

## University Budget Office

### CSU 2026-27 Operating Budget Request Update

At the September 2025 CSU Board of Trustees Meeting the *2026-27 Operating Budget Request* was presented to the Board for approval. The [full budget request](#) can be viewed directly from the CSU Board of Trustees website as part of the handout from the Committee on Finance (Attachment B).

The CSU proposed a \$9.09 billion operating budget for 2026-27, an increase of \$597.1 million over 2025-26. Given the challenging fiscal climate, the plan focuses on protecting and strengthening existing commitments rather than launching new initiatives.

This year's top priorities are restoring the \$143.8 million base reduction and funding the \$252.3 million Year 4 Compact commitment.

<b>SOURCES OF FUNDS</b> (Incremental New Revenue in Millions)	<b>BUDGET PLAN</b>
State General Fund: Restore 2025-26 Reduction	\$143.8
State General Fund: Compact Year 4	252.3
Tuition: 6% Rate Increase	175.8
Tuition: 1% Enrollment Growth	25.2
<b>TOTAL NEW SOURCES</b>	<b>\$597.1</b>
<b>USES OF FUNDS</b> (Incremental New Expenditures in Millions)	<b>BUDGET PLAN</b>
<b>Baseline Commitments</b>	<b>\$323.7</b>
Financial Aid: State University Grant, Tuition Rate Increase	58.6
Health Premiums	20.7
Maintenance of New Facilities	12.9
Liability and Property Insurance Premiums	5.2
Utilities	18.4
Inflation on Non-Personnel Costs	28.4
2024-25 Faculty & Staff Compensation (University Funded)	159.3
2025-26 CSUEU Steps Implementation (University Funded)	20.2
<b>Essential Priorities</b>	<b>\$273.4</b>
Enrollment Growth (1%)	57.8
Financial Aid: State University Grant, Enrollment Growth	8.4
Faculty & Staff Compensation Pool (3%)	176.6
Debt Service: Facilities & Infrastructure	25.0
CSU Strategic Plan Priorities	5.6
<b>TOTAL NEW USES</b>	<b>\$597.1</b>

## Revenue (Sources)

The CSU is requesting \$597.1 million in new resources to meet its 2026-27 plan.

- In 2025-26, CSU faced major shortfalls due to a **\$143.8 million** (3%) General Fund cut and the deferral of **\$252.3 million** in Compact funding, which disrupted operations and planned commitments.
- In 2026-27, CSU will implement a 6% tuition increase (year three of its five-year plan), generating **\$175.8 million** to support key priorities and operations.
- Under the Compact, CSU will also grow systemwide enrollment by about 1% (3,511 resident undergraduate FTES), generating an additional **\$25.2 million** in tuition revenue to expand access and help meet statewide higher education goals.

REVENUE SOURCES (MILLIONS)	BASE	INCREASE	%
State General Fund: Restore 2025-26 Reduction	\$4,957	\$143.8	2.9%
State General Fund: Year 4 Compact		252.3	5.1%
Tuition: 6% Rate Increase	2,779	175.8	6.3%
Tuition: 1% Enrollment Growth		25.2	0.9%
Other Fees	753		
<b>TOTAL REVENUE</b>	<b>\$8,489</b>	<b>\$597.1</b>	<b>7.0%</b>

## Expenditures (Uses)

The CSU's plan for the \$597.1 million increase is divided into two parts:

- Baseline commitments (**\$323.7 million**): unavoidable costs the CSU must cover, such as mandatory expenses that continue regardless of new funding.
- Essential priorities (**\$273.4 million**): investments that support CSU's core values and directly contribute to student success.

BASELINE COMMITMENTS	(in millions)
Financial Aid: State University Grant – Tuition Rate Increase	\$58.6
Health Premiums	20.7
Maintenance of New Facilities	12.9
Liability and Property Insurance Premiums	5.2
Utilities	18.4
Inflation on Non-Personnel Costs	28.4
2024-25 Faculty & Staff Compensation (University Funded)	159.3
2025-26 CSUEU Steps Implementation (University Funded)	20.2
<b>TOTAL</b>	<b>\$323.7</b>

ESSENTIAL PRIORITIES	(in millions)
Enrollment Growth (1%)	\$57.8
Financial Aid: State University Grant – Enrollment Growth	8.4
Faculty & Staff Compensation Pool (3%)	176.6
Debt Service: Facilities & Infrastructure	25.0
CSU Strategic Plan Priorities	5.6
<b>TOTAL</b>	<b>\$273.4</b>

## Key Takeaways

The CSU's 2026-27 budget plan includes a \$597.1 million increase over 2025-26, focused on student success and employee support. Key priorities include:

- State University Grants connected to tuition increases and enrollment growth
- Workforce investments across all employee groups
- Debt service for facilities and infrastructure

As the budget process continues, the state, CSU system, and individual campuses will consider options to close potential funding gaps. These could include:

- Restoring state compact funding
- Delaying or reducing new priorities
- Shifting resources from existing programs to cover unavoidable costs
- Making permanent budget reductions

## Humboldt Budget Planning & Next Steps

The University Budget Office is beginning multiyear scenario planning that considers both the CSU's 2026–27 budget request and campus-specific factors, including enrollment projections and a 5% enrollment funding reallocation. More details will be shared as the budget planning process moves forward.

