CALIFORNIA STATE UNIVERSITY, CHICO

ECONOMIC IMPACT REPORT

STUDENT POPULATION PROFILE

- 27.8% CSU, Chico's north state area
- 22.1% Los Angeles area
- 20.5% Sacramento Area
- 20.5% San Francisco Bay Area
- 16.4% Rest of California
- 2.5% Out-of-state and International

54% Female students
46% Male students

CARES ACT

9,973 students received
$11.6M from the Federal CARES Act Higher Education Emergency Relief Fund (HEERF)
$5.1M housing/parking refunds

$16.7M total funds to students

$4,642,600 CARE funds distributed to the north state service area

LOCAL IMPACT

4,300 Employees on campus

$156.8M Total Salaries

16,673 Budgeted 2019-20 Student Enrollment

-13.7% Projected enrollment decline

LOCAL SPEND

$9,654,8681
Chico and surrounding larger cities over 12 mos2

$23.7M Budget for housing based on projected 2,300 students

1,036 Projected students in housing pending Chancellor’s Office approval

40-50% Capacity for on-campus housing based on social distancing

Chico State ranks #1 in the NCL Spring 2020 cybersecurity competition

Chico State ranks #12 in the list of the top 25 colleges for Agriculture Degrees

Chico State ranks #40 nationally as the Best Public College/University for 2020

Construction and Installation
$5,162,967

Facility Services and Supplies
$1,165,077

Office Equipment and Supplies
$537,463

Financial Services
$264,602

Engineering and Design
$258,057

631 Suppliers

1 Top spending categories
2 Cities include Chico, Marysville, Yuba City, Oroville and Redding
State Budget Modification and 2020-21 Budget Cycle

Ann Sherman
Three Uncertainties

- **COVID-19 continuing impact**
  - Economic impact
  - Health and safety risk

- **State budget allocations**
  - 10.8% reduction in ongoing and one-time funds
  - Possibly mitigated by federal stimulus programs

- **Enrollment**
  - Declining demographics of traditional students
  - Virtual classes
  - Economic impact (for good or not)
COVID-19 Health & Safety Risk

- Vulnerable populations
- Worker’s Comp eligibility
- Availability of personal protective equipment, cleaning supplies, etc.
- Societal tolerance for social distancing and personal liberties
May 14 Revise

- 9.8% reduction in higher education funding, plus elimination of one-time earmarks.
- No consideration of new priorities and ideas, with the exception of COVID-19, wildfire prevention, homelessness funding.
- June Baseline Budget per State Obligation; immediate reductions to existing state programs.
- July deferred tax date July 15th.
- August Revision reflecting changes in State financial condition; may need to consider sizable ongoing reductions to major programs.

https://abgt.assembly.ca.gov/sites/abgt.assembly.ca.gov/files/Budget%20Update.pdf,
CARES Act: Higher Education Emergency Relief

$14.2B
Higher Education Emergency Relief Fund

Part I - $9.98M
Student Aid

Part II - $9.98M
Institutional Portion

Part III - $1.4M
Minority Serving & Strengthening Institutions Programs

Chico $19.96M
(CSU System $525M)

Higher Ed Total

CSU, Chico
**CARES Act Financial Assistance to Students**

<table>
<thead>
<tr>
<th>CARES Act Funding</th>
<th>Campus Funds</th>
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</thead>
<tbody>
<tr>
<td><strong>Emerg Relief</strong></td>
<td></td>
</tr>
<tr>
<td>Tranche I</td>
<td></td>
</tr>
<tr>
<td>Students - Block Grant</td>
<td>$ 6,643,700</td>
</tr>
<tr>
<td>Students - Application Process</td>
<td>$ 3,335,996</td>
</tr>
<tr>
<td>$ 9,979,696</td>
<td>$ 4,990,059</td>
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<tr>
<td><strong>Min Serving</strong></td>
<td></td>
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<tr>
<td>Tranche III</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>$ 11,633,759</td>
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<tr>
<td><strong>State</strong></td>
<td></td>
</tr>
<tr>
<td>Financial Aid</td>
<td>$ 1,214,318</td>
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<tr>
<td>Non-State</td>
<td>$ 52,926</td>
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<tr>
<td><strong>Total</strong></td>
<td>$ 11,194,014</td>
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<tr>
<td><strong>Total</strong></td>
<td>$ 439,745</td>
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</table>

- CARES Act - Tranche I Emergency Relief Fund: $9,979,696
- CARES Act – Tranche III Minority Serving Institution: $1,214,318
- Campus Funds: $439,745
- Total Awards to Students: $11,633,759
- CARES Act – Tranche III Minority Serving Institution: $1,430,197
- Award to Students: $(1,214,318)
- Available for Fall student needs: $215,879

7,001 initial block grants awarded
5,048 requests for further assistance
9,973 students received funding
Initial awards sent out week of
Final awards distributed week of May 26
Enrollment

▪ As of February, enrollment was predicted to be down to around 14,600 FTES due to declining demographics of traditional college students.

▪ Current enrollment modeling suggests a considerable impact over the past three months, with a current expectation of 15,500-16,000 students for Fall 2020.

▪ Uncertainties regarding COVID-19, economic recovery, and virtual vs face-to-face instruction may result in…
  – Further decline as students stop-out momentarily
  – Notable increase as unemployed start/finish additional schooling
### Recommended planning scenarios - Revised 5/14/20

<table>
<thead>
<tr>
<th></th>
<th>19/20 Budget</th>
<th>Scenario 1</th>
<th>Scenario 2</th>
<th>Scenario 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTES</td>
<td>15,615</td>
<td>14,545</td>
<td>13,818 (-5%)</td>
<td>13,091 (-10%)</td>
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<tr>
<td>Tuition Revenue</td>
<td>91,500,000</td>
<td>83,983,000</td>
<td>79,779,000</td>
<td>75,584,000</td>
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<tr>
<td>Non Resident</td>
<td>2,830,000</td>
<td>2,355,000</td>
<td>2,237,000</td>
<td>2,120,000</td>
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<td>Campus Rev</td>
<td>94,330,000</td>
<td>86,338,000</td>
<td>82,016,000</td>
<td>77,704,000</td>
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<tr>
<td>GF Reduction</td>
<td>0.0%</td>
<td>10.0%</td>
<td>10.0%</td>
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<td>GF Allocation</td>
<td>140,015,000</td>
<td>126,014,000</td>
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<td>Total G1006 Budget</td>
<td>234,345,000</td>
<td>212,352,000</td>
<td>208,030,000</td>
<td>203,718,000</td>
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<tr>
<td>Funding Decrease</td>
<td>-</td>
<td>(21,993,000)</td>
<td>(26,315,000)</td>
<td>(30,627,000)</td>
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At 10% State reduction and 10% enrollment decline from expected, $30.6M gap
Planning Process

1. Multi-year planning horizons
   - 6-month
   - 18-month
   - 4-year
2. Reserves for economic uncertainty
3. Strategic Investments
4. Infrastructure options
5. Personnel adjustments
6. Division-specific actions
Questions?