



## University Budget Office

### APPENDIX A

#### 2025-26 Final Budget

Cal Poly Humboldt's 2025–26 operating budget totals \$175.3 million, reflecting a decrease of \$2.9 million, or 1.6%, compared to the prior year. Initial projections in Spring 2025 anticipated an \$11.6 million deficit, with plans to use approximately \$3.9 million in one-time funds to bridge the budget gap. However, thanks to projected enrollment growth, significant advocacy efforts at both the state and California State University (CSU) system levels, combined with a collaborative, campus-wide approach and strong shared governance through the University Resources & Planning Committee (URPC) in addressing reductions, the University successfully developed a balanced operating budget for the fiscal year.

2025-26			
	Increase (Decrease)		
	URPC Recommendation	Change	Final Budget
<b>Prior Year Revenue (Sources) Budget</b>	<b>\$ 178,141,357</b>	<b>\$ -</b>	<b>\$ 178,141,357</b>
State Appropriation			
State Cut to CSU	\$ (7,928,000)	\$ 4,888,000	\$ (3,040,000)
Enrollment Reallocation	\$ (2,089,000)	\$ (48,000)	\$ (2,137,000)
Polytechnic Funding	\$ 3,729,000	\$ (3,729,000)	\$ -
CSU Mandatory Cost & Program Earmarks	\$ 933,000	\$ (3,746,000)	\$ (2,813,000)
State Tuition from 6% Rate Increase	\$ 1,970,000	\$ 181,000	\$ 2,151,000
State Tuition from Growth	\$ (123,000)	\$ 1,943,353	\$ 1,820,353
Other Tuition & Fees	\$ (8,357)	\$ 1,156,468	\$ 1,148,111
<b>Total 2025-26 Revenue (Sources) Budget</b>	<b>\$ 174,625,000</b>	<b>\$ 645,821</b>	<b>\$ 175,270,821</b>
<b>Prior Year Expenditure (Uses) Budget</b>	<b>\$ 178,141,357</b>	<b>\$ -</b>	<b>\$ 178,141,357</b>
Compensation Costs	\$ 400,000	\$ 1,994,000	\$ 2,394,000
Financial Aid	\$ 650,000	\$ (2,403,000)	\$ (1,753,000)
CSU Mandatory Costs	\$ 2,253,000	\$ (1,162,000)	\$ 1,091,000
Polytechnic Allocations	\$ 3,729,000	\$ (3,729,000)	\$ -
Campus Mandatory Costs & Priorities	\$ 1,007,000	\$ 2,060,464	\$ 3,067,464
Budget Reduction	\$ (7,670,000)	\$ -	\$ (7,670,000)
<b>Total 2025-26 Expenditure (Uses) Budget</b>	<b>\$ 178,510,357</b>	<b>\$ (3,239,536)</b>	<b>\$ 175,270,821</b>
<b>2025-26 Base Budget Surplus (Deficit)</b>	<b>\$ (3,885,357)</b>	<b>\$ 3,885,357</b>	<b>\$ -</b>

## **Budget Assumptions**

Revenue projections and expenditure allocations have been updated to align with the [2025-26 Final Budget Allocation Memo](#) from the Chancellor's Office (CO), the [Spring 2025 Revision](#) of the Strategic Enrollment Management Plan and the university's mandatory cost obligations and institutional priorities.

### *State Funding*

The CSU initially projected a 7.95% reduction, which was reduced to 3% following advocacy efforts by CSU and systemwide stakeholders to alleviate the impact on campuses. As a result, Cal Poly Humboldt's base funding was reduced by approximately \$3 million instead of nearly \$8 million.

Additionally, Cal Poly Humboldt faced a 3% reallocation of our system-funded enrollment target, as part of the CSU's broader enrollment recalibration efforts resulting in a \$2.1 million reduction.

Lastly, while the final \$3.7 million installment of ongoing polytechnic base funding was not included in the 2025–26 CSU Budget Allocation Memo, we expect to receive the allocation during the fiscal year and it will appear as a base funding adjustment in the 2026–27 Final Budget Allocation Memo.

### *Tuition & Fees*

The 2025–26 budget reflects an increase of approximately \$5.1 million in tuition and fee revenue, driven by the systemwide 6% tuition rate increase and updated enrollment projections. This represents strong projected growth of 4.9% over the prior year's actual fall census, as outlined in the [Spring 2025 Revision](#) of the Strategic Enrollment Management Plan. Since last year's actual enrollment fell short of the budgeted target, this growth equates to a 3.5% increase relative to the prior year's budget.

### *Compensation*

The 2025–26 budget reflects an increase of approximately \$2.94 million in the compensation pool, primarily driven by the anticipated implementation of California State University Employees Union (CSUEU) salary steps in Fall 2025, with employees placed on the step closest above their current salary or retained at their current rate if it exceeds the top step. Additional contributing factors include

planned changes in dependent coverage and adjustments from prior year compensation funding, all of which support maintaining an adequate compensation pool.

### *Financial Aid*

For 2025–26, Cal Poly Humboldt's State University Grant (SUG) allocation decreased by approximately \$1.75 million. This reduction is due to changes in the CSU's SUG allocation methodology, which now distributes funds based on each university's relative share of students who need financial support, as measured by the Student Aid Index. These allocations are designed to help campuses offset the impact of the 2025–26 tuition increase.

Under the revised model, universities were guaranteed a minimum of 85% of their 2024–25 SUG allocation. Cal Poly Humboldt's reduction reflects a shift in the distribution of need across the CSU system. While systemwide SUG funding increased due to additional revenue from tuition rate increases, Cal Poly Humboldt's relative share of students with need resulted in a lower allocation.

However, while not included in the CSU 2025–26 Budget Allocation Memo, Cal Poly Humboldt will receive \$1.1 million in one-time general fund resources, an outcome of campus advocacy efforts and recognition of the need to support implementation of the new SUG policy while continuing to serve students. The one-time funds will be used to award SUG to continuing undergraduate students during the 2025–26 financial aid year.

### *CSU Mandatory Costs*

The increase in CSU mandatory costs for Cal Poly Humboldt now total \$1 million. This includes increases in utilities, health premiums, insurance premiums, and the maintenance of new state-operated facilities coming online in FY 2025–26. These cost pressures are expected to total approximately \$4.6 million. However, they are largely offset by a \$3.5 million adjustment related to employer-paid retirement contribution rate changes, based on actual CSU 2013–14 pensionable salaries as reported by the State Controller's Office.

### *Campus Mandatory Costs*

Campus mandatory costs have increased by \$3.1 million. Utilities are expected to increase by 5%, adding approximately \$300 thousand in expenses. Insurance costs are anticipated to grow by 13%, an estimated \$700 thousand increase. In addition,

contingency funding has been increased by \$1 million to provide budgetary flexibility should enrollment targets fall short or other unforeseen circumstances occur.

### *Budget Reduction*

The budget reduction remains consistent with the URPC's Spring 2025 budget recommendation and is reflected in the divisional breakdown shown in the table below.

Division	2025-26	
	% Reduction	\$ Reduction
President's Office	0.00%	\$ -
University Advancement	5.63%	\$ 219,000
Academic Affairs	6.00%	\$ 5,091,000
Administrative Affairs	5.21%	\$ 1,037,000
Enrollment Management & Student Success	5.00%	\$ 656,000
Athletics & Recreation	7.00%	\$ 242,000
University Wide	5.00%	\$ 425,000
<b>Total Proposed Reductions</b>	<b>5.68%</b>	<b>\$ 7,670,000</b>

*Note: Reduction percentages are applied to the adjusted operating budget which is net of restricted programs, financial aid, compensation pool, and prior year Polytechnic funding.*

### *One-time Funds*

The URPC's previously recommended use of one-time funds to bridge an anticipated budget gap has been reduced to zero. Cal Poly Humboldt has successfully achieved a balanced operating budget through a combination of anticipated enrollment growth, effective advocacy at both the state and CSU system levels, and a collaborative, campus-wide effort, anchored by strong shared governance through the URPC.