

**Budget Open
Forum
*Spring 2026***



➤ Agenda

- **Introduction to the University Resources Planning Committee (URPC)**
 - Role in the budgeting process
 - Activities in the current AY
- **Understanding the Budget Context**
 - State → CSU → Campus
- **State of the Budget**
 - Governor's January Budget Proposal
 - Cal Poly Humboldt Budget Planning

> Introduction to the URPC

➤ What is the URPC?

- University Resources and Planning Committee
- A standing University Senate committee
- Composed of faculty, staff, students, and administrators
- Meets bi-weekly during the academic year
- Operates through shared governance and open participation

➤ Role of the URPC



Review & Monitor

Review budget information and assess emerging fiscal impacts across the institution.



Communicate & Engage

Share budget updates broadly and gather meaningful input from the campus community.



Advise & Recommend

Provide guidance on resource allocation, reductions, and long-term financial planning.



Align with Strategy

Promote alignment between budget decisions, strategic priorities, and student success outcomes.

➤ President's Charge to URPC

Educate

Inform the campus on state, system, and campus fiscal matters through forums and communications.

Recommend

Establish and maintain budgeting principles and priorities; recommend a balanced, strategically-aligned operating budget by year-end.

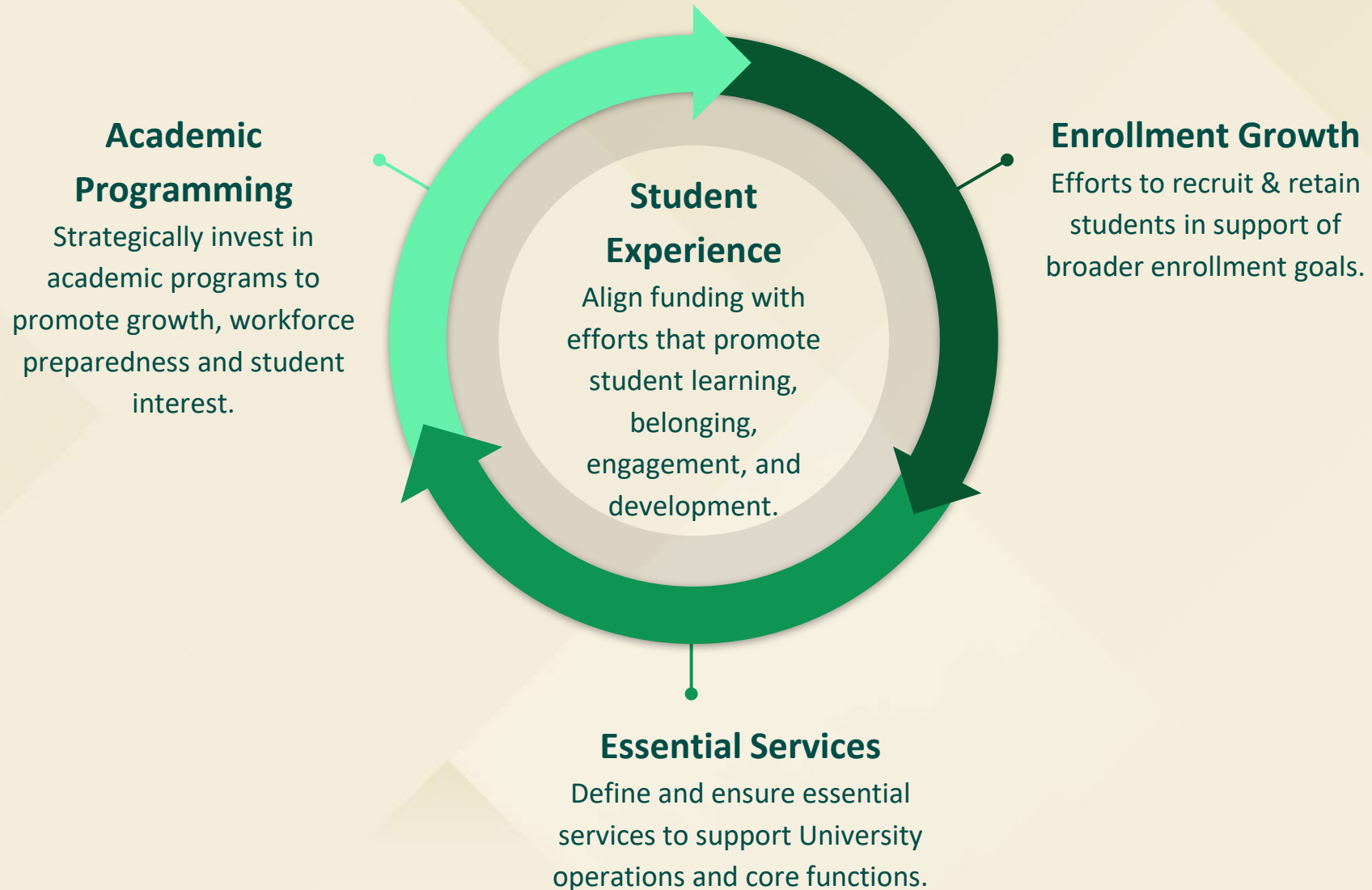
Partner & Collaborate

Support multi-year scenario planning and identify short- and long-term cost savings, cost avoidance, and alternative revenue strategies.

Review

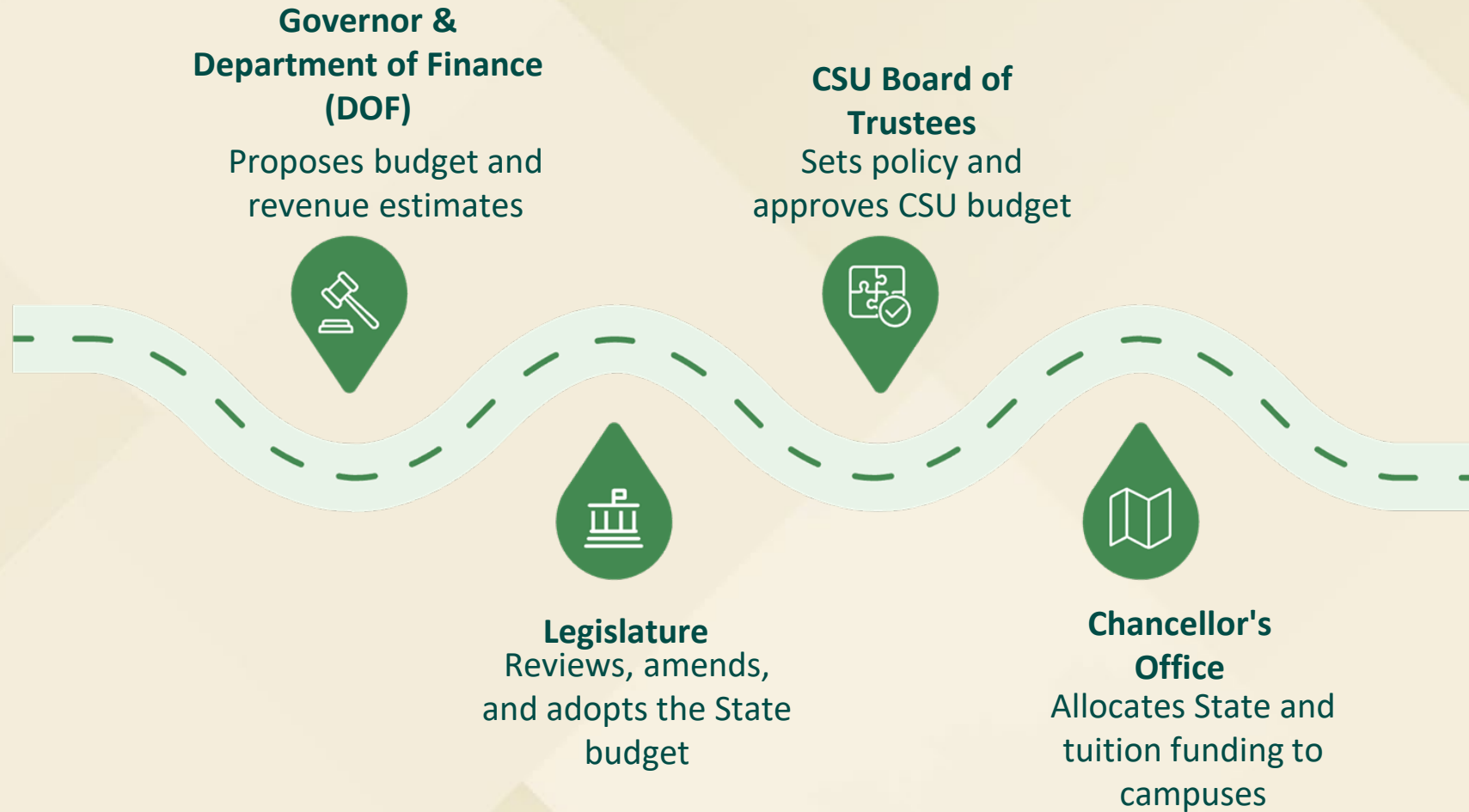
Recommend updates to budgetary policies and guidelines — including reserves and roll-forward rules — to ensure alignment with CO policy.

> URPC Budget Priorities



> Understanding the Budget Context

> Key Roles



*** Legislative Analyst's Office**

Independent, nonpartisan office providing fiscal analysis and projections.



➤ How the California State Budget Is Built



Economic
Outlook

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Higher Ed
Funding

California's budget process begins with economic conditions and revenue forecasts developed by the Department of Finance and the LAO.

The Legislature then allocates funds based on constitutional requirements and competing policy priorities — of which higher education is only one.

Key Takeaway:

CSU Funding is a discretionary portion of the General Fund and must compete annually for funding. Unlike K-14, CSU funding is not protected by Proposition 98.

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➤ Key Terms

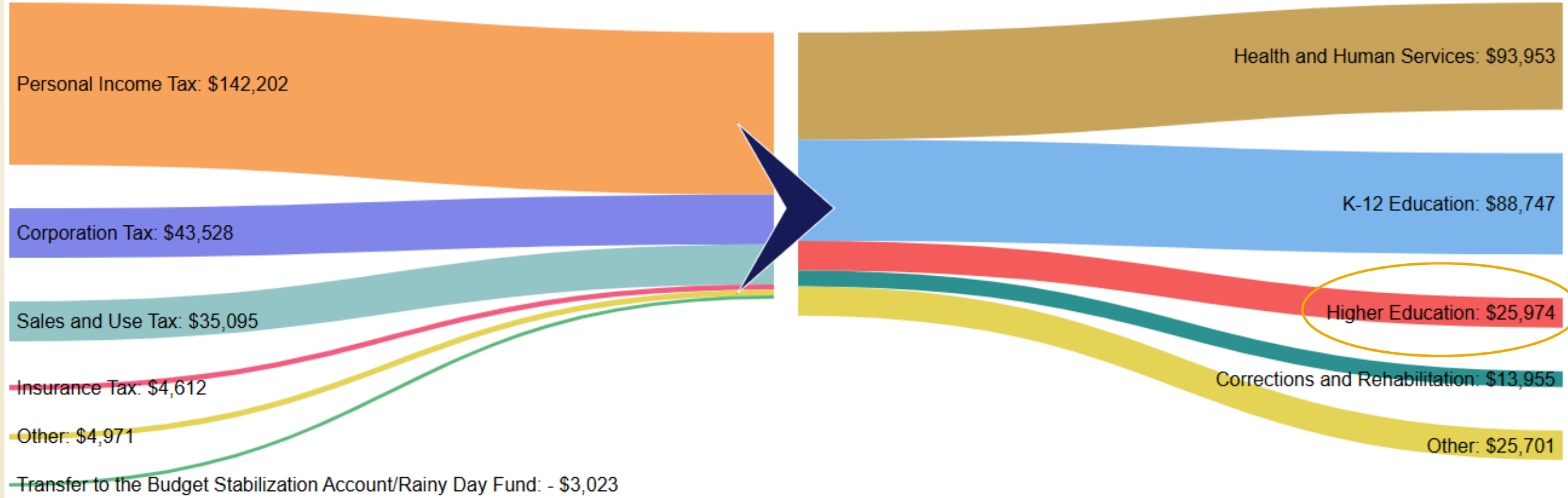
- **CSU Compact**
 - Multi-Year Funding Agreement (2022-2027)
 - 5% annual ongoing General Fund increases to the CSU over 5 years
 - Funding tied to:
 - Enrollment growth (~1% systemwide annually)
 - Student success & equity goals
 - Workforce development
 - Compensation and operational cost increases
- The compact has faced deferrals and partial funding throughout the years.

➤ Where CSU Fits in the State Budget

(Dollars in Millions)

REVENUES
Total: \$227,385

EXPENDITURES
Total: \$248,330



CSU funding represents approximately 1/3 of the higher education allocation.

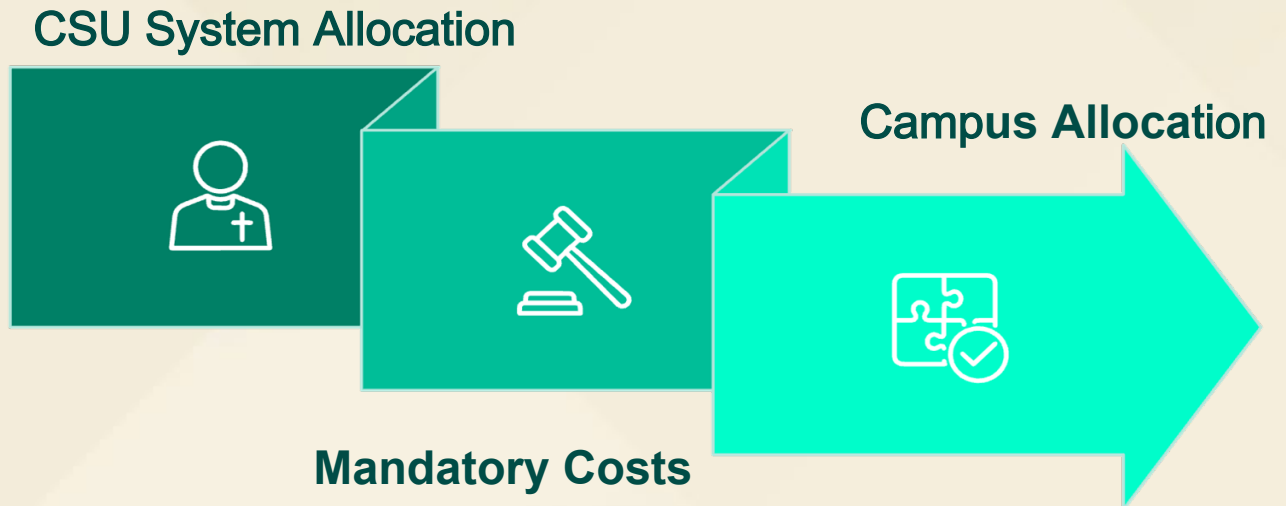


➤ State Budget to the CSU System

The State appropriates funds to the **CSU system as a whole**, not to individual campuses directly.

CSU systemwide priorities and mandatory costs are addressed first (employee compensation, benefits, system initiatives).

Funds are then distributed to individual campuses.



Key Takeaway:

Changes in the State budget don't necessarily translate dollar-for-dollar to campuses because funding first addresses CSU systemwide priorities and unavoidable costs.

➤ Key Terms

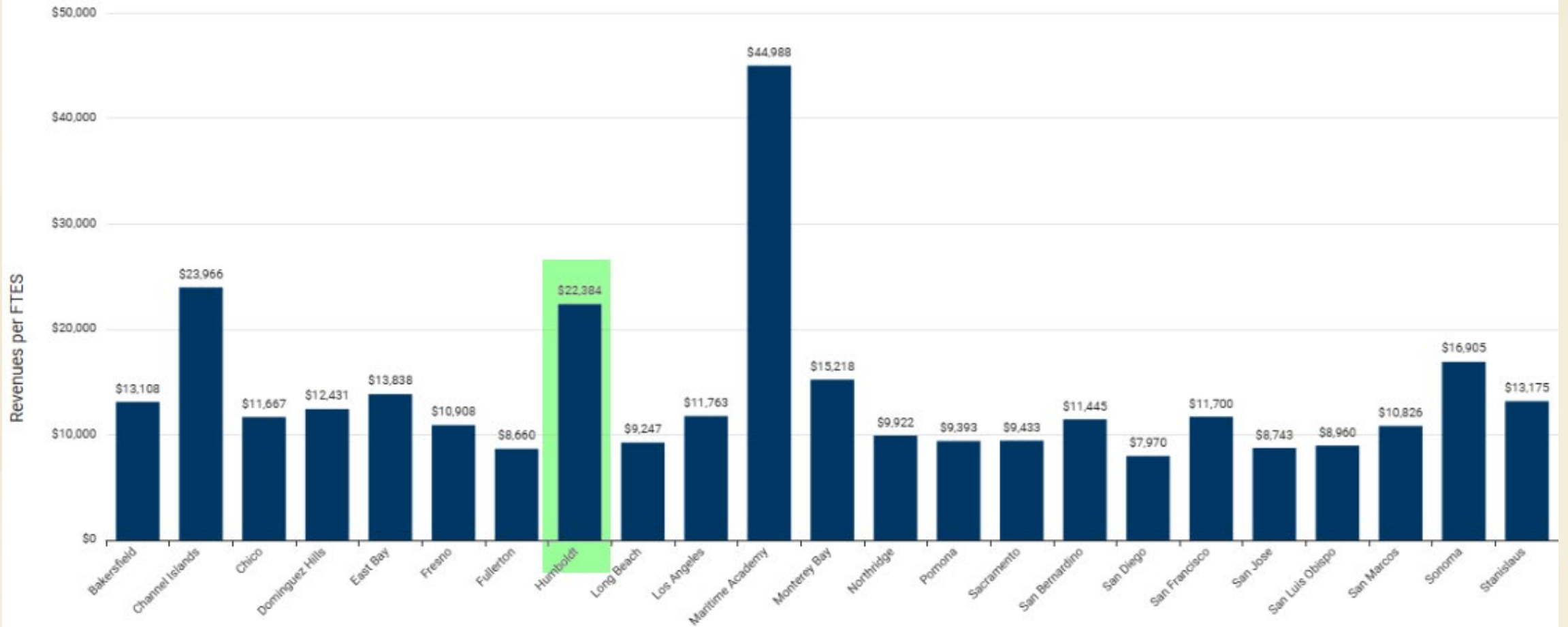
CSU Enrollment Target & Budget Reallocation Plan

- Multi-Year Framework adopted in January 2023
- State funding to CSU is tied to **resident** full time equivalent students (FTES)
- Each campus has a state funded enrollment target
- Campuses more than 10% below → 5% FTES & funding reallocated
- Reallocated funding is redistributed to campuses meeting or exceeding targets

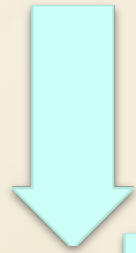
➤ State Appropriation per FTES

Revenues per FTES by University
Fiscal Year 2024-2025

Revenue Categories:
690-State Appropriations

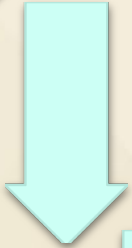


➤ CSU System to Campus Planning



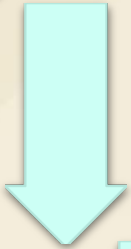
CSU Allocation Received

Campus receives funding from the CSU system.



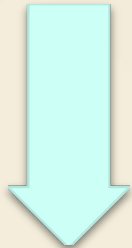
Campus Factors Applied

Enrollment projections, mandatory costs, strategic priorities.



Collaborative Planning

URPC and the Budget Office work together to educate the campus community and develop budget recommendations.

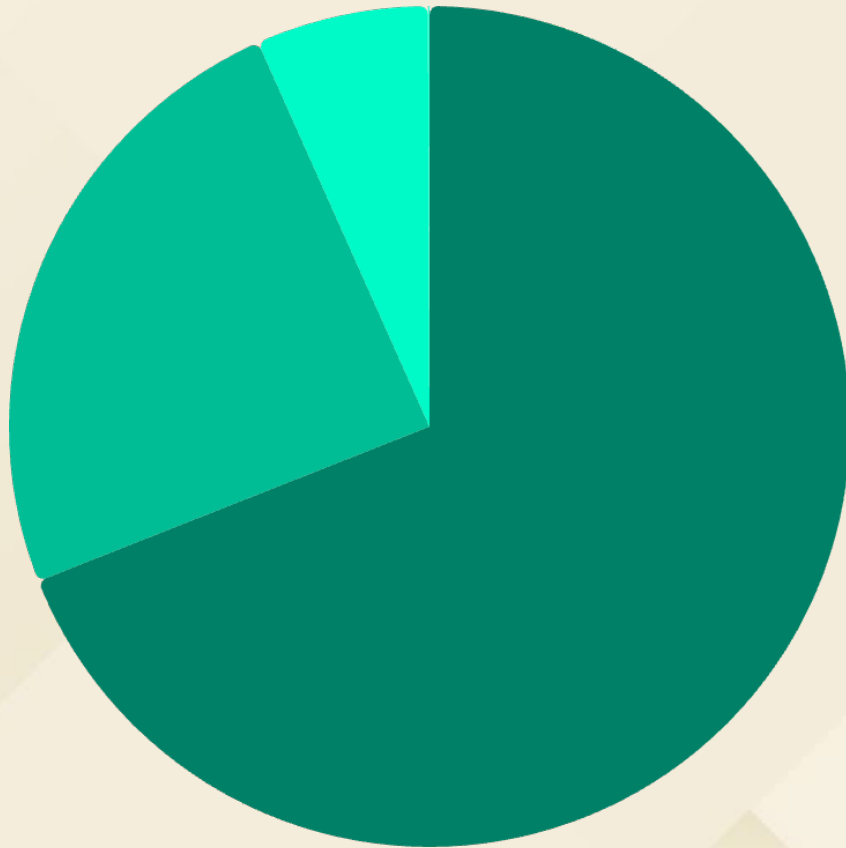



Final Budget

President approves the final budget which determines funding distributions and how reductions or new funding are handled.

› Campus Revenue Sources

Cal Poly Humboldt's operating budget of \$175.3M draws from several revenue streams that together support academic programs, student services, and campus operations.

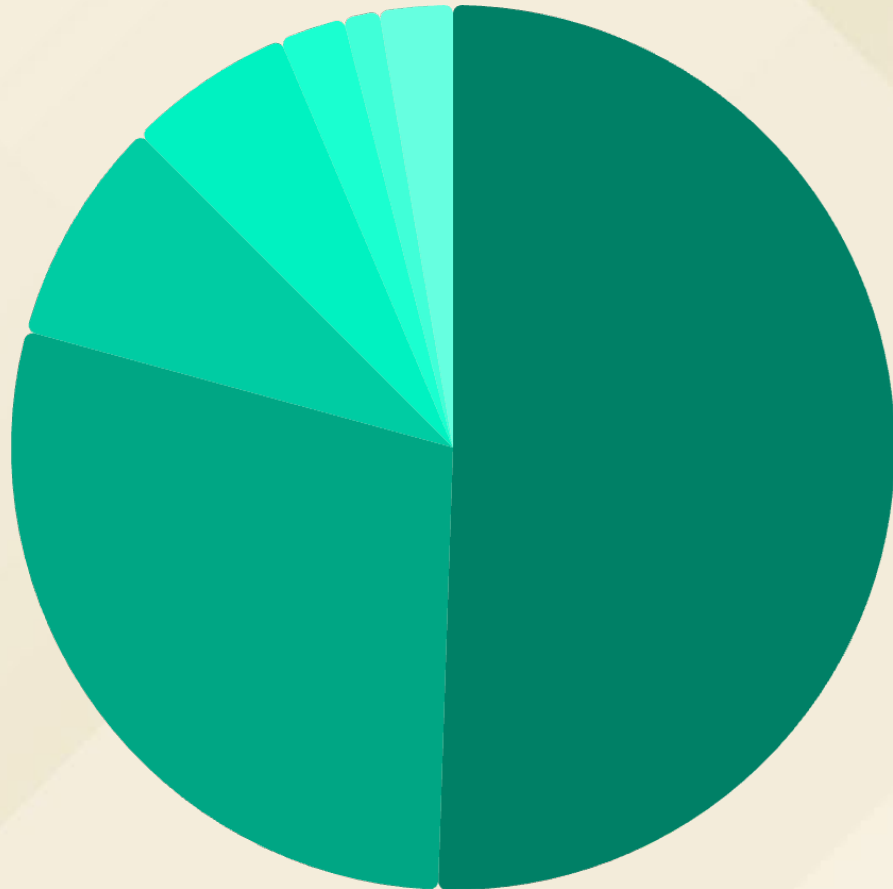


 State Appropriations (\$120.9M / 69%)

 Higher Education Fees (\$42.6M / 24%)

 Other Financial Sources (\$11.6M / 7%)

➤ Campus Expenditure Categories



Regular Salaries and Wages (\$88.6M / 51%)

Benefits Group (\$50.3M / 29%)

Misc. Operating Expenses (\$14.5M / 8%)

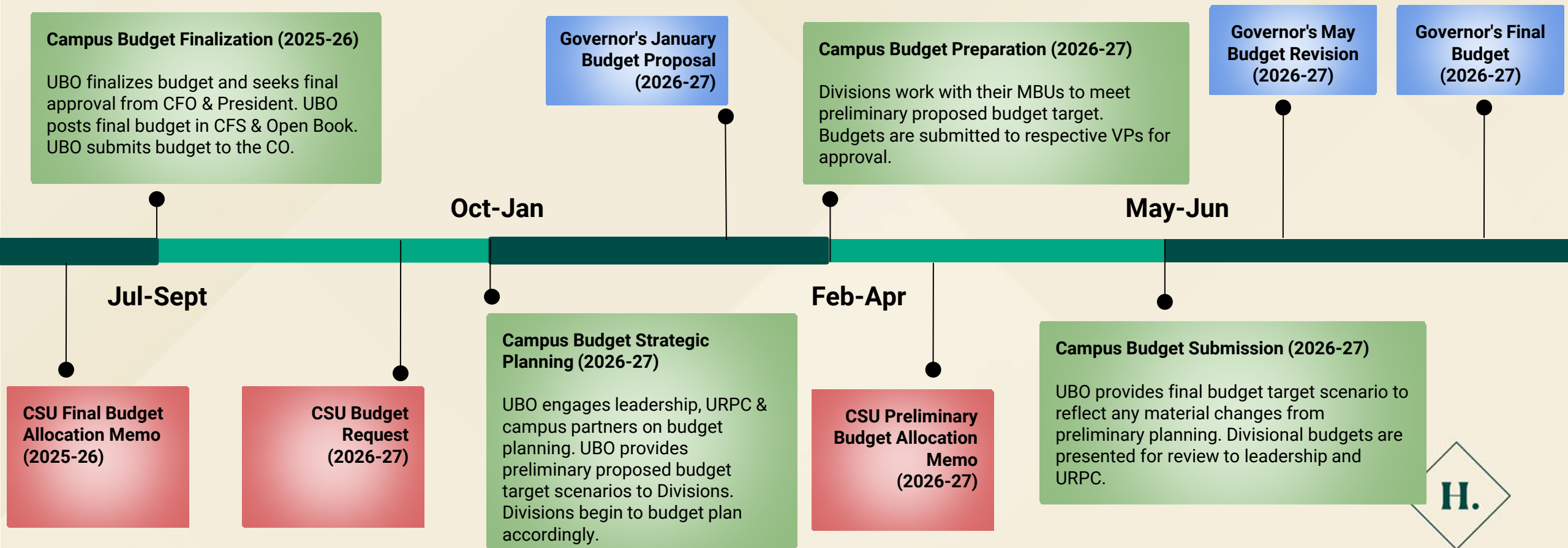
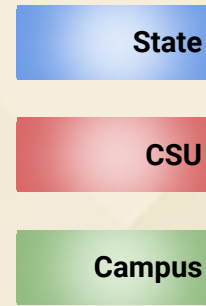
Financial Aid (\$10.7M / 6%)

Utilities Group (\$4.2M / 2%)

Information Technology (\$2.3M / 1%)

Other (\$4.7M / 3%)

Budget Timeline



> State of the Budget

> Governor's January Budget Proposal

➤ CSU Budget Request vs. Gov's Proposal

2026-27 Operating Budget | Revenue Assumptions

Revenues	CSU Budget Plan <i>(in millions)</i>	January Budget Proposal <i>(in millions)</i>
Restoration of 2025-26 General Fund Reduction	\$143.8	\$143.8
State General Fund (Compact Year 4)	252.3	100.9
State General Fund (Compact Year 5)	-	264.8
Tuition from Rate Increase (6%)	175.8	175.8
Tuition from Student Access & Enrollment (1%)	25.2	25.2
Total Revenue	\$597.1	\$710.5

> Cal Poly Humboldt Budget Planning

➤ Enrollment Updates

- **Enrollment Trends**

- 4+ years of enrollment growth
- ~+10% since polytechnic designation
- Spring 2026: +4.1% | Fall 2025: +3.9%

- **Enrollment Targets**

- Fall 2026: 6,837 (*+8% over prior year actual*)
 - Budget assumptions currently include a 3% contingency
- Goal to move beyond enrollment reallocation by 2028

- **Forecasting Process**

- Monthly reports monitor progress to target and prior year, regular updates to UBO and URPC
- Enrollment budget assumptions will be finalized prior to final budget submission in summer 2026

➤ 2026-27 Scenarios - Jan 2026

Scenario 1

+0.2%

+\$290 thousand

*Assumes new CSU funding
IS NOT fully allocated
to CSU mandatory costs*

1. Enrollment growth of net +4.7%
2. +1.6m increase in tuition & fee revenue
3. -\$3.38m (-5%) enrollment reallocation
4. -\$993k campus mandatory costs & allocations
5. +\$3m general fund reinstatement, discretionary to campus
6. Compact funding and mandatory costs, net \$0 discretionary to campus

Scenario 2

-1.5%

-\$2.75 million

*Assumes new CSU funding
IS fully allocated
to CSU mandatory costs*

1. Enrollment growth of net +4.7%
2. +1.6m increase in tuition & fee revenue
3. -\$3.4m (-5%) enrollment reallocation
4. -\$993k campus mandatory costs & allocations
5. General fund reinstatement and mandatory costs, net \$0 discretionary to campus
6. Compact funding and mandatory costs, net \$0 discretionary to campus

Scenario 3

-3.0%

-\$5.27 million

*Assumes CSU mandatory costs
exceed new CSU funding*

1. Enrollment growth of net +4.7%
2. +1.6m increase in tuition & fee revenue
3. -\$3.4m (-5%) enrollment reallocation
4. -\$993k campus mandatory costs & allocations
5. General fund reinstatement and mandatory costs, net \$0 discretionary to campus
6. Compact funding and mandatory costs, net -\$2.5m campus funded compensation

Reduction amounts and percentages herein are calculated based on the total operating budget.

➤ 2026-27 Reduction Planning

Division	Reduction Range			
	Scenario 2		Scenario 3	
President	\$29,000	2.0%	\$55,000	3.8%
University Advancement	\$92,000	2.0%	\$176,000	3.8%
Academic Affairs	\$1,678,000	2.0%	\$3,217,000	3.8%
Administrative Affairs	\$416,000	2.0%	\$796,000	3.8%
Enrollment Management	\$301,000	2.0%	\$578,000	3.8%
Athletics	\$69,000	2.0%	\$132,000	3.8%
University Wide	\$165,000	2.0%	\$316,000	3.8%
Total	\$2,750,000	2.0%	\$5,270,000	3.8%

Notes:

- Divisions are being asked to plan for reductions up to 3.8%, to account for remaining budget uncertainty including state volatility, collective bargaining negotiations and enrollment projections.
- Reduction amounts and percentages herein are preliminary and calculated based on divisional adjusted operating budgets, which exclude financial aid, self-generated revenue, first year new base allocations and funding held centrally for future allocations (GI 2025, Poly, Compensation).



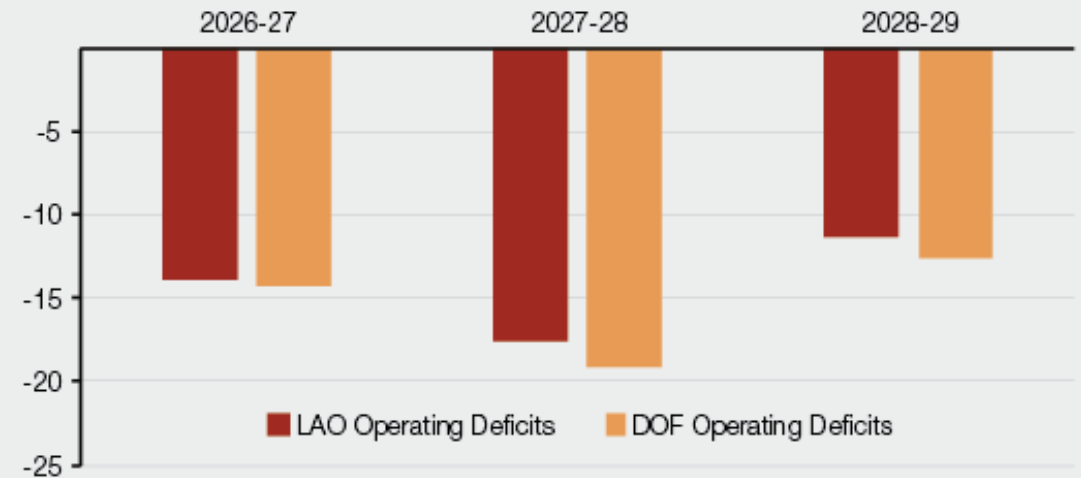
➤ State Budget Outlook

- Current Year budget condition appears manageable.
- Both the Administration & LAO project ongoing state operating deficits of ~\$10–\$20 billion over the next several years.
 - Slowing revenue growth and rising mandatory expenditures.
- *Reinforces the importance of conservative and flexible planning at the CSU System and campus levels.*

Figure 1

LAO Assessment of Future Budget Problems Very Close to Administration's Estimates

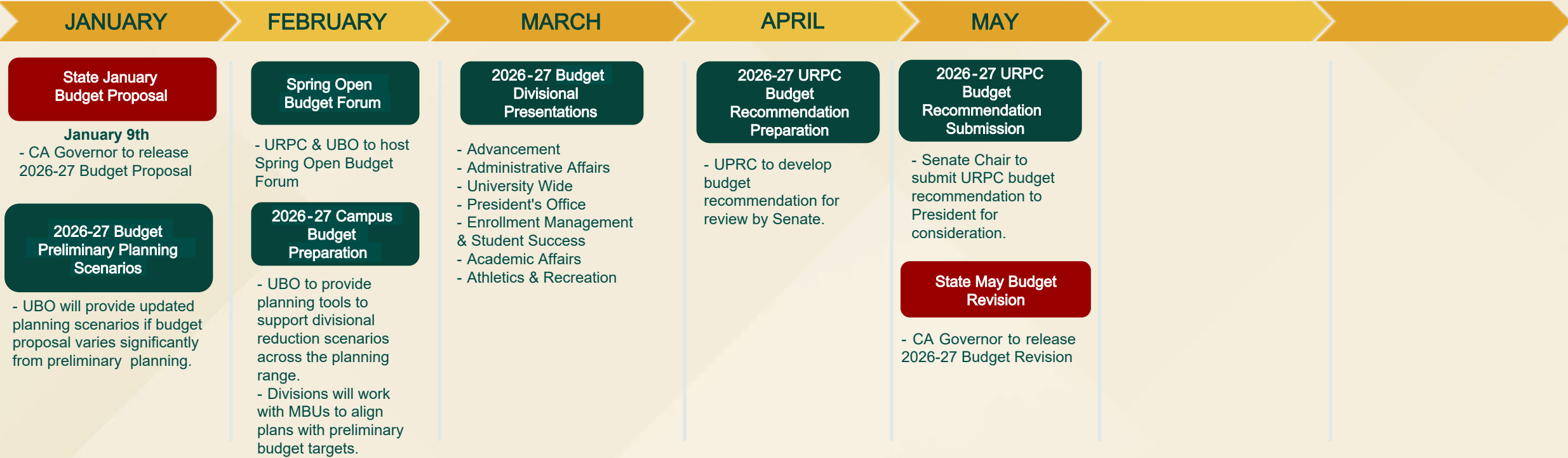
(In Billions)



DOF = Department of Finance.

LAO

Next Steps



› Key Takeaways



Strong Foundation

- Balanced operating budget and sustained enrollment growth.



Clear Context

- Operating within state and system realities including ongoing uncertainty.



Prudent Planning

- Scenario based preparation protects stability & provides flexibility to absorb uncertainty.



Shared Responsibility

- Transparency, collaboration and advocacy for students and our region.

> Questions?

Questions or feedback can also be directed to:

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