

2026-27 Budget Planning CSU Long Beach

Spring 2026

WIDE AND AIRLINE WALKER PYRAMID

CSULB 2025-26 Sources & Uses

Sources	Amount
General Fund	\$315,271,000
Tuition, Fees & Revenue	\$272,405,000
<u>Non-Res Tuition</u>	<u>\$12,736,000</u>
Total Sources	\$600,412,000

Uses	Amount
Salaries	\$310,200,000
Benefits	\$170,400,000
Financial Aid	\$76,300,000
Misc Operating Expenses	\$24,400,000
Insurance	\$10,800,000
Utilities	\$10,400,000
Total Uses	\$602,500,000
Deficit	(\$2,088,000)

2026-27 Governor's Budget

- Revenue projections are up \$9.1B (6.5%) above the May Revision 2025 numbers
- Projecting a roughly balanced budget in 2026-27
- But a \$22B deficit in 2027-28
- Risks:
 - Stock market instability
 - Federal policies and actions affecting economic conditions
 - Could mean proposed reductions to 27-28 budget in the 2026 May Revision
- DOF and LAO both project deficits in future years but are \$25B - \$30B apart

Governor's Proposal for CSU - 2026-27

- Restores the \$143.8 Million Base Budget Reduction from 25-26
- Partial funding of 25-26 (year 4) compact - \$100.9 million
 - Defers the remaining \$151.4 million to 2028-29 (3 years)
- Funds year 5 of the compact in 26-27 - \$264.8M
- Defers the zero-interest loan payback of \$143.8M
 - (repayment June 30, 2027)

CSU Request vs. Gov Budget (in millions)

Revenue	Budget Request	Governor's Proposal
Restore 2025-26 cut	\$144	\$144
Year 4 Compact	\$252	\$101
Year 5 Compact	\$0	\$265
<u>Total New GF</u>	<u>\$396</u>	<u>\$510</u>
Tuition 6% rate increase	\$176	\$176
Tuition 1% enrollment growth	\$25	\$25
Total New Revenue	<u>\$597</u>	<u>\$711</u>

2026-27 Uses of New Revenue

- If Governor's Budget Holds – up to \$711 Million systemwide
- These are the expenditure items called out by the BOT
- Too soon to know if the Legislature and Governor will approve funding for all these items and at what level
- Too Soon to project campus allocation

SUG – 1/3 of new tuition

Employer Share of Health Premium Increases

Maintenance of New Facilities

1% Enrollment Growth

3% - 2026-27 Compensation Pool

Utilities Rate Increases

Insurance Premium Increases

2025-26 CSUEU Step Implementation

2024-25 Unfunded Compensation (campuses covered/cut)

Debt Service for Facilities & Infrastructure

Non-Personnel Inflation (OE&E)

State Funding History – General Fund

Fiscal Year	CSU Request (Fall)	Governor's Budget (January)	Final Allocation (June)
2022-23	\$673 million	\$304.1 million	\$365.4 million
2023-24	\$514 million	\$227.3 million	\$330.5 million
2024-25	\$385 million	\$240.2 million	\$246.2 million
2025-26	\$405 million	(\$375 million)	(\$143.8 million)
2026-27	\$396.1 million	\$510 million	??

Remaining Questions

- Collective Bargaining and Compensation
 - Cost of 1% compensation systemwide = \$59M
 - Cost of 1% at CSULB = \$4.5M
- Statewide advocacy strategy continues to develop
- Waiting on a preliminary budget memo from CO
- Economic Outlook is still unstable – is the Governor’s budget a ceiling or a floor?
- Will the next Governor/Legislature uphold this Governor’s budget strategies in future years.