



# Fiscal Year 2025 Operating Budget Update

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## Finance and Facilities Committee

Finance and Facilities Division

*November 19, 2024*

# FY2025 Operating Budget Update

- » FY2025 operating budget update shows improvement
- » Enrollment growth is the main driver of budget improvement
  - Most colleges and universities anticipate improving enrollment between FY2024 and FY2025 compared to June projections
  - One college is projecting enrollment decline and two universities projecting no enrollment change declining
- » The financial position of the Revenue Fund is projected to improve due to enrollment growth
  - Residential housing occupancy rates increased by 6.9%
  - Student unions and wellness centers also improving
- » Less fund balance is projected to be needed to cover budgetary gaps

# Workday Finance Priorities

## » Payroll Posting

- Fix duplicate entries from August payrolls already posted
- Need timely posting of payroll to accounting

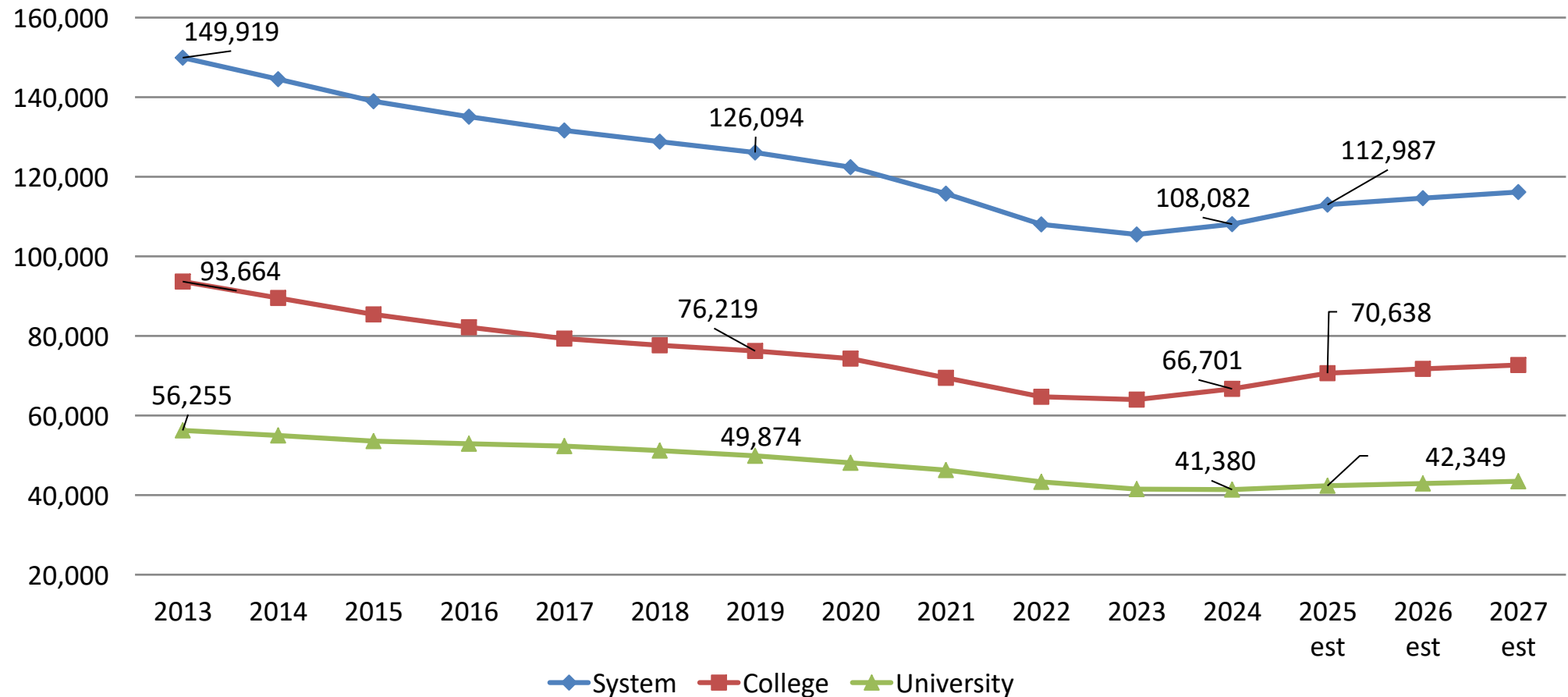
## » Financial budget/actual reports

- Identify standard reports
- Ensure access to reports and/or data in the reports
- Skill building sessions to deepen understanding and interpreting data

# System's Enrollment Outlook for FY2025

<b>FY2025 Est Compared to FY2024 Actual</b>	<b>June 2024 Enrollment Projections</b>	<b>June 2024 Enrollment FYE Projection</b>	<b>October 2024 Enrollment Projections</b>	<b>October 2024 Enrollment Projections</b>
Colleges	2.1%	68,091	5.9%	70,638
Universities	0.1%	41,408	2.3%	42,349
System	1.3%	109,499	4.5%	112,987

# Historical and Projected Enrollment for the System



# FY2025 All Funds Budget **UPDATE** October 2024

<i>\$s in millions</i>	FY2025 Approved Budget	FY2025 Updated Budget	\$ Change	% Change
<b>Revenues/Sources</b>				
General Fund	\$1,826.4	\$1,850.2	\$23.8	1.3%
Revenue Fund	\$118.7	\$119.7	\$1.0	0.8%
Other Funds	\$409.6	\$419.4	\$9.8	2.4%
<b>Revenues/Sources Total</b>	\$2,354.8	\$2,389.3	\$34.6	1.5%
<b>Expenses/Uses</b>				
Compensation	\$1,491.7	\$1,493.3	\$1.5	0.1%
Operating costs	\$911.5	\$927.1	\$15.6	1.7%
<b>Expenses/Uses Total</b>	\$2,403.2	\$2,420.3	\$17.1	0.7%
<b>Budget gap</b>	<b>(\$48.4)</b>	<b>(\$31.0)</b>		
<b>Fund balance to balance budget</b>	\$52.1	\$38.5		
<b>Budget balance</b>	\$3.7	\$7.6		

*\*Numbers may not add due to rounding.*

# FY2025 General Fund Budget **UPDATE** October 2024

\$s in millions	FY2025 Approved Budget	FY2025 Updated Budget	\$ Change	% Change
<b>Revenues/Sources</b>				
State appropriation	\$923.2	\$923.2	\$0.0	0.0%
Tuition	\$729.5	\$750.4	\$20.9	2.9%
Other revenues	\$153.4	\$157.9	\$4.5	2.9%
Fund balance for 1x investments	\$20.2	\$18.7	(\$1.6)	-7.7%
<b>Revenue/Sources Total</b>	<b>\$1,826.4</b>	<b>\$1,850.2</b>	<b>\$23.8</b>	<b>1.3%</b>
<b>Expenses/Uses</b>				
Compensation	\$1,371.5	\$1,372.9	\$1.4	0.1%
Operating costs	\$499.2	\$505.1	\$6.0	1.2%
<b>Expenses/Uses Total</b>	<b>\$1,870.7</b>	<b>\$1,878.0</b>	<b>\$7.4</b>	<b>0.4%</b>
<b>Budget gap</b>	<b>(\$44.3)</b>	<b>(\$27.8)</b>		
<b>Fund balance to balance budget</b>	\$45.9	\$32.9		
<b>Budget balance</b>	\$1.6	\$5.1		

# FY2025 Milestones Remaining

- » Enrollment projections will be requested in February and May
- » FY2025 budget update submitted as part of the FY2026 operating budget process in May/June
- » Continue the stabilization of Workday HCM and FIN
  - Operational payroll accounting procedures that are easy to use and result in accurate costing allocations
  - Standard Year-to-date Budget to Actuals reports are identified and implemented





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