

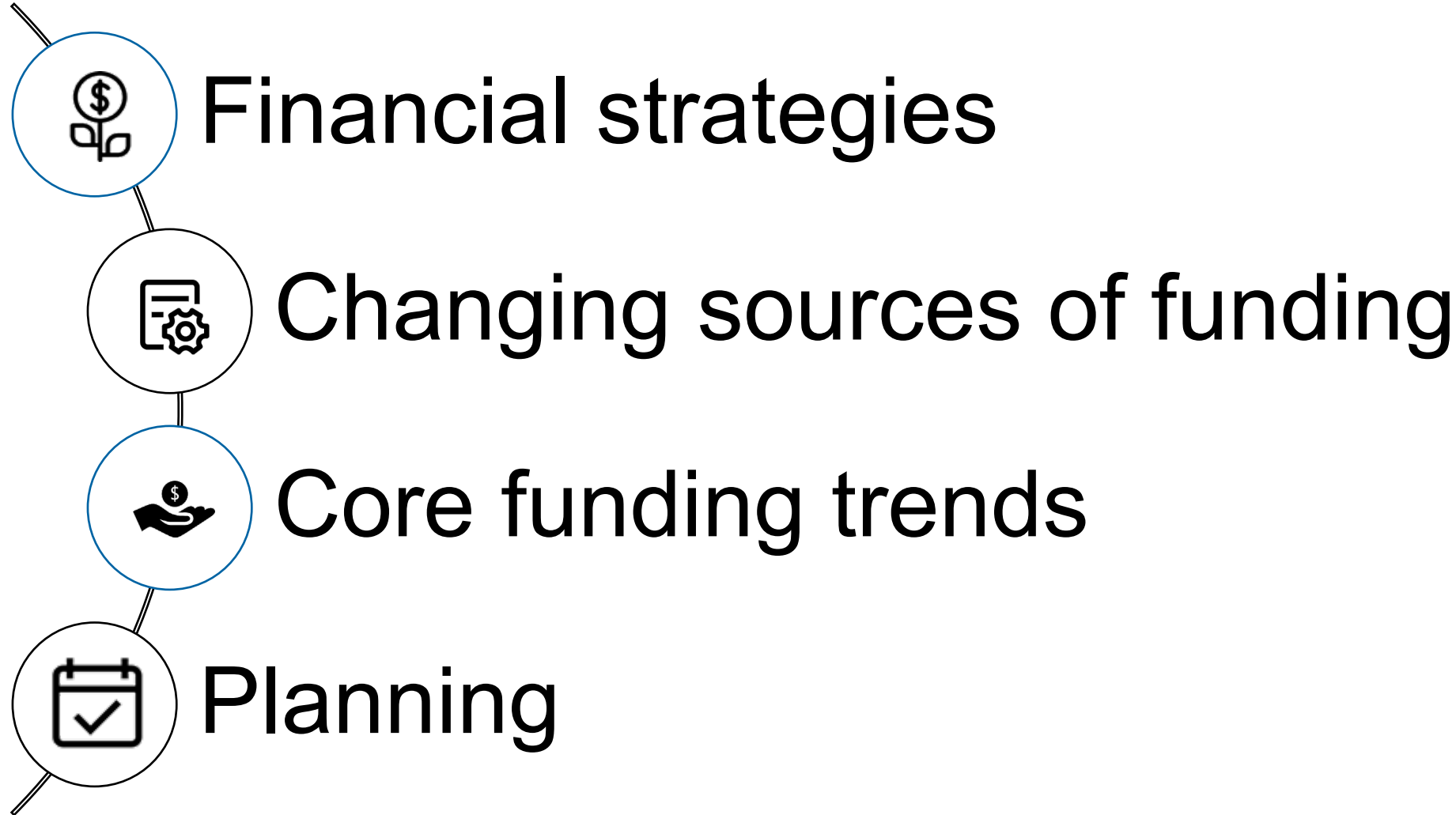


Provost Leadership Academy

Katherine Gallardo, Assistant Vice Chancellor – Budget Office

December 10, 2021

Agenda

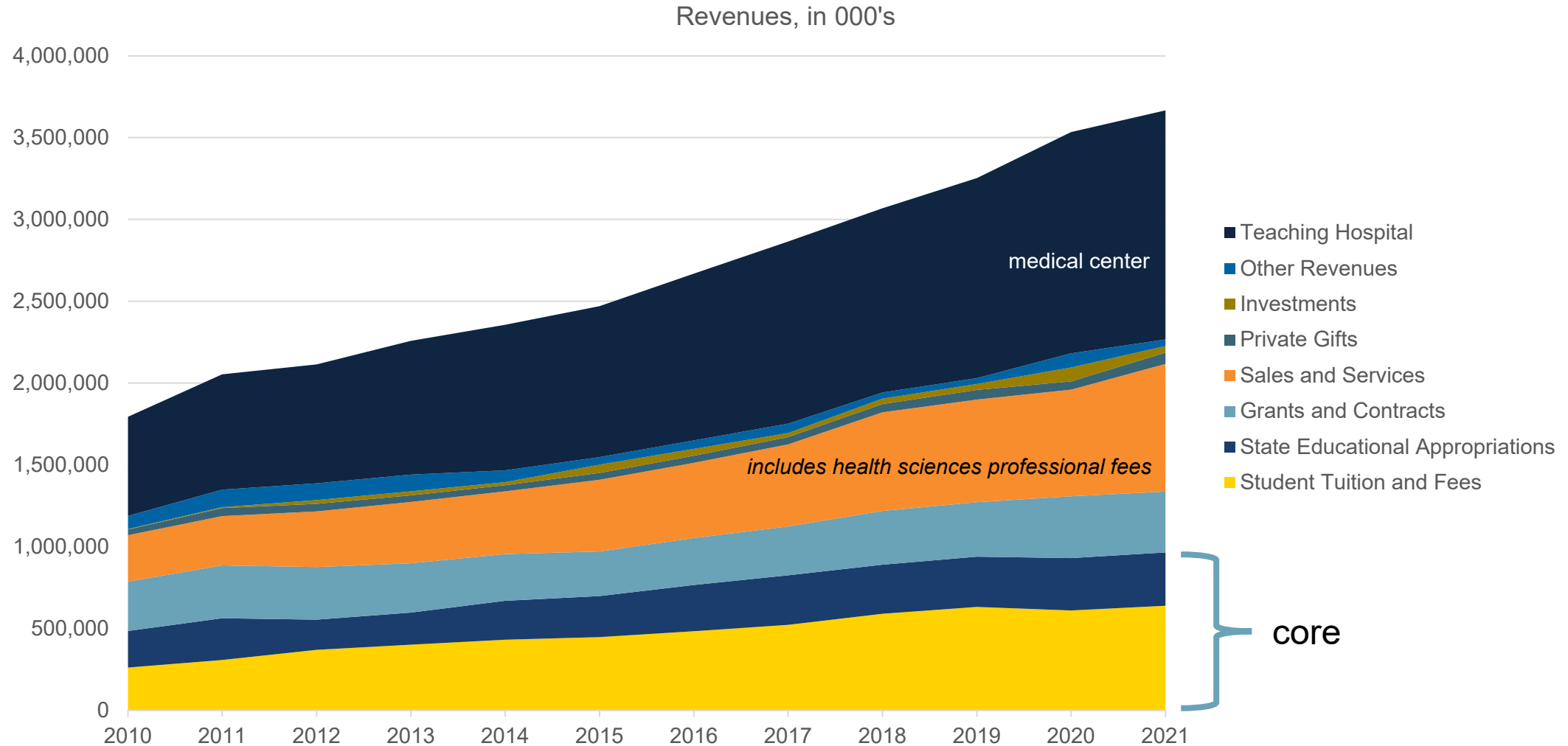


Financial Strategies

- Diversify funding sources
 - Reduce reliance on only core
 - Philanthropy
 - Investments
 - Research (indirect cost recovery)
 - Self-supporting and professional programs
 - Non-resident tuition

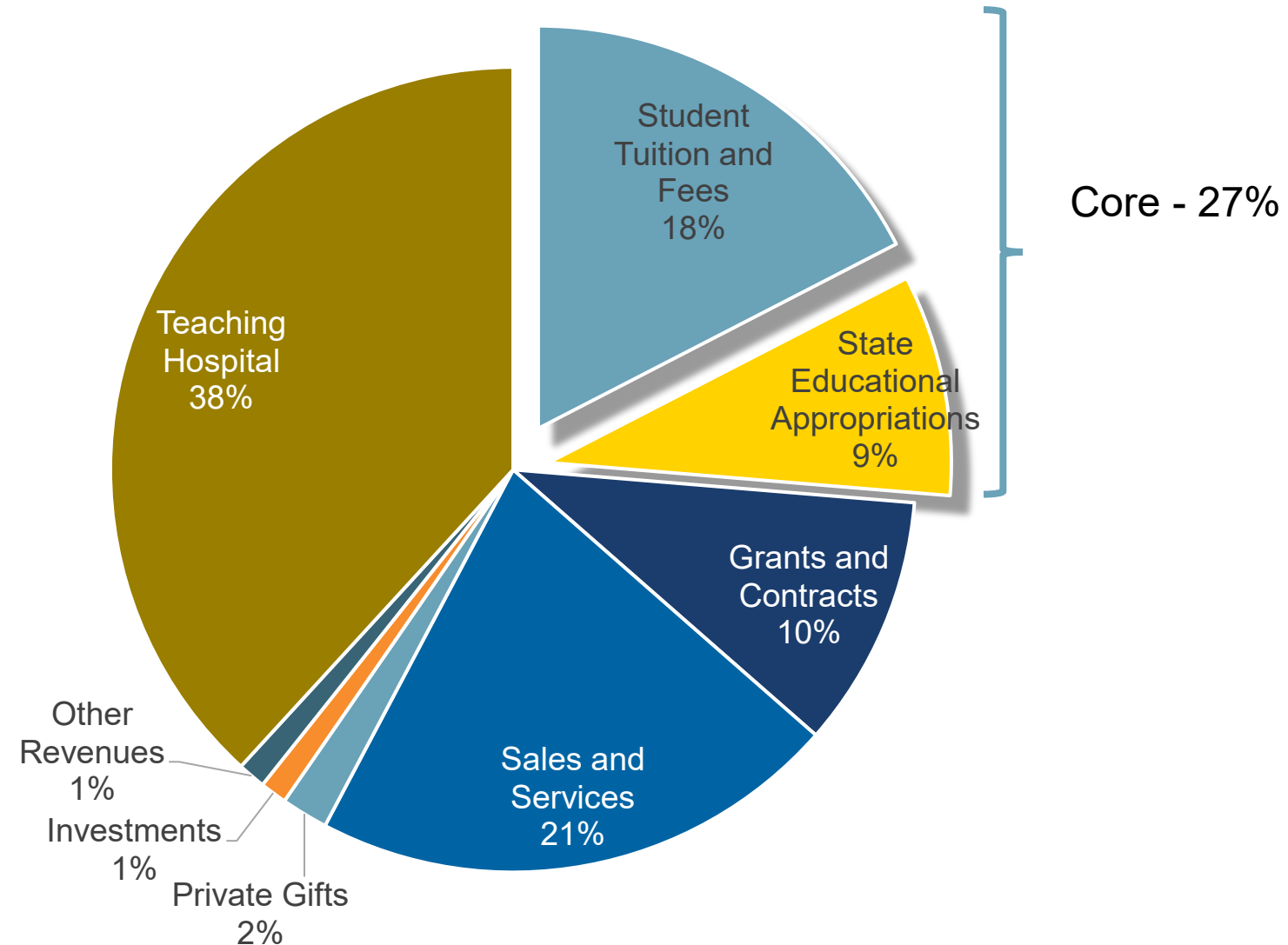


Changing Sources of Funding | UCI

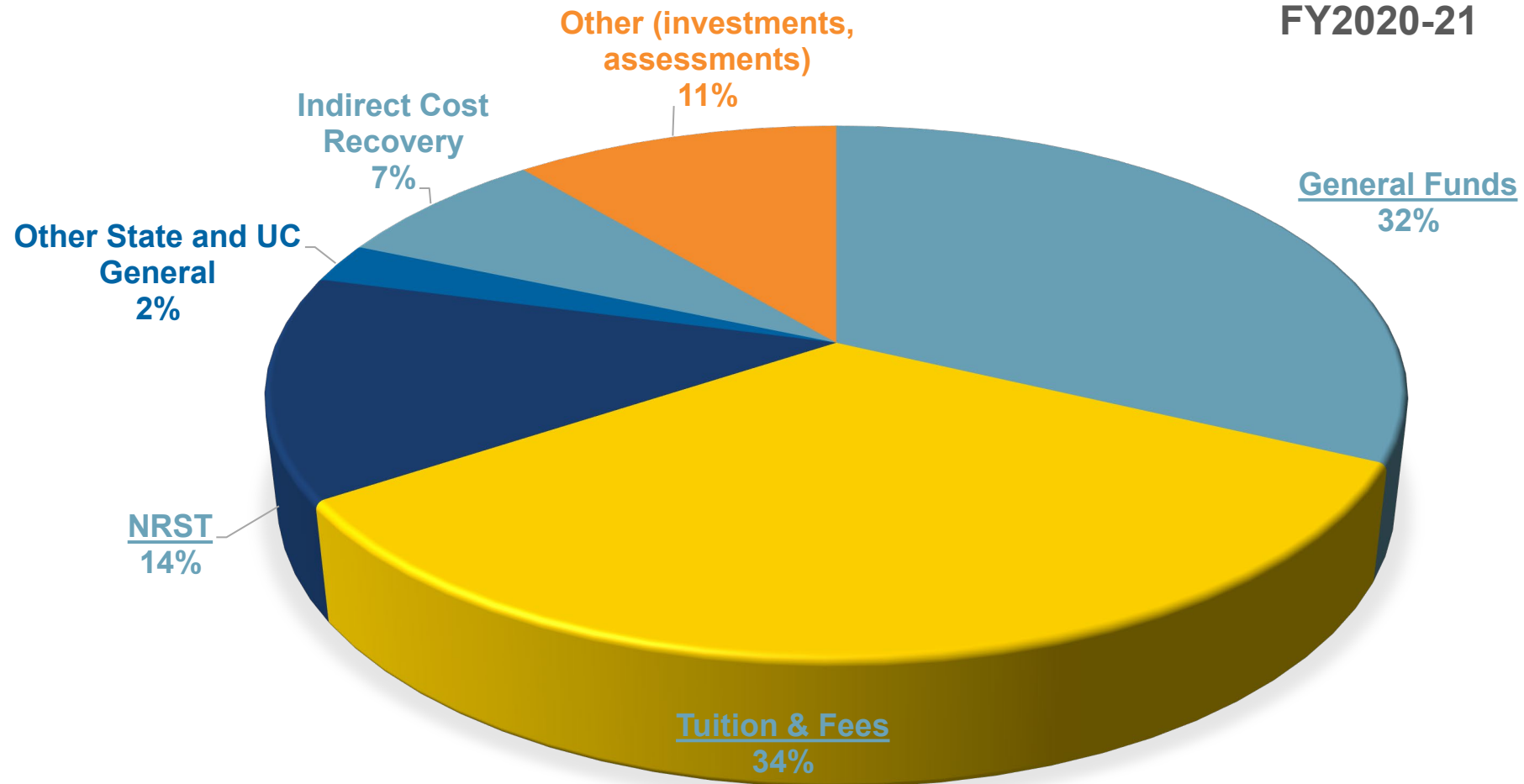


UCI Revenues by Fund Source | FY2021, \$3.67B

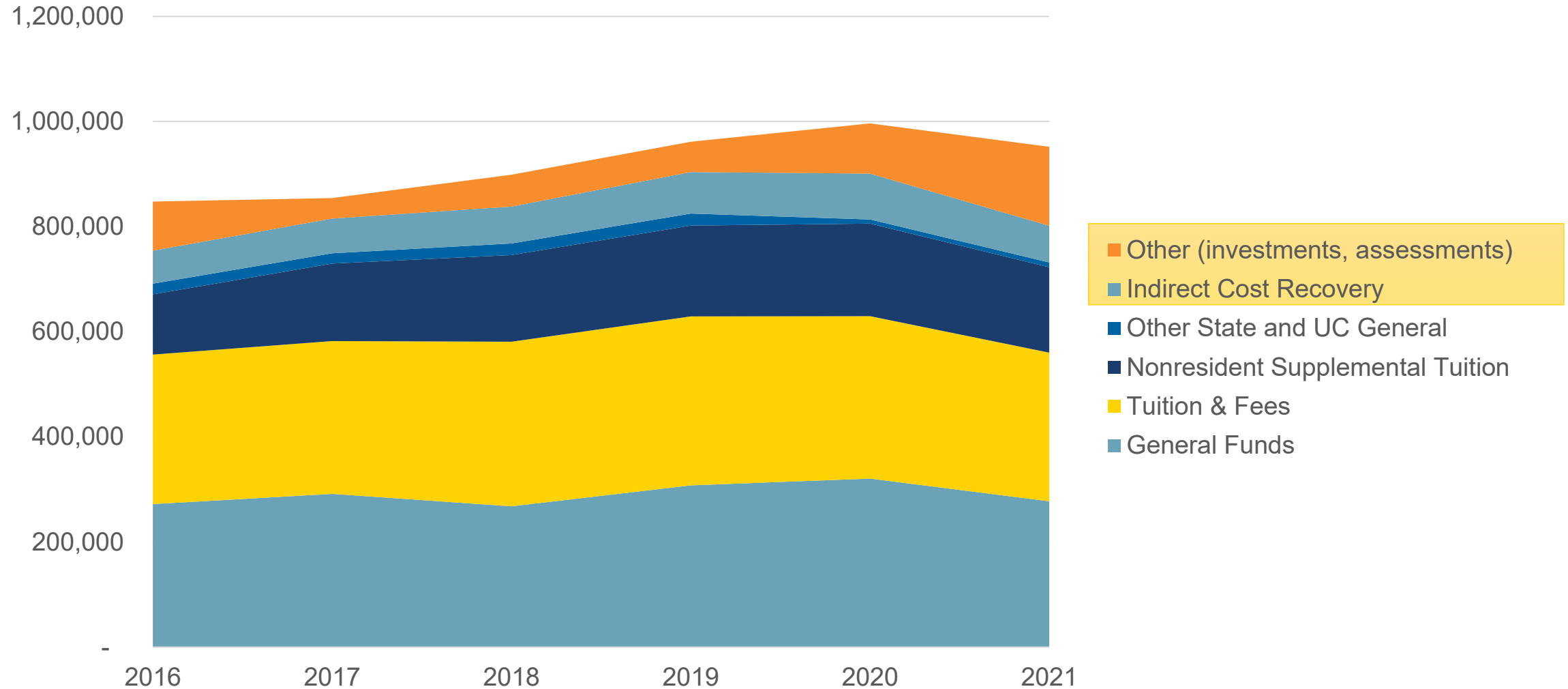
(Teaching Hospital-\$1.4B; General Campus-\$2.27B)



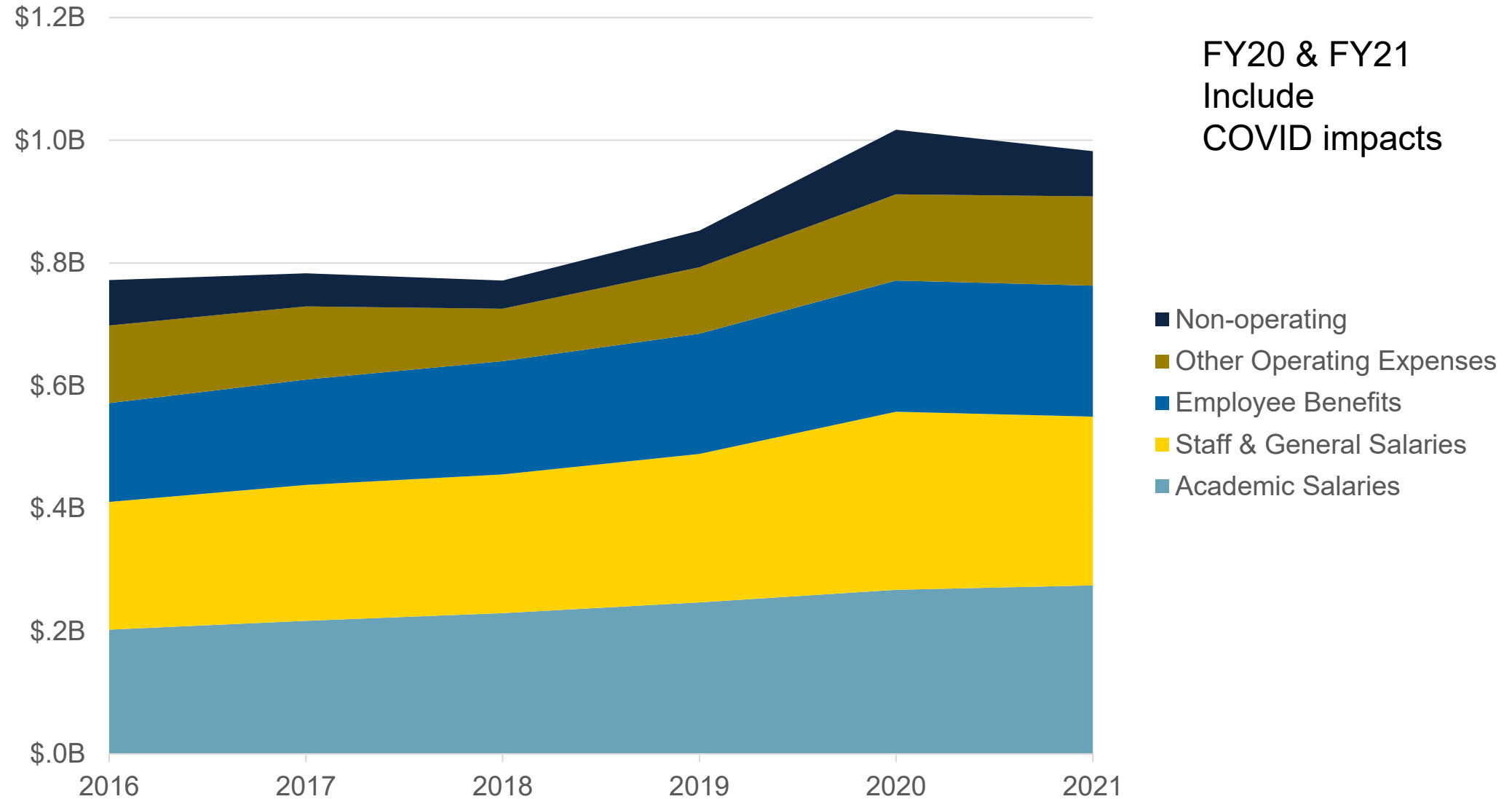
Core & Other Unrestricted Campus Support – Sources FY21 - \$908M



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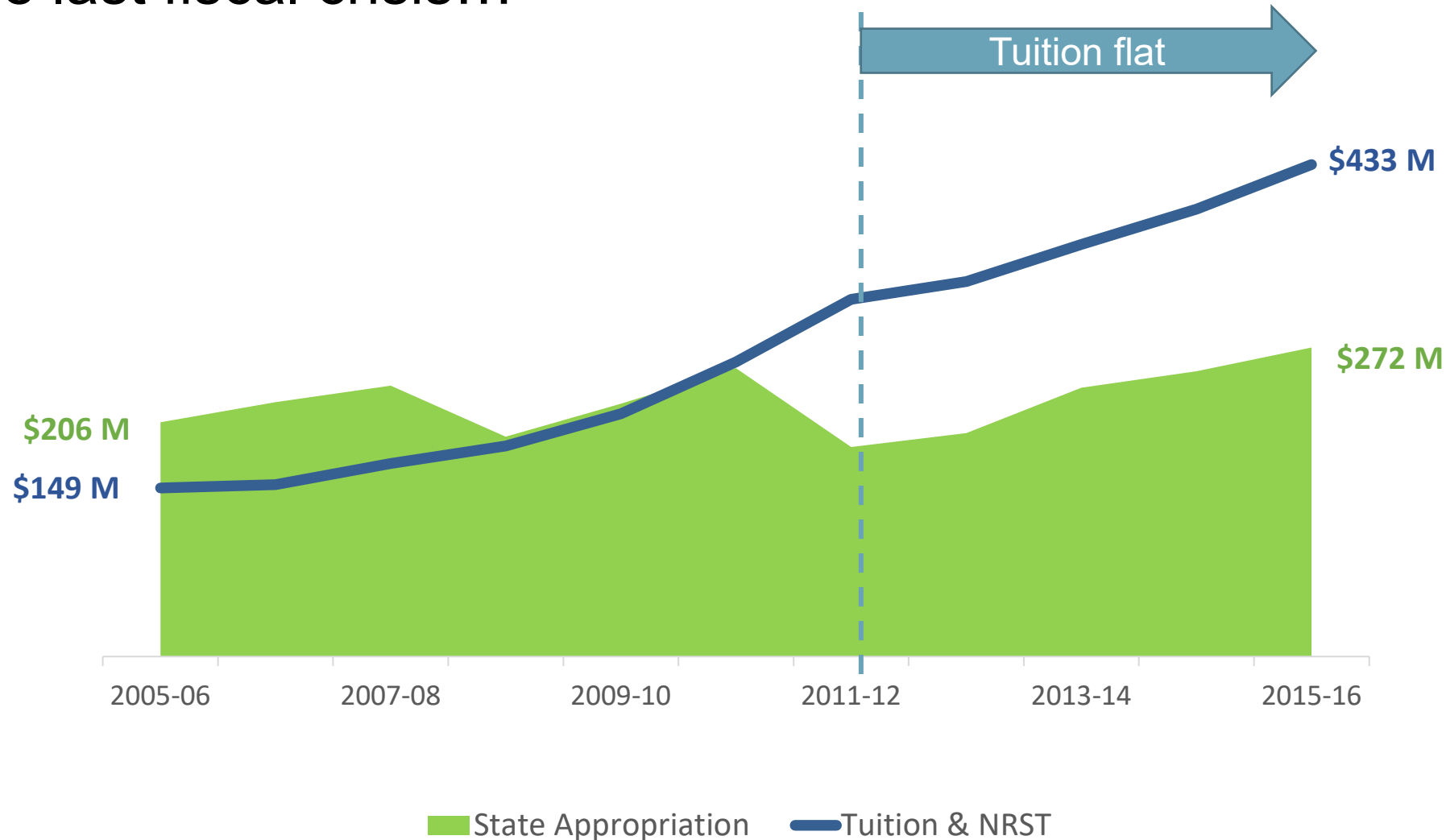


Core & Other Unrestricted Campus Support – Uses - \$982M



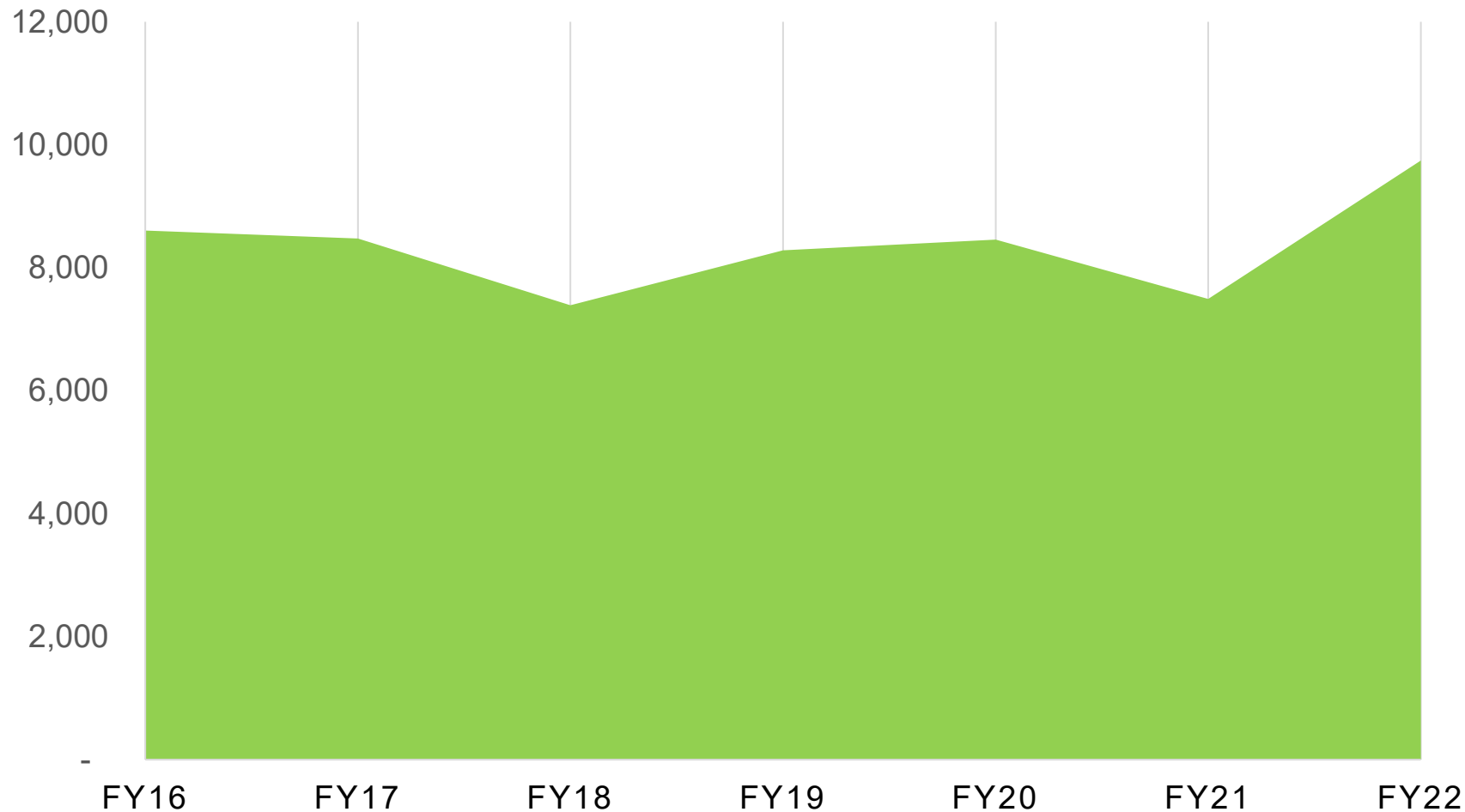
State Appropriation and Tuition Revenues

thru the last fiscal crisis...



State Appropriation Per Student FTE

more recently...tuition still flat except 2018 2% increase



Financial Strategies

We can't do everything!

Pervasive effort to align resource allocations with strategic plan

- Faculty recruiting plans with specific goals
- Targeted growth in certain areas
- Budget for strategic ad hoc opportunities
- Funnel requests to budget and review cycle, prioritize

Current State

- *Relatively* good financial condition
- Challenges
 - Structural deficit
 - Continued uncertainty about core revenues
 - Retention
 - Pandemic
- Not in crisis mode



Planning Tools

Data, ratios, trends, reporting

Financial Modeling

- All funds – 10 year
- Core funds – 5 year
- Scenarios to evaluate projected fiscal impact
- Sensitivity analysis

Not in crisis mode but...

If we do nothing, future financials are concerning

Core Campus Support Forecast

Scenario 1- continuing trends; known commitments

DRAFT FOR INTERNAL PLANNING
PURPOSES ONLY

	-----Actual Financial Results-----			Forecasted Financial Results-----		
	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
<i>\$ in thousands</i>						
Operating Sources						
Total Operating Sources	958,572	980,625	898,601	1,017,450	1,030,268	1,056,010
Operating Uses						
Academic Salaries	246,898	267,442	274,496	285,655	297,081	308,964
Staff Salaries	161,164	202,933	191,460	220,000	228,800	237,952
General Salaries	80,723	87,180	85,423	87,518	90,144	92,848
Employee Benefits	196,263	213,883	214,736	223,700	232,648	241,954
Subtotal - Operating Uses	685,047	771,438	766,116	816,873	848,673	881,718
Subtotal - Student Aid and Other Expenses	108,105	140,719	104,162	150,664	141,640	143,971
Debt Service	31,722	30,001	30,290	34,197	35,533	34,731
Total Operating Uses	824,874	942,158	900,569	1,001,733	1,025,846	1,060,420
Net Before Transfers and One-Time Activity	133,699	38,467	(1,968)	15,716	4,423	(4,410)
Transfers In (Out)						
Total Transfers In (Out)	(4,794)	(3,137)	806	(36,462)	(36,357)	(36,255)
Net before One-Time Activity	128,904	35,329	(1,161)	(20,746)	(31,934)	(40,665)
One-Time Activity In (Out)						
Total One-Time Activity	(25,182)	(56,244)	44,818	62,973	(13,047)	(15,254)
Change in Net Position	103,723	(20,915)	43,657	42,227	(44,981)	(55,919)

Future

Optimistic

- One-time resources
- Budget work group



Innovative, resilient, and resourceful

Questions / Discussion
