SDSU | Business and Financial Affairs

**Business and Financial Affairs**
San Diego State University
5500 Campanile Drive
San Diego, CA 92182-1620
Tel: 619-594-5631
Fax: 619-594-6022
Email: awongnickerson@sdsu.edu

**Agnes Wong Nickerson**
*Vice President and CFO*

MEMORANDUM

DATE: May 20, 2026

TO: Adela de la Torre
President

FROM: Agnes Wong Nickerson
Vice President for Business and Financial Affairs & CFO

SUBJECT: 2026-27 Budget Recommendation per April 30, 2026 PBAC Review

Attached is the recommended 2026-27 Budget which was reviewed and approved for recommendation by PBAC at the April 30, 2026 meeting following the first reading on April 16, 2026. The budget reflects approximately $47M in new revenues including: the anticipated restoration in state appropriation, compact funding for 25/26 (partial) and 26/27; enrollment growth funding; and increased tuition associated with the Board of Trustees approved tuition increase. The budget also reflects $42.9M in projected non-discretionary cost increases. The campus is continuing to address its multi-year budget deficit through a $5M base reduction to be distributed to the divisions- this will result in a net surplus; however, it is expected to be needed in 2027-228. The budget also includes $37.8M in one-time allocations.

Since the budget was approved at PBAC, the Governor has released his May Revised Budget. There were no changes to the CSU allocation from the January Budget, and therefore no expected changes to the PBAC budget at this time.

Supporting materials are attached for your information. I recommend your approval.

Please let me know if you have any questions.



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**2026-27 Draft PBAC Budget**
As of 4/13/2026

| Base Sources | 2026-27 |
|---|---|
| 25/26 Compact (5%)- 60% Deferred | 7,063,000 |
| 25/26 Reduction (-3%)- Reimbursement Deferred | 11,019,000 |
| 26/27 Compact (5%)- includes Enrollment Growth | 15,686,000 |
| New Marginal Cost (enrollment) | 2,850,000 |
| Reallocated Marginal Cost (enrollment) | 3,325,000 |
| Tuition Increase (less SUG) | 9,040,658 |
| Tuition- Enrollment Growth (resident new) | 1,380,000 |
| Tuition- Enrollment Growth (resident realloc) | 1,610,000 |
| Tuition- Enrollment Change (non-resident) | (4,760,000) |
| **TOTAL BASE SOURCES** | **47,213,658** |

| Base Uses | 2026-27 |
|---|---|
| Compensation | 24,635,170 |
| Costs Associated with Enrollment Growth | 1,434,450 |
| Non-Discretionary Commitments | 15,797,374 |
| Unfunded Mandatory Costs | 1,000,000 |
| **TOTAL** | **42,866,994** |
| Net | 4,346,664 |
| **Remaining Cumulative Base Deficit** | **(1,788,243)** |
| Proposed Base Reduction | 5,000,000 |
| ***Remaining Surplus/(Deficit)*** | ***3,211,757*** |

| 1x Balance | 2026-27 |
|---|---|
| Starting 1x Balance | 37,591,439 |
| Plus 1x Allocations | 32,960,000 |
| Plus Base Surplus/(Deficit) | 3,211,757 |
| Less 1x Non-Discretionary Commitments | (36,824,291) |
| Spring Emergency Allocation | (1,000,000) |
| **Ending 1x Balance** | **35,938,905** |
| **Set Aside for Economic Uncertanty Requirement** | **(32,520,000)** |
| **1x Balance Available** | **3,418,905** |

**Approved by:**

Adela de la Torre, President — Date 5/27/26

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**2026-27 Draft PBAC Budget**
As of 4/13/2026

| | | 2026/27 |
|---|---|---|
| | **Annual Non-Discretionary Funding** | |
| AA | Faculty Tenure & Promotion | $ 650,000 |
| AA | Backfill Dept of Ed Grant- America Reads/Counts | $ 54,375 |
| Senate | Senate Request | $ 153,402 |
| ATHL | Grant in Aid | $ 500,000 |
| DRI | Deputy Chief Research Officer* | $ 269,190 |
| IT | SDSU Phishing & Financial Fraud Resilience Plan | $ 169,221 |
| DM/CAP | Deferred Maintenance | $ 1,500,000 |
| INST | Mandatory Cost Increases (Utilities, Benefits, Risk) | $ 9,000,000 |
| INST | POSTBAC Summer SUG Augmentation | $ 1,060,000 |
| BRAWLEY | Brawley Needs- Academic Affairs | $ 1,045,602 |
| BRAWLEY | Brawley Needs- BFA | $ 748,733 |
| BRAWLEY | Brawley Needs- IT | $ 257,651 |
| BRAWLEY | Brawley Needs- Utilities | $ 289,700 |
| BRAWLEY | Brawley Needs- IV Misc | $ 99,500 |
| | **Subtotal Annual Non-Discretionary Funding** | **$ 15,797,374** |
| | | |
| | **Non-Discretionary 1x Funded** | |
| AA | T/TT Faculty Start-Up | $ 5,250,000 |
| AA | FERP | $ 5,000,000 |
| AA | Enrollment Growth (FTES) | $ 9,000,000 |
| AA | Summer Incentive | $ 1,000,000 |
| AA | International Recruitment | $ 280,000 |
| AA | Summer Enrollment SSPIII Position | $ 84,648 |
| AA | Backfill Dept of Ed Grant- America Reads/Counts | $ 232,405 |
| AA | NAGPRA Compliance | $ 500,000 |
| DRI | Corporate and Foundations Relations - Director of Strategic Partnerships | $ 215,759 |
| DRI | Research Gap Funding/ Postdocs | $ 1,000,000 |
| DRI | Deputy Chief Research Officer* | $ 134,595 |
| DRI | Hire entrepreneurial Role | $ 246,400 |
| IT | Summer Classroom Upgrade | $ 1,500,000 |
| IT | AI Curriculum | $ 50,000 |
| IT | SDSU Phishing & Financial Fraud Resilience Plan | $ 50,000 |
| IT/BFA | Oracle EBS to CFS ERP Conversion | $ 2,500,000 |
| SACD | Staff Professional Development | $ 35,000 |
| SACD | ADA Accommodations | $ 687,484 |
| DM/Cap | Safety and Security Infrastructure | $ 750,000 |
| DM/Cap | Roofs | $ 1,500,000 |
| DM/Cap | ADA Barrier Removal | $ 500,000 |
| DM/Cap | Elevators | $ 600,000 |
| DM/Cap | Exterior Painting | $ 500,000 |
| DM/CAP | Library Fire Marshall Corrections | $ 1,000,000 |
| INST | OOS Scholarships | $ 4,000,000 |
| BRAWLEY | Brawley Needs- Academic Affairs | $ 200,000 |
| BRAWLEY | Brawley Needs- BFA | $ 8,000 |
| | **Subtotal Non-Discretionary 1x Funded** | **$ 36,824,291** |

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