



University Budget Committee

Thursday, January 29, 2026

UBC meeting attendees: Please ensure your full name shows onscreen

- Please use the “raise hand” function for questions during Q&A
- We’ll do our best to address questions posted in the Chat
- Public forum begins approximately 11:15 AM
- Today’s presentation will be posted to the UBC webpage

Next UBC meeting date: Thursday, February 26, 2026 from 10:00 AM – 12:00 PM

Welcome

UBC Co-Chairs:

Jeff Wilson
CFO & Vice President
Administration & Finance

Amy Sueyoshi
Provost & Vice President
Academic Affairs

Today's UBC Meeting Agenda

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| 1. Welcome/how to reach UBC/Agenda Review | Jeff Wilson |
| 2. Member rollcall/Minutes Approval (Dec. meeting) | Jeff Wilson |
| 3. Remarks from President Mahoney | Lynn Mahoney |
| 4. Governor's Proposed Budget 2026-2027 | Jeff Wilson |
| 5. Public Forum | ALL |

How to reach UBC to share any feedback:

UBC Meetings

Attend and Participate; ask clarifying questions, share your knowledge

UBC Office Hours

Drop into UBC peer-hosted Office Hour on **Fridays** after UBC
(beginning Feb.)

By Email

ubc@sfsu.edu

Emails are shared with UBC Steering Committee for their consideration

Personally

Reach out to a member so they can share their experience and can bring input back to UBC

UBC Webpage

<https://adminfin.sfsu.edu/ubc>

Click on the Button

Feedback and Questions

to share any comments or feedback

- UBC Member roll call
- Approval of Minutes from December 2025 meeting

President Lynn Mahoney

Q & A

- From UBC members
- From meeting guests

Governor's Proposed Budget 2026-2027

Jeff Wilson
CFO & Vice President

Administration & Finance

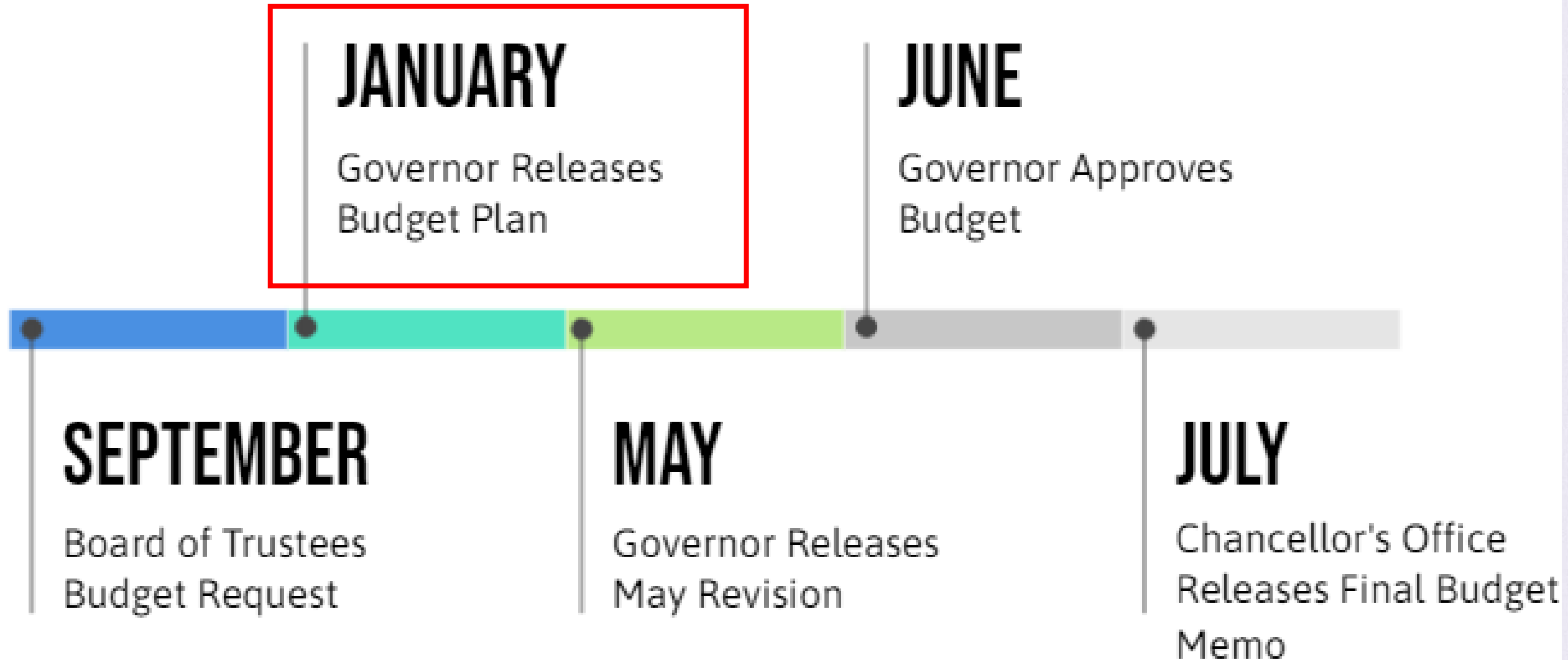
Fiscal Year 2026 – 2027

January Update

Agenda

- Budget Planning Process
- BOT Budget Proposal (September 2025)
- Governor Newsom's January Budget Proposal
- SFSU 2026-2027 Budget Planning

Annual Budget Process



Board of Trustees Budget Request (Sept 2025)

\$597.1 million (7%) *increase* over fiscal year 2025-2026

- State should restore prior reductions
- State should fulfill compact commitments
- Includes 6% tuition increase
- 1% System-Wide enrollment growth

Board of Trustees Budget Proposal (Sept 2025)

(in millions)

Proposal - REVENUE

Restore Prior Year Reductions	\$143.8
Fulfill Year 4 Compact	252.3
6% Tuition Increase	175.8
1% Enrollment Growth	<u>25.2</u>
Total	\$597.1

Board of Trustees Budget Proposal (Sept 2025)

(in millions)

Proposal - EXPENDITURES

Baseline Commitments	\$323.7
Essential Priorities	<u>273.4</u>
Total	\$597.1

Board of Trustees Budget Proposal (Sept 2025)

(in millions)

Baseline Commitments

State University Grant (SUG – Financial Aid)	\$58.6
Faculty & Staff Compensation	179.5
Health, Utilities, Insurance, & Inflation	<u>85.6</u>
Total	\$323.7

Board of Trustees Budget Proposal (Sept 2025)

(in millions)

Essential Priorities

Enrollment growth (1%) + Aid	\$66.2
Faculty & Staff Compensation Pool (3%)	176.6
Debt service for facilities/infrastructure	25.0
Strategic plan priorities	<u>5.6</u>
Total	\$273.4

Legislative Analyst Office Report (Nov 2025)

- State General Fund tax revenue outpacing 2025-26 budget assumptions.
- Strong revenue growth is largely due to a handful of tech companies' surging share prices that are unlikely to be sustained
- California faces an estimated \$18 billion structural deficit in FY 2026-27 and \$35 billion for FY 2027-28
- Constitutional funding requirements (**Propositions 2 and 98**) will require at least \$7 billion in new General Fund spending in the coming fiscal year

Governor Newsom's 2026 – 2027 January Budget Proposal

Governor's Budget Proposal (January 2026)

- Governor's Budget spends **\$248.3 billion** for state general fund in FY 2026-27.
- Projects **\$42 billion** in higher general fund revenue over three-year window when compared to 2025 Budget Act.
- Spends **\$125.5 billion** on K-14 education.
- ↑ Increases spending on higher education, health and human services.
- ↓ Decreases spending on housing/homelessness, corrections.

Governor's Budget Proposal (January 2026)

- Administration and LAO note strong revenue growth is largely due to a handful of tech companies' surging share prices that are unlikely to be sustained.
- Budget assumes **\$1.4 billion** in reduced federal support for health and human services due to HR 1; does not increase state spending to mitigate cuts.
- Budget projects **\$22 billion** deficit in 2027-28; Administration suggests May Revise will begin to address shortfall.

Governor's Proposal for CSU (January 2026)

	(in millions)
Restore 2025-26 Budget Reduction	\$143.8
Partially Fund Year 4 (2025-26) Compact	100.9
Fully Fund Year 5 (2026-27) Compact	264.8
Tuition Increase (6%)	175.8
Tuition Revenue (1% Enrollment Growth)	<u>25.2</u>
Total	\$710.5

Governor's Proposal for CSU (January 2026)

	<u>Governor</u>	(in millions) <u>BOT</u>
Restore 2025-26 Budget Reduction	\$143.8	\$143.8
Partially Fund Year 4 (2025-26) Compact	100.9	252.3
Fully Fund Year 5 (2026-27) Compact	264.8	--
Tuition Increase (6%)	175.8	175.8
Tuition Revenue (1% Enrollment Growth)	<u>25.2</u>	<u>25.2</u>
Total	\$710.5	\$597.1

FISCAL YEAR 2026-27
SAN FRANCISCO
STATE
BUDGET PLANNING

SFSU Budget Planning Assumptions

Revenues

1. CSU Reallocation Plan (-5%)
2. Enrollment Trend (-5%)
3. Tuition increase (+6%)

SFSU Budget Planning Assumptions

Expenditures

1. Cost Inflation (+3.4%)
2. Utilities increase (+10%)
3. Risk Pool (Insurance) (+4%)

Pending: Collective Bargaining

Pending: Faculty VSIP

Pending: SF Bay Region Network

SF State Budget Planning

(in millions)

Current Planning

Resources

2025-26 Base	\$341.0
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Less: Adjustments per assumptions	<u>-9.6</u>
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2026-27 Base	331.4
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Costs

2025-26 Base	348.1
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Plus: Adjustments per assumptions	<u>+3.1</u>
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2026-27 Base	351.1
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Deficit	<u>(\$19.7)</u>
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SF State Budget Planning

Why is SF State facing a \$20 million deficit?

- FY 2025-26 structural deficit is \$7 million
- Revenues are declining by \$9.6 million (CSU Reallocation Plan, Less Tuition Revenue)
- Costs are Increasing by \$3.1 million (primarily inflation)

SF State Budget Planning

Measures underway to address \$20 million shortfall

- Targeted Voluntary Separation Incentive Program (VSIP) – potential for up to \$12 million based on number of participants, post-VSIP instructional needs.
- Curricular Realignment
- Cost-savings initiatives including SFBRN, utilities conservation, and continued hiring freeze.
- Revenue-generating opportunities including excess space rental and pouring rights

SF State Budget Planning

Challenges for SF State Budget Planning - Unknowns

- No final budget until July
- Impact of federal funding reductions across state agencies
- Stock market trends
- Collective bargaining

Next Steps

Q & A

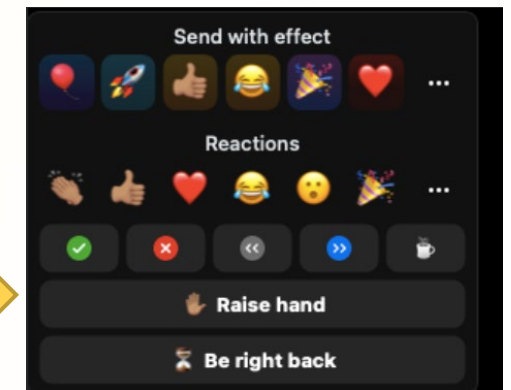
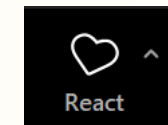
- From UBC members
- From meeting guests (open Public Forum)

Public Forum

Open to all meeting attendees and UBC members

Please:

- ✓ **“raise your hand”** (*found on your Reactions menu*)
Unmute when called upon to speak. For transparency, please begin with your name, title/department. Mute when finished to reduce noise.
- ✓ **limit to one question, so everyone has a chance to speak**
You can “Raise your Hand” again with a follow up question, if time allows
- ✓ **Thank you for sharing this space respectfully with all our community members**



SAN FRANCISCO STATE UNIVERSITY

We appreciate your interest in our University's budget process and the service of our UBC members and meeting attendees, in support of our students and all our Gator families.

Check our UBC webpage for information, past meeting materials, meeting updates and how to contact the UBC: <https://adminfin.sfsu.edu/ubc>