,062	5,086	5,485
	Expenses	\$151,174,564	\$144,318,163	\$173,540,414	\$177,692,533	\$187,998,841

Chico State Expenses 2019-20 to 2023-24

	2019-20	2020-21	2021-22	2022-23	2023-24
FTES	15,705	14,941	13,578	12,456	12,639
EXPENSES	\$262,498,735	\$272,360,431	\$270,417,666	\$303,793,170	\$285,428,494
EXPENSES PER FTE	\$16,714	\$18,229	\$19,916	\$24,389	\$22,583

What does it say?

In 2019-20, Chico State

- 15,705 FTES
- \$16,714/FTES
- Spent \$262.5M

In 2023-24, Chico State

- 12,639 FTES
- \$22,583/FTES
 - Down from \$24,389/FTES in 22-23
- Spent \$285.5M

What does it say?

In 2019-20, Chico State

- 15,705 FTES
- \$16,714/FTES
- Spent \$262.5M

In 2023-24, Chico State

- 12,639 FTES
- \$22,583/FTES
- Spent \$285.5M

In 2023-24, Chico State

(if we spent the same per student adjusted for inflation of 5%/year)

- 12,639 FTES
 - \$19,090/FTES
 - Spent \$241M
- We would have spent **\$44M less overall.**

How is this possible?

- We have done a lot of reductions and everyone is overworked
- We are doing more
 - Title IX
 - Tribal Relations
 - Student Recruiting
 - Information Security
 - Etc.

What savings have already been achieved over the last few years?

✓ Merged departments	\$125K
✓ Not replaced Deans or Associate Deans	\$500K
✓ Consolidation of leadership and programs in Student Affairs	\$500K
✓ Reduction of workforce by ~70	\$9M
✓ Reduction in student hiring	\$200K
✓ Over 250 class sections reduced over last 2 years	
✓ Increased class sizes by over 12% over last 2 years	

Savings included
in workforce
reduction

What else are we doing to save costs?

- Phase-in custodial skip-level service
- Continued implementation of software and systems for process improvements
- Evaluating all positions as vacancies occur before backfilling
- Reduction of Library, Financial Aid and WREC center hours
- Less travel and reduction in CSU in-person conferences
- Using auxiliary or non-state funds for travel, contracts, supplies, and other miscellaneous costs
- Pause or delayed recruitments
- Reduction of Library, Financial Aid, and WREC center hours

Overview of 2025/26 Campus Budget Process

- Fall UBC Education/Training
- January Governor's Budget
- UBC Multi-Year Assumptions & Projections (Feb/March)
- UBC Recommendation to President (March/April)
- President's Consideration of UBC Recommendation (March/April)
- President's Spring Budget Call to Divisions (April)
- Governor's May Revision Budget (May)
- Finalize Campus Budget after State/CSU Budget Allocations (July)

Campus Budget Forums

Fall 2024 – Dec 16th
Spring 2025 – TBD

What can we do?

Decrease Costs

- We have done a lot
- We can do more

Increase Enrollment

- To close a \$32M deficit with student fees and tuition would be over 5,000 students.
 - We could hope for more enrollment funding which would lower that number significantly.

Response

Everything we're doing to increase enrollment:

- Significant Market Campaign
- Personal contact with prospective students
- Over 300 applications from Riverside County – direct admit campaign
 - 345 apps, 330 admits, 5 IEs.
- Choose Chico, March 1
 - 954 students registered as of Feb. 4
 - 3,139 people registered

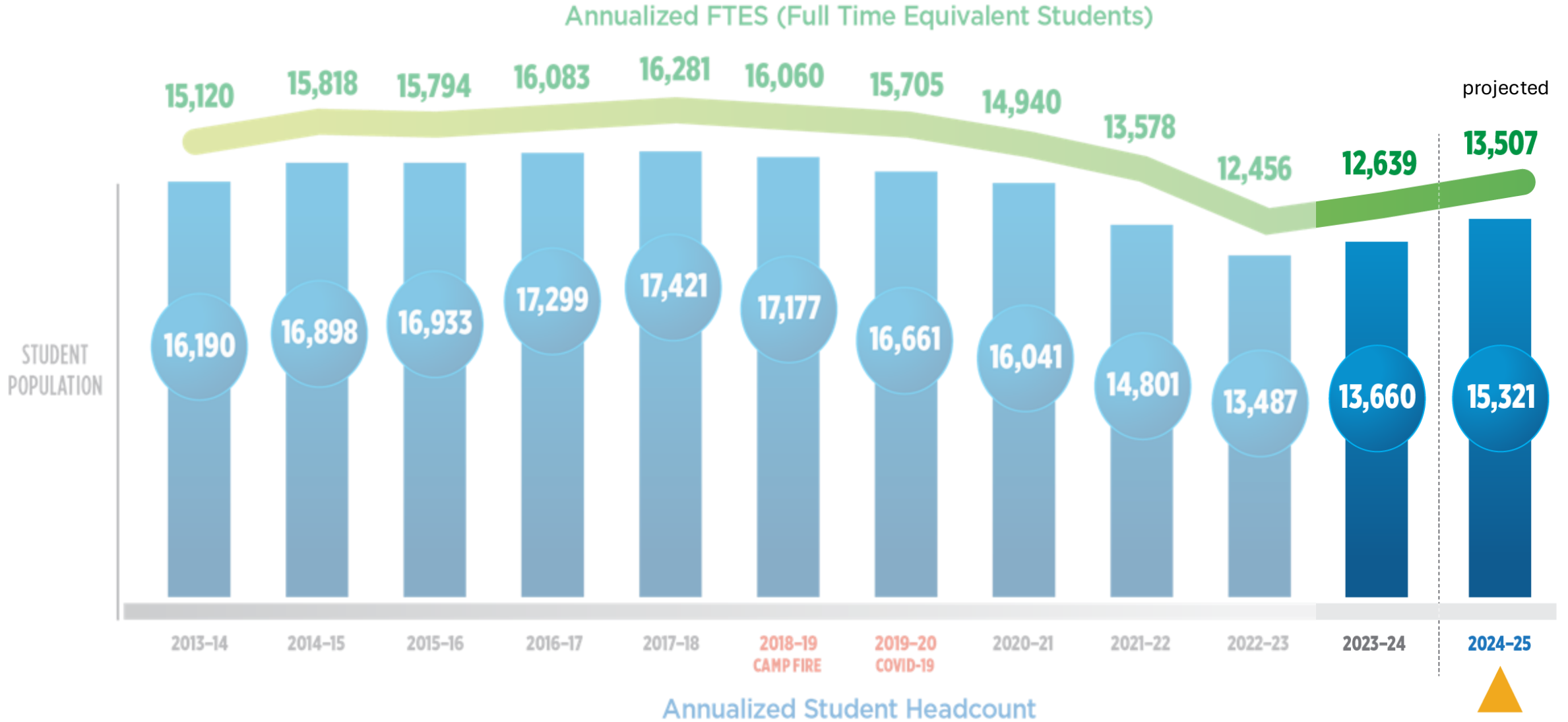


The California State University and Riverside County Office of Education Partnership

Congratulations! You've been admitted to 10 CSUs through a partnership with the Riverside County Office of Education. Excitement aside, you probably have questions about what's next.



Enrollment Overview



What can you do?

1. Talk about Chico State and our great programs with friends and family
2. Tell your own stories of powerful college experiences and their impact on your lives.
3. Be a welcoming and informative presence for prospective students and their families visiting campus
4. Ensure students get the help they need and don't bounce from office to office
5. For faculty, continue to deepen inclusive and welcoming teaching practices
6. Assist in appropriate outreach to admitted students, be that calls, emails, or other forms of communication
7. Respond and support requests to participate in Choose Chico and other yield events
8. If there are questions about yield, reach out directly to the Office of Admissions
9. Engage with Recruitment Coordination Committee representatives for ideas to take to the monthly meetings
10. Recruit or retain at least one student

How will we do it?

**"THIS BOOK IS GUARANTEED
TO HELP TAKE YOUR TEAM TO THE NEXT LEVEL!"**
-JOSHUA MEDCALF, BESTSELLING AUTHOR OF *CHOP WOOD CARRY WATER*

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THE TWIN THIEVES

HOW GREAT LEADERS BUILD GREAT TEAMS

STEVE JONES & LUCAS JADIN

- Who do we need to lead our responses
 - We all need to be leaders
- What stops people from being leaders, from thinking of new ways to do things, from stepping out of our comfort zone?
- The Twin Thieves: Failure and Judgement
- The responses need to come from and be driven by our campus community.

- That's why we had our campus community do the playbook.
- That's why we had our campus community do the Community Agreements.

Planning over the last year

- Chico State did extensive planning over the last year to develop:
 - ✓ Chico State Playbook
 - ✓ Chico State Community Agreements
 - ✓ Employee Engagement to Become a Great College to Work For
- These have been the result of extremely dedicated work groups and extensive campus outreach and involvement.
- Now we can bring it all together and develop actions to achieve them.

Chico State Playbook

- The Playbook is our new strategic plan and is designed to be a concise, accessible, and memorable document outlining our priorities, values, and path forward. More importantly, it centers organizational health and drives immediate decision-making.
- It is a living document that can and should be re-examined regularly to validate its applicability.



Why do we exist?

Chico State empowers professional success, meaningful lives, and vibrant communities through immersive learning in a beautiful, globally connected setting.



How do we behave?

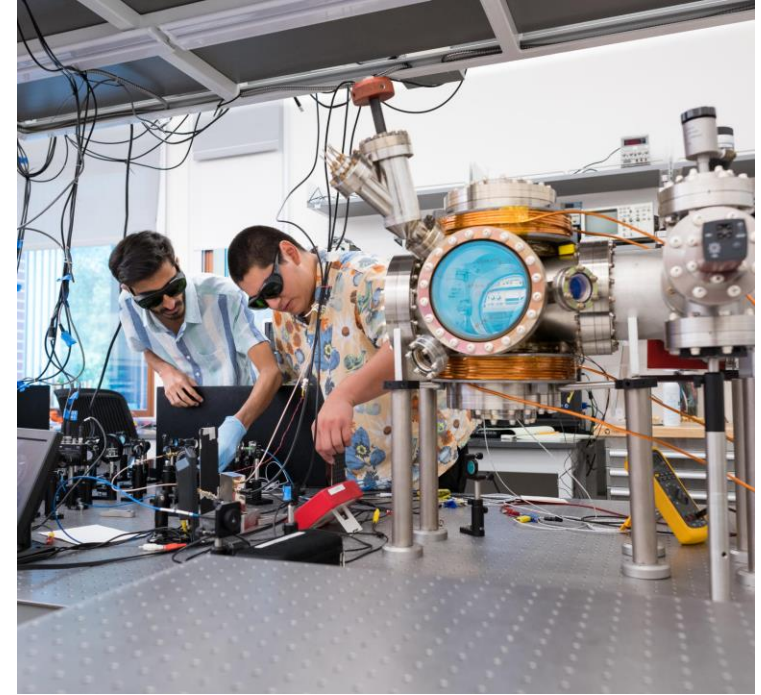
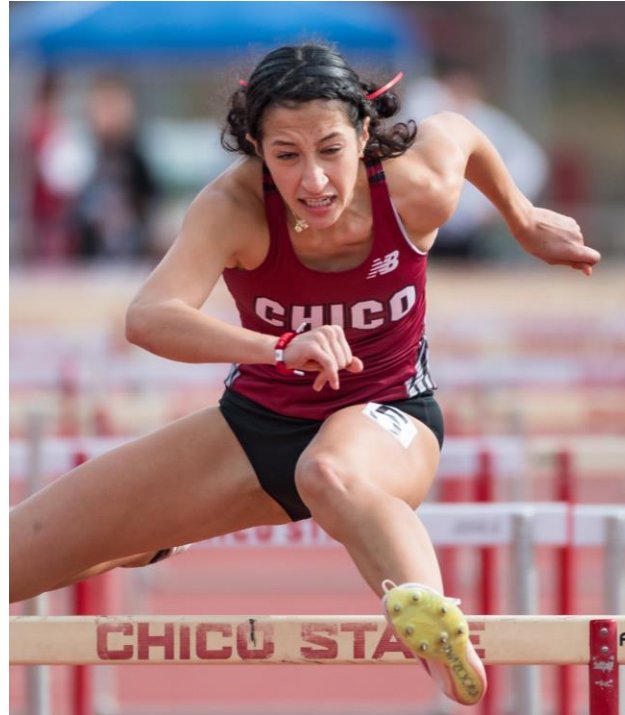
In all that we do, Chico State reflects the values of connection, excellence, inspiration, and innovation.

- **Connection:** We cultivate relationships with one another based on the [Chico State Community Agreements](#) of respect, empathy, and integrity. We honor our interdependence with the communities and the land we serve across the North State and beyond.
- **Excellence:** We aspire to the highest standards of teaching, learning, research, creativity, and professionalism.
- **Inspiration:** We are motivated to build a diverse and inclusive identity that is bigger and more impactful than ourselves.
- **Innovation:** We improve our students' lives, our region, and our world through groundbreaking and innovative teaching, learning, and research and creative activity.



What do we do?

A regional comprehensive university, Chico State is a destination campus in a rural region, providing high-quality, affordable, and accessible academic programs and extracurricular opportunities to serve students' needs and deliver well-prepared community members, professionals, and leaders for California and beyond.



How will we succeed?

Chico State will:

- Engage our students in powerful learning experiences that prepare them for successful futures.
- Produce outstanding scholarship and creative works that improve lives and inspire possibility.
- Foster an equitable, inclusive, and rewarding environment for all students and employees.
- Serve as a resource for the North State on the issues that matter most, with emphasis on accessible education, workforce development, sustainable systems, and the cultural and economic enrichment of our communities.
- Embrace streamlined processes and adaptive ways of working to thrive in a rapidly evolving world.



What is most important right now?

Creating a welcoming and exciting culture at Chico State.

- We have started part of this work through our employee engagement work.
- Along with efforts to advance how we succeed, this will be the basis of our action plan.

- The campus community determined that the most important thing we need to do right now is build a welcoming and exciting university.
- This is how we will overcome our challenges. This is why our action plan is focusing as a campus on Becoming a Great University to Work For
 - Campus-wide and division-specific work.

How will we Respond?

- Grow enrollment
- Search for more ways to be efficient
- Do all of this in ways that support
 - Why We Exist
 - How We Behave
 - What We Do
 - How We Succeed
 - And make this a Welcoming and Exciting University, i.e. a Great College to Work For
- Don't have fear...the only failure is not responding.



Thank You