Fiscal Year 2026 - 2027

Budget Guidelines

Contents

Overview

These guidelines are intended to assist in preparing the budget review and final budget submission documents for the FY 2026-27 Operating Fund Budget.

The following budget documents will be provided to assist with the process:

- **Budget Submission Form**: Required to submit budgets to the Budget Office for upload.
- **Non-Discretionary Budget Submission Form:** Required for fee supported areas.
- **Base Budget Review (BBR from the prior year)**: Available upon request.

Additional Information:

- The Operating Fund Budget by Division schedule reflects each division's **current** budget.
- Carryforward from **FY 2025-26** year-end is shown in the division allocation schedule.
- Any further **FY 2026-27** budget changes will be communicated as information becomes available from the Chancellor's Office.
- **The FY 2026-27 budget submission must reconcile with the target numbers shown in the division allocation schedule.**
- Once the budgets have been uploaded to CFS, a budget summary will be sent to the division Vice President for review and signature.

Important Considerations for FY 2026-27

Axiom

Axiom In-Year Forecasting will continue to be used to develop projections for the Operating Fund. Departments / divisions that plan to utilize class codes in the Axiom In-Year Forecasting module are encouraged to post budget to each class code they plan to use during FY 2026-27. Using class codes for Axiom In-Year Forecasting is not required by the Budget Office.

General Salary Increases (GSI) & Step Increases

Bargaining unit agreements for FY 2026-27 are still in negotiation, and information is unavailable at this time. Additional information will be shared by the Budget Office as it becomes available.

One-Time Salary Savings

To better track how divisions / departments are utilizing one-time salary savings, areas are required to utilize the OSS scenario when designating both the source and use of one-time salary savings. OSS should net to zero.

Budget Transfers

Budget transfers will not be processed until the division budget is uploaded into CFS. Changes to the budget that happen prior to upload can be incorporated into the initial budget submission.

Non-Discretionary Budget Submissions

Non-Discretionary budget submissions will be due on **Friday, August 21st**. Non-discretionary budgets are due before the full budget submission, so updated non-discretionary budget data can be included in the division allocation memo.

CHRS Position Numbers & Employee IDs

Please use the updated CHRS position numbers and employee IDs in the budget submissions. The Budget Office shared a conversion chart earlier this year, to match the Peoplesoft 9.0 position numbers and employee IDs to the corresponding CHRS position numbers and employee IDs. If you need assistance matching the Peoplesoft data with the updated CHRS information, please reach out to the Budget Office team.

Special Consultant Account Discontinued

The Chancellor's Office discontinued the use of account 601302 effective July 1, 2026. Please use account 601300 for all special consultant lines in the budget upload.

Budget Submission Instructions

Budget Submission – Budget Submission Form

The budget submission form is used to complete and post the initial budget allocation to CFS / Data Warehouse. This form is completed once the base budget review process is approved at the division level. It provides the initial budget detail that will be used throughout the fiscal year. Budgets will be posted exactly as shown on the form and may not necessarily match the division's budget review.

Information on the Budget Submission Form:

- Year
- Division / Sub-division
- Section / Section Title
- Chartfield string for the budget submission

- CHRS Employee ID
- CHRS Position Number (indicated in the “Jrnl Ln Ref” column in Data Warehouse)
- Line-item description (limited to 30 characters, **no commas**)
- Scenario / Scenario Type (base / one-time)
- Budgeted amount

Formatting Guidelines:

- **Employee Name Format**: Use "Last Name First Name" format (e.g., Smith John). For vacant positions, use "Vacant" as the first word in the line-item description, followed by details if needed (e.g., "Vacant – Budget Analyst" or "Vacant – Doe John").
- **Do not use commas on the budget submission form.** Commas cause errors in the budget upload.

Salaries

The campus maintains a consistent methodology requiring that all permanent employees have a base budget equal to their permanent salary. The Budget Office will analyze the FY 2026-27 division budget submissions to ensure compliance with this methodology.

Please refer to the position management reports provided by the Budget Office when developing salary budget allocations.

Benefits

Departments receiving student fees or user fees, considered self-support departments, are responsible for benefit costs.

Consistent with university policy, self-support programs must fully fund the actual benefit costs of each employee. Reviewing current year actuals to estimate benefit costs for the FY 2026-27 budget plan is recommended. Please ensure the benefits budget incorporates the following increases:

- Health rates for 2026-27 are projected to increase by approximately 2.5%.
- OASDI (6.2%) and Medicare (1.45%) are expected to remain the same.
- The 2026-27 retirement rate will increase from 31.42% to 31.70% (State Miscellaneous).

If you need assistance estimating your department’s benefit costs for FY 2026-27, please contact the Budget Office.

Split Funding

Salaries funded from various sources should be set up as split-funded positions. This method automatically distributes the salary and can be adjusted before the effective payroll month.

Distribution can be made between funds, departments, and program/class/project codes by completing the Split Funding Request form on the Budget Office webpage. Retroactive split-funded transactions must be done using the Salary Expense Adjustment form. All personnel documents requiring split funding must be forwarded to the Budget Office.

Salary Savings

Salary savings are considered a one-time source of funds available for other uses. Divisions should determine how to use savings to offset other needs and include them in the initial budget upload. Use the correct budget scenario for salary savings (OSS – One-time Salary Savings). **Please use OSS for both the source and use of salary savings (should net to $0).**

Employee Moving and Relocation Expenses

Although the Employee Moving and Relocation Expenses account (603094) is a benefit account, the Budget Office will not provide allocations for this account. Areas will need to allocate budget for this account to pay for moving and relocation expenses.

Travel

Travel includes in-state and out-of-state destinations and budgets should reflect expected costs for the upcoming year. Include specific planned expenditures for travel-related costs, such as event accommodations, destination travel costs, car rental, local mileage, parking, and estimated per diem (meals / incidentals). Refer to the latest CSUSM travel and safety guidelines at CSUSM Travel Guidelines.

Registration Fees

Use the following accounts for registration fees:

- **660009 - Professional Development**: Registration related to training programs.
- **660858 - Other Professional Development**: Registration for events without a training aspect.

Registration fees should not be charged to in-state or out-of-state travel accounts. These accounts are reserved for costs such as transportation, lodging, and meals.

Equipment

To manage equipment funds, include specific planned expenditures for equipment. Use the appropriate equipment accounts when developing budget submissions.

Technology Equipment Costs:

- **Computer Equipment**: Includes software, networking, and support. Visit the IITS Refresh Charges webpage for current charges.
    - *Note:* In response to the ongoing CSU system budget challenges, the Technology Refresh Program was paused, as shared in the April 8 budget update from President Neufeldt. For more information on the status of the technology refresh program, please visit the IITS website.
- **Telephone**: Divisions do not budget for telephone charges (see below).

Elimination of Chargebacks within 485

Consistent with prior years, do not budget for the following services: Mail, Moves, Signage, Telephone, Vehicles, UPS, FedEx, Shredding, IITS Technology, and Facility Service Work Orders.

Exceptions: For facility-related activities (Moves/Signage/FS Work Orders) above a $1,000 threshold, Facilities will continue to charge. Certain IITS purchases will still be charged. Refer to the Technology Equipment Costs section for more details.

Cost Recovery

- All cost recovery activities are to be recorded in 48500 – do not use 543 / 544 funds.
- Divisions retain their current process for budgeting for cost recovery.
- Recurring cost recovery activities will be posted (initial budget upload only) as a credit expense entry.
- Divisions can use ORT / BRT for cost recovery in their initial budget load. ORT / BRT will need to be offset with OTB / BBB for either one-time or base commitments. *(Note: BRT should only be used in FAS).*
- Upon receipt of actual funds posted to 485 revenue, the Budget Office will post budget revenue to central UCWA and budget expense entry to the specific division/department.
- Accountability for receipt of cost recovery remains with the divisions.

Non-Discretionary Revenue

Non-discretionary resources are designated for specific purposes. Revenue-dependent programs have direct operating expenditures proportionate to the services delivered, making service fees non-discretionary. These fees are defined by an Executive Order or an approved campus Fee Proposal Form, specifying their use and collection under Category I, II, III, IV, or V, issued by the Chancellor's Office or CSUSM.

The Budget Office, in collaboration with divisions and departments, must proactively monitor the revenue stream to ensure sufficient resources. Divisions should identify anticipated revenue for the fiscal year, integrating it into their base budget review and submission. Budgeted revenue will be adjusted as necessary through "true ups."

The projected enrollment headcount range for FY 2026-27 is below for planning purposes. Please be conservative when projecting revenue, as enrollment may change until final census.

Projected Enrollment Headcount (Conservative Estimate) 2026-27	
Fall 2026	15,827
Spring 2027	14,492
Fall / Spring Average	15,160

Summer Headcount: 1,569

Please include fee increases from the recent alternative consultation, as relevant, when developing your FY 2026-27 non-discretionary budgets. Alternative consultation increases will be effective in Fall 2026. Any summer increases will be effective for Summer 2027.

Note: Changes to fees will be rounded to the nearest dollar, using standard rounding methodology (numbers with a decimal of 0.5 or higher are rounded up to the next whole number, while those below 0.5 are rounded down).

To comply with the Chancellor's Office reporting requirements, non-discretionary revenue and expenditure plans/budgets must be submitted to the Budget Office. Revenues from non-discretionary fees should fund activities in the fiscal year in which the fees are paid.

Any balance available on June 30 of the prior fiscal year must be restored to the appropriate department in the current fiscal year budget, with justification for restoration. This balance is designated and cannot be used for other activities. Use scenario OBR to identify this balance restoration.

Non-discretionary fee amounts should be analyzed annually to ensure fees are being used for their approved purpose and adequately cover expenses (refer to Executive Order or approved Fee Proposal Form for details). Request modifications, if needed, from the Student Fee Advisory Committee (SFAC). Non-discretionary student fee amounts are listed at: CSUSM Tuition Fees.

Fee and Waiver Accounts

The Budget Office will provide pre-populated Non-Discretionary Budget Submission Forms to each division indicating which Fees and Waivers require budget submissions.

The following fee and waiver account numbers are currently monitored, and require non-discretionary budgets:

ACDAFF - Academic Affairs

501201 - Professional Program Fee

501826 - Credential Prog App Fee

501837 - Course Fee Biology

501838 - Course Fee Chemistry

501839 - Course Fee Physics

501841 - Course Fee Music

501849 - Course Fee Kinesiology

501857 - Course Fee Psychology

501862 - Thesis Services Fee

501863 - Chem Lab Breakage Fee

501865 - Professional Prog Fee Waiver

501866 - Career/Writing/Math Ctr Fee

501873 - VPA Equipment Late Fee

501881 - Library Fines

501885 - Course Fee Theatre

501886 - Course Fee Art, Media, Design

501887 - Credential Evaluation Fee

501895 - Orientation Fee Intl.

FAS - Finance & Admin Services

501827 - Childcare Service Fee

501834 - Childcare Service Fee Waiver

501879 - CSUSM Install Payment Plan Fee

501882 - ID Card/Registration Fee

EMS – Enrollment Management Services

501813 - Transcript Fee Acad Rec Waiver

501814 - Transcript Fee Academic Record

501864 - Duplicate Diploma

501878 - HS Concurrent Enroll Admin Fee

STDAFF – Student Affairs

501005 - Student Health Service Fee

501808 - Student Health Serv Fee Waiver

501829 - Athletics Fee

501833 - Athletics Fee Waiver

501836 - Student Health Serv Fee Waiver

501843 - Health Clinic Fee

501844 - Health Pharmacy Fee

501845 - Health ALCI Fee

501846 - Health Retail Fee

501847 - Health Psychiatry Fee

501853 - Orientation Fee

501858 - Counseling ALCI Fee

501859 - Mental Health Fee

501861 - Mental Health Fee Waiver

501866 - Career/Writing/Math Ctr Fee

501894 - Health Online OTC Fee

University Advancement

501813 - Transcript Fee Acad Rec Waiver

501814 - Transcript Fee Academic Record

Divisions can use the following program codes if they would like to allocate their non-discretionary budgets by semester:

- Program 101 – Fall semester (optional)
- Program 103 – Spring semester (optional)
- Program 104 – Summer (optional)

Budget Scenarios

A budget scenario is a PeopleSoft chartfield value used to identify budget funding. Below is a list of budget scenarios:

BBB – Base Budget

- Used in the initial budget submission only.
- Represents the base budget that recurs annually to fund ongoing operations.
- At the division level, the BBB budget submission should match the division's current year Operating Fund base allocation.

BBS – Base Budget AE&SS

- Used in the initial budget submission only.
- Represents the base budget for Academic Excellence and Student Success Fee.
- The BBS budget submission should match the division's AE&SS base budget allocation in the Operating Fund.

BBT – Base Budget Transfer

- Identifies base budget transfers between departments and/or divisions.
- BBT entries must net to zero.
- Departments/divisions must ensure the transferring amount corresponds with their submission.
- Do not use BBT in the initial budget upload.

BRT – Base Reimbursement (FAS ONLY)

- Identifies recurring reimbursements that are permanent from year to year and fund ongoing operations (BBB).
- These are entered as a credit (negative) amount and must be included in dedicated account code 660990.

OBR – One-time Budget Restoration

- Restores budgets for carry-forward and for non-discretionary areas.

OBT – One-time Budget Transfer

- Identifies one-time budget transfers between departments and/or divisions.
- OBT entries must net to zero.
- Departments/divisions must ensure the transferring amount corresponds with their submission.
- Do <u>not</u> use OBT in the initial budget upload.

OEN – One-time Encumbrance

- Post encumbrance reserve at the beginning of the fiscal year and purchase orders rolling forward from the prior year. *Note: OEN is posted by the Budget Office and should not be included in division submissions.*

ORT – One-time Budget Reimbursement

- Identifies cost recovery.
- Note cost recovery activities in the description.
- Entered as a negative amount using the same account number as the expense being reimbursed.

OSS – One-time Salary Savings

- Used in the initial budget submission only.
- Identifies base salary not used in the current fiscal year due to unfilled positions, salary reimbursements from other sources, salary increases not effective for the entire year, etc.
- Salary savings sources can be entered as a negative amount using the same account number as the salary expense being reimbursed.
- Salary savings uses can be entered using the OSS scenario and a positive amount.
- OSS should net to $0.

OTB – One-time Budget

- Used in the initial budget submission.
- Represents any initial budgets being allocated one-time.
- Also used when identifying other sources of funds that augment a department's budget.

Additional Resources - Base Budget Review

Available upon request

The Budget Review process and template provide tools to help the campus develop and submit the budget. The Budget Review template is optional and is provided as a resource to assist in budget development.

The Budget Review process is a variation of Zero-Based Budgeting, which assumes department budgets start at zero each year, and funds are allocated based on identified needs to meet service levels. CSUSM uses this approach while maintaining a base budget at the campus, division, and salary levels, and applying needs-based budgeting at the department/ operating expense level. This excludes new permanent salaries and augmentations to existing permanent salaries.

Base Budget Review – Department Detail

Section A – Salaries and Wages (and Benefits if self-support)

- Includes all positions: permanent, temporary, vacant, new, and student assistant.
- Applicable salary savings are entered as a negative number using scenario OSS, using the same account number as the salary expense being reimbursed.
- Non-bargaining unit salary increases for permanent employees.
- All salary increases for temporary employees.
- Overtime, shift differential, etc.
- Vacant positions with retreat rights for temporarily reassigned positions.

Section B – Operating Expenses

- Base budget needs for operations.
- Specify OTB for one-time budget for one-time expenditures.
- Non-recurring one-time expenses to be funded this year.
- Unique, one-time, special request items.
- Compare prior year expenditures for historical analysis.

Section C – Reimbursements

- Costs initially paid by the Operating Fund and reimbursed by other sources, such as the Chancellor's Office, indirect cost recovery, grants, billings to outside agencies, etc.
- For cost recovery, use account number 660990 and include "Cost Recovery" as the first entry in the description.
- If reimbursements are one-time only, use scenario ORT with the same account number as the expense being reimbursed.
- Transactions in Section C are denoted by using a credit (negative) number.

Budget Review – Department Summary

This form summarizes all department sources and uses of funds. Department totals can be linked to the department detail sheets.

Uses of Funds (Needs)

- Base Salaries – Section A
- Base FTE – Section A
- One-time Salaries – Section A
- One-time FTE – Section A
- Base OE&E – Section B
- One-time OE&E – Section B
- One-time or Base Recurring Reimbursements – Section C
- Total Base and One-time budget needs

Budget Review – Division Summary

This final summary provides an overview of the base and one-time sources and uses of funds in an easy-to-follow format. It can be linked to the totals on the Department Summary Form. Totals at the division level should match the target numbers shown on the current year Operating Fund Budget Allocations by Division schedule for base budgets.

Note: Forms may be modified to align with division and department internal processes and/or preferences. The Budget Office can assist with this process if needed.

The BBR template will be shared with divisions upon request. If you would like the Budget Office to compile a Base Budget Review (BBR) for your division, please email budget@csusm.edu.

Preliminary Timeline

Note: This is a preliminary timeline and is subject to change.

Task Description	Date	Responsibility
Non-Discretionary Budgets Due	Friday, August 21	Division Budget Representatives
Budget Guidelines Distributed	Monday, August 31	Budget Office
Allocations to Divisions	Monday, August 31	Budget Office
Submit Detailed Budget to Budget Office for Upload (including Base, One-Time and One-Time Carry-Forward)	Wednesday, September 16	Division Budget Representatives
Upload 2026-27 Budget to PeopleSoft	**By August Close – Tentatively, September 18**	**Budget Office**