

**CALIFORNIA STATE UNIVERSITY
SAN BERNARDINO
FY 26/27 Operating Budget - May Revision**



University Budget Advisory Committee (UBAC)
June 10, 2026

FY 2026-27 GOVERNOR'S MAY REVISION

Budget Status

- Achieves a balanced 2026–27 budget
- Driven by higher revenues & one-time solutions

Revenue

- ~\$16B increase across three-year budget window
- Driven by the Big Three sources: Personal Income, Corporate, and Sales & Use Taxes

Expenditures

- General Fund: ~\$246.6B in 2026-27

FY 2026-27 GOVERNOR'S MAY REVISION

CSU Funding – May Revision

Funding Status

- No changes from January proposal

Compact Investments

- FY 26/27: \$264.8M (full funding)
- FY 25/26: \$100.9M (partial funding)

Key Takeaways

- CSU funding preserved in the short term
- Prior-year funding still partially deferred

FY 2026-27 GOVERNOR'S MAY REVISION

State Budget Outlook

Timing

- Budget finalized in June

Structural Challenge

- Ongoing structural deficit (over \$10B annually)

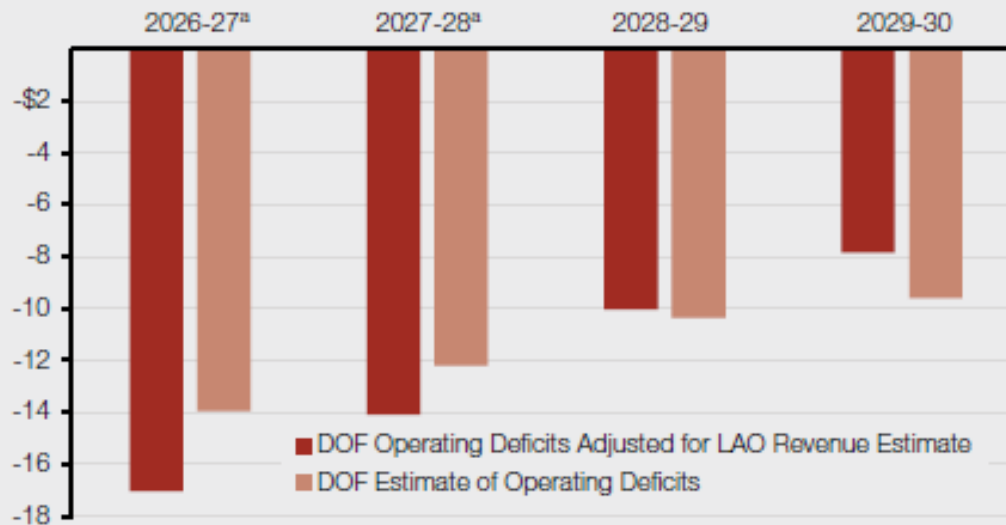
Key Risks

- Revenue volatility (capital gains driven)
- Reduced reserves
- Increased borrowing

STATE OF CALIFORNIA STRUCTURAL DEFICIT PROJECTION

Structural Deficits Persist

(In Billions)



^a Excludes transfers to the Temporary Surplus Holding Account (TSHA).

DOF = Department of Finance.

LAO

FY 2026-27 GOVERNOR'S MAY REVISION

Summary

- Revenue outlook improved
- Budget technically balanced
- Relies on reserves and borrowing
- Structural deficit unresolved

Implications

Potential future pressure on:

- Higher education funding
- CSU compact commitments

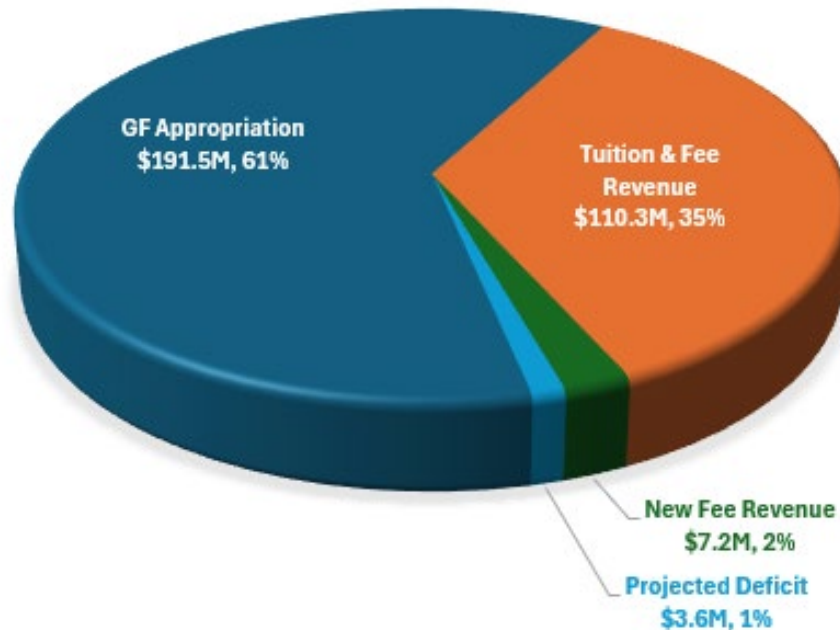
Planning Approach

- Remain cautiously optimistic
- Monitor final budget negotiations closely

FY 2026-27 CSUSB BUDGET OUTLOOK

FY 2026-27 projected budget deficit represents approximately 1% of CSUSB's overall 2026-27 operating budget

FY 2026-27 Projected Operating Budget: \$308.9M



FY 2026-27 CSUSB BUDGET SUMMARY

Assumptions:

1. \$264.8M Full Compact Funding for FY 26/27
2. \$100.9M Partial Compact Funding for FY 25/26
3. No Restoration of \$143.8M FY 25/26 Baseline Reduction

	Budget Year FY 2025-26 (a)	Planning Year FY 2026-27 ⁴ (b)	Future Year FY 2027-28 ⁴ (c)	Future Year FY 2028-29 (d)
1 Prior Fiscal Year Appropriation	\$185,489,000	172,686,000	\$191,467,500	\$191,467,500
2 Planning Year Base Funding (Reduction)	(5,556,000) ¹	12,799,500 ⁵	-	-
3 Reinstatement of GF Cut	4,048,000 ²	-	-	-
4 Retirement Adjustment	(5,272,000) ³	4,769,000	-	-
5 Mandatory Costs (Health/Liability/Utility)	4,044,000	1,958,000	-	-
6 State University Grant Reduction	(3,418,000)	6,462,000	-	-
7 GF Adjustment	(6,649,000)	(7,207,000)	-	-
8 Total GF Appropriation	172,686,000	191,467,500	191,467,500	191,467,500
9 Campus Prior Year Fee Revenue/Other	106,936,942	110,269,507	117,476,507	123,444,507
10 Planning Year Fee Revenue	3,332,565	7,207,000	5,968,000	6,386,000
11 Total Tuition & Fee Revenue	110,269,507	117,476,507	123,444,507	129,830,507
12 Total Resources	282,955,507	308,944,007	314,912,007	321,298,007
13 Planning Year's Increase (Decrease) From Prior Year	(9,470,435)	25,988,500	5,968,000	6,386,000
14 Planning Year Campus Commitments	3,432,445	29,592,333	2,300,000	2,300,000
15 Planning Year's Budget Surplus/(Deficit)	(12,902,880)	(3,603,833)	3,668,000	4,086,000
16 Deficit Mitigation	(17,075,878)	(10,225,267)	-	-
17 Adjusted Base Budget Surplus/(Deficit)	\$4,172,998	\$6,621,434	\$3,668,000	\$4,086,000

Footnote:

- ¹ FY 25/26 CSUSB's share of 3% base budget reduction
- ² FY 24/25 \$75M one-time budget reduction reinstatement
- ³ Adjustment due to retirement rate decrease in FY 24/25

- ⁴ Compensation increase may trigger for the Compact fundings in FY 26/27 (and FY 27/28)
- ⁵ State did not restore \$143.8M base funding so prior year's baseline commitment was used.

FY 2025/26 DIVISIONAL FUNDING REQUESTS

1	<i>Beginning Balance</i>		4,172,988
	DIVISION	FUNDING REQUEST	
2	Academic Affairs		1,149,083
3	Finance, Technology and Operations		148,610
4	Office of the President		35,733
5	Strategic Enrollment Management and Marketing		170,906
6	Student Affairs		1,122,105
7		<i>Total Requests</i>	2,626,437
8	<i>Ending Balance</i>		1,546,551

FY 2026-27 CSUSB BUDGET SUMMARY

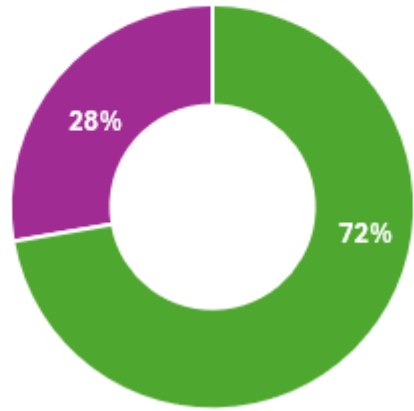
SOURCES OF FUNDS (Incremental New Revenue)		BUDGET PLAN
State Operating Fund		
1	GF Appropriation from FY 25/26 Partial Compact (\$100.9M)	3,531,500
2	GF Appropriation for FY 26/27 Full Year 5 Compact Funding (\$264.8M)	9,268,000
3	Retirement Adjustment	4,769,000
4	Campus Mandatory Costs (Health, Liability, Utility)	1,958,000
5	State University Grant (SUG) Adjustment	6,462,000
6	GF Adjustment	(7,207,000)
7	Total Base Appropriation	18,781,500
Campus Revenue		
8	Planning Year Fee Revenue	7,207,000
9	Total Campus Base Fee Revenue	7,207,000
10	TOTAL NEW SOURCES	25,988,500
USES OF FUNDS (Incremental New Expenditures)		BUDGET PLAN
Mandatory Costs		
11	Retirement Adjustment	4,769,000
12	Campus Mandatory Costs (Health, Liability, Utility)	1,958,000
13	State University Grant (SUG) Adjustment	6,462,000
14		13,189,000
Campus Commitments		
15	2023-2028 Strategic Plan	1,281,495
16	FY 26/27 Campus Other Commitments (Anticipated)	1,000,000
17	Baseline FY 24/25 GSI	10,861,389
18	Baseline FY24/25 Minimum Wage Increase	131,000
19	Baseline FY 25/26 STEP Increases	1,429,449
20	Baseline FY 25/26 Cabinet Commitments	1,700,000
21		16,403,333
22	Total Base Mandatory Costs & Campus Commitments	29,592,333
23	Net Budget Balance - Surplus/(Deficit)	(3,603,833)
24	Deficit Mitigation*	10,225,267
25	Adjusted Base Budget Surplus/(Deficit)	6,621,434

*SEMM excluded from deficit mitigation plan (6% one-time reduction)

FY 2026-27 NEW SOURCES & USES OF FUNDS

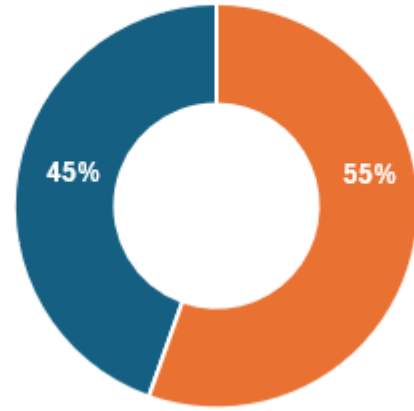
Sources of Funds - \$26.0M

■ GF Appropriation, \$18.8M ■ Fee Revenue \$7.2M



Uses of Funds - \$29.6M

■ Mandatory Cost, \$13.2M ■ Campus Commitments, \$16.4M



FY 2026-27 BUDGET ADJUSTMENTS

Division	Estimated Baseline Increases			Deficit Mitigation
	GSI FY24/25	Step Increases FY25/26	Total Compensation Allocations	6% One-Time Budget Reduction*
President	23,256	-	23,256	(56,891)
Academic Affairs	5,787,374	253,623	6,040,997	(4,699,767)
Student Affairs	278,730	29,304	308,034	(504,399)
Finance, Tech, & Ops	1,323,738	577,182	1,900,920	(1,585,362)
University Advancement	207,636	47,334	254,970	(253,543)
Human Resources	188,416	41,664	230,080	(235,468)
Strategic Enrl Mgmt/Mktg	298,416	78,756	377,172	-
Central - Salary Related Benefit	2,753,455	401,586	3,155,041	(2,889,837)
Total Budget	10,861,021	1,429,449	12,290,470	(10,225,267)

*One-Time Budget Reduction includes 6% reduction for divisions except SEMM.

FY 2026-27 ONE-TIME BUDGET

SOURCES OF FUNDS		BUDGET PLAN
Campus One-Time Sources		
1	2025 Summer CF	2,000,000
2	2026 Summer Revenue	3,000,000
	Total	5,000,000
USES OF FUNDS		BUDGET PLAN
<u>One-Time Commitments</u>		
3	iHUB 2023 Rent & Sublease Improvement (Ends FY 26/27) - Final Payment	136,370
4	CGI Agreement (FY 26/27 DS Payment)	932,374
5	CGI Agreement Down Payment (Installment #3) - Final Payment	691,689
6	CGI Agreement FY 19/20 - FY 21/22 DS (Installment #3) - Final Payment	424,041
7	Allocation Against Cell Tower Lease Revenue (Estimated)	253,769
8	Title IX Reserve	200,000
9	SSD Reserve	300,000
10	Various Deficit Mitigation	500,000
11	Central Various Fiscal Year Obligations	506,757
12	Summer GIG Funding (\$500K for Summer 2027)	500,000
13	Enrollment Initiatives	555,000
14	Total	5,000,000
BUDGET BALANCE - SURPLUS/(DEFICIT)		-

Questions

