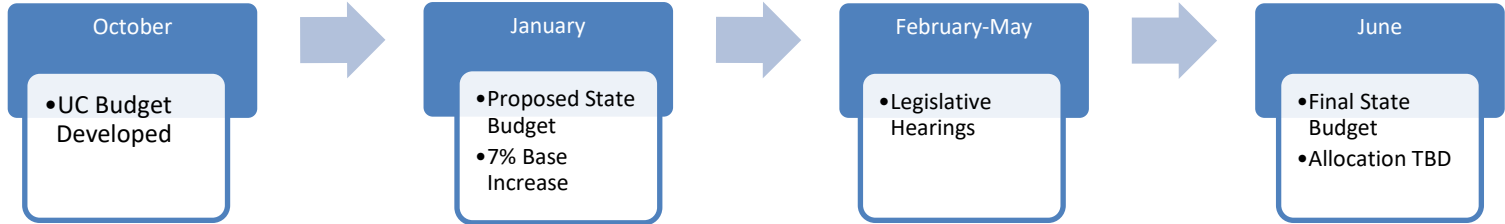


Budget Townhall FY26 and FY27 Planning

Academic Senate

April 23, 2026

UC/State



Federal

- Negotiated F&A Rate
- Slowing of Campus C&G Spend, ~12% IDC decline
- Ongoing award delays, policy changes and staffing cuts at federal agencies

- FY27 President’s Request: Defense Spending Up , All Other Spending Down
- Flat Pell Grant, significant reductions in other aid programs

Campus

- Campus Budget Developed

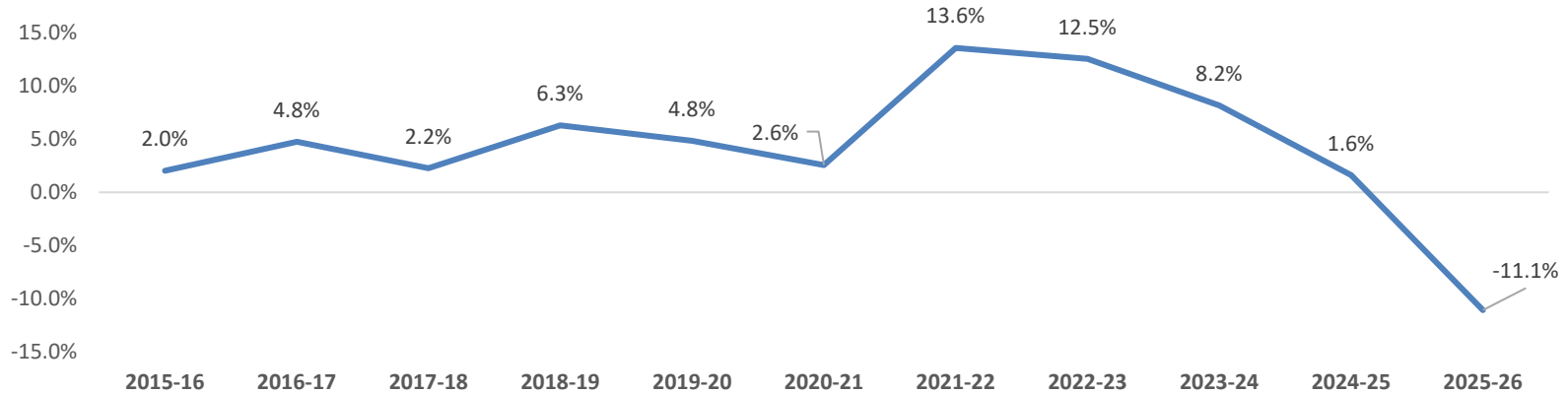
- Campus Budget Approved



	FY25 Actuals	FY26 Revised	FY27 Forecast	Change Drivers
Source	Dollars	Dollars	Dollars	
Resident Tuition & Fees	\$480M	\$503M	\$522M	Flat enrollment, cohort rates
State of California	\$525M	\$523M	\$558M	5% FY27 compact, +2% FY26 compact IOU
Non-Resident Tuition & Fees	\$386M	\$425M	\$433M	Flat enrollment, cohort rates
Contracts & Grants Overhead	\$360M	\$320M	\$320M	Was \$326M in Jan 2026
Other Misc Sources	\$137M	\$150M	\$157M	
Total Revenue	\$1.89B	\$1.92B	\$2.0B	
Total Expenditures	\$1.88B	\$1.93B	\$2.03B	RTA and Compensation
Annual Net Income	\$10M	\$(8M)	\$(37M)	

\$'s millions

Incremental F&A Recovery



Academic Affairs	0.4%	6.5%	0.1%	10.0%	3.0%	8.7%	6.0%	11.3%	14.9%	2.6%	-12.8%
Research Initiatives	-9.2%	-3.4%	-2.5%	7.4%	-3.2%	-2.0%	13.7%	14.0%	-0.9%	-16.6%	-8.8%
Health Sciences	5.1%	4.1%	5.3%	6.2%	4.6%	-0.2%	16.0%	12.4%	5.9%	2.7%	-11.4%
Marine Sciences	-3.5%	7.8%	-5.8%	-1.3%	13.9%	5.3%	19.0%	15.1%	8.6%	-0.2%	-6.1%
Total \$ millions	\$ 209.2	\$ 219.1	\$ 224.0	\$ 238.2	\$ 249.7	\$ 256.1	\$ 290.8	\$ 327.3	\$ 354.0	\$ 359.7	\$ 319.9

*2025-26 forecasted as of Mar 2026

- Ongoing uncertainty and concerns on state and federal funding
- Assuming flat undergraduate enrollment – did not assume potential drops in resident/non-resident enrollment
- Smaller incoming cohort of doctoral + MFA students
- Decisions on Masters programs still underway, however, an overall drop in applications (-8% Domestic, -23% International)
- High number of bargaining contracts open for negotiation. Also, growing impact of accretions

FY27 Investment: Compensation

Mandatory compensation inflation costs by type of increase:

	FY27 Projection	% of Total	Comments
Faculty Merits & Promotions	\$13.0M	16%	Two to four year review cycles
Faculty Range Increases	\$22.6M	27%	UC President's annual salary program
Policy Covered Staff	\$28.7M	35%	UC President's annual salary program
Union Represented Staff	\$18.3M	22%	Bargained contracts, targeted accretions
Total	\$82.6M		

Update: Need to reflect \$4.6M in additional costs associated with latest UAW contract and accretion of RP and SV titles. Could be offset by other contracts as finalized.

Governor's May Revise – May 2026

Modeling options for \$30-70M shortfall

- School/college budgets, reduction scenarios of 1-2%
- All others, reduction scenarios of 3-7%

Continuing to engage in advocacy efforts at the State and Federal level

Recurring Core Budget by Year

\$'s millions

	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
Academic Affairs, Health Sciences, & Marine Sciences	\$ 944.2	\$ 1,013.6	\$ 1,125.4	\$ 1,187.8	\$ 1,236.5	\$ 1,254.8
<i>% Change</i>		7.4%	11.0%	5.5%	4.1%	1.5%
Non-Academic VC Areas	\$ 340.8	\$ 369.0	\$ 405.6	\$ 425.0	\$ 441.9	\$ 447.8
<i>% Change</i>		8.3%	9.9%	4.8%	4.0%	1.3%
Total	\$ 1,285.0	\$ 1,382.6	\$ 1,531.0	\$ 1,612.8	\$ 1,678.5	\$ 1,702.6

Incremental allocations each year despite reductions. Net new resources continue to flow to the campus.

VCHS Town Hall

01/26/2026

FY26 Financial Planning: Health Sciences Permanent Core Budget Reductions

AREA	FY25 IMPACT	FY26 IMPACT*	TOTAL TWO-YEAR IMPACT
Vice Chancellor	\$2,585,000	\$4,260,000	\$6,845,000
School of Medicine	\$3,700,000	\$5,530,000	\$9,230,000
School of Pharmacy	\$245,000	\$840,000	\$1,085,000
School of Public Health	\$216,000	\$350,000	\$516,000
Total	\$6,746,000	\$10,980,000	\$17,676,000

*IDC projection created additional **-\$6M** impact to Health Sciences in FY26 not shown in table

Core Funds Budget: IDC

For a decade, Health Sciences' research portfolio has grown ~7% annually, increasing from \$500M to \$870M in annual expenditure

IDC makes up ~40% of Health Sciences' core funds budget

All departments took core funds reduction through IDC distribution in FY26

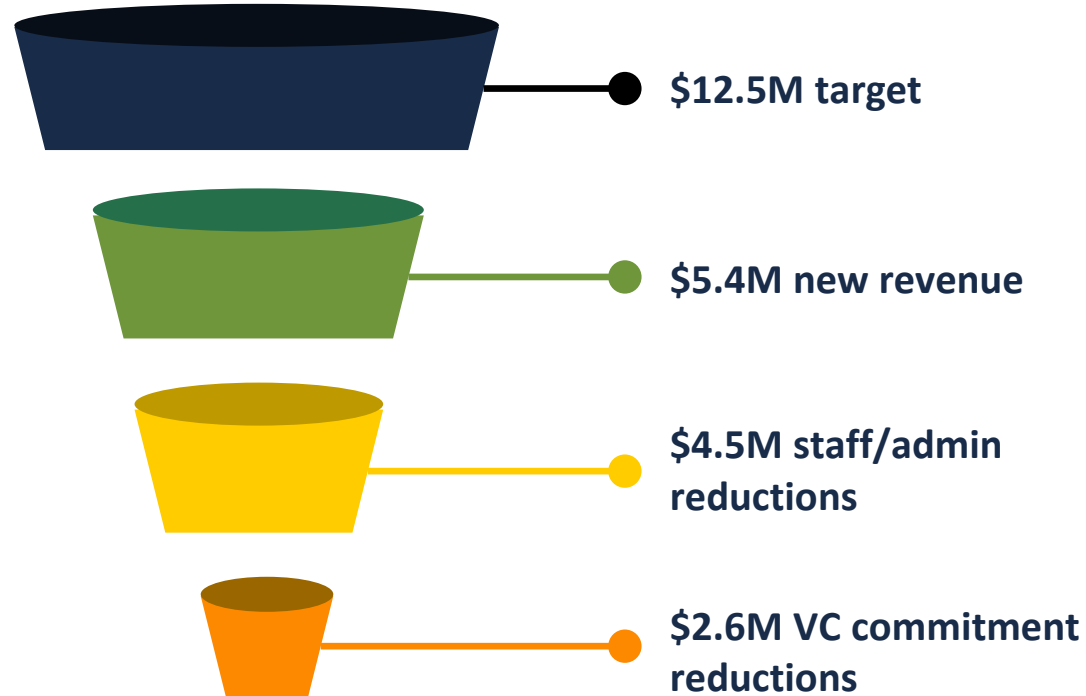
Health Sciences budgeted flat IDC from FY25 to FY26

- Additional **-\$6M** impact

In all, VC Office (VCO) sought a **\$12.5M** positive impact to its FY26 budget

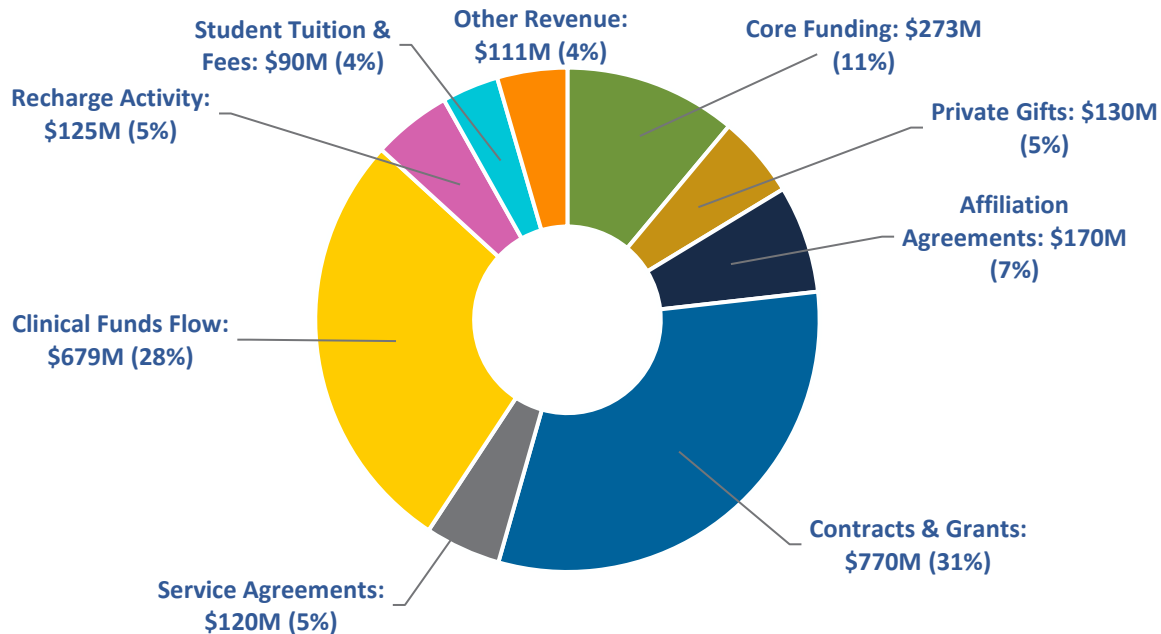
Allows for VCO to navigate additional challenges in FY26

FY26 Budget Levers



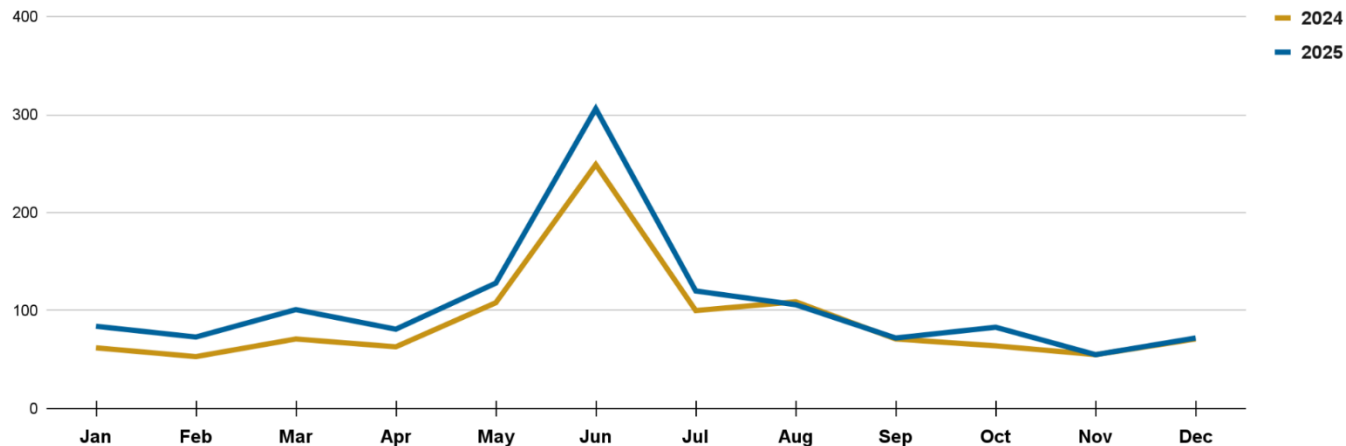
Health Sciences FY25 Revenue

Driven by Clinical, Research & Core Funds



Total Employee Separations

(Monthly comparison, 2024 v. 2025)



Data parameters / definitions:

- Includes all employee types; excludes WOS or non-salaried appointments
- Separation = departure from university employment within the reported timeframe (i.e. would exclude faculty transitioning to MSPs)

Point person for data: Adriana Long, Executive Director, Health Sciences Academic Administration (academics)

Looking Forward: FY27 and Beyond Risks

Core Funding

- Further **reductions**
 - Current funding model in Health Sciences may be **threatened by additional cuts**
 - IDC split with schools/departments
 - Shared services model
- Additional **admin burden** limiting ability to reduce expense
 - UCOP disconnected from campuses
 - Radical policy/procedure simplification still needed

Research portfolio

- Some **optimism** on **IDC rate** outlook for next year but threats remain
- Multi-year award funding
- Investigations/penalties
- Talent drain

Clinical

- Government funding/ reimbursement rates
- Insurance
- Productivity
- Labor

Looking Forward: FY27 and Beyond Opportunities

Revenue Diversification

Gifts

- Strategically support greater **advancement** efforts in Health Sciences

Research

- Look beyond federal government
 - County/state/private grants and contracts
 - Service agreements
 - Strategic initiatives with **industry**

Academic

- New **graduate** degree programs
- Aligning passion of our faculty with the needs of the workforce

Technology

- Invest in **BI tools** that will make us work smarter, not harder
- Be part of a campus-wide solution for easier **access** to information and partner on **reducing work burden**

VC Marine Sciences Budget Overview

FY26 Actions and FY27 Risks & Opportunities

Meena Wadhwa

April 23, 2026

FY26 Overarching Principles for Budgeting

Sponsored Project Funding

- Low tolerance for deficit spending
- Centrally (VC level) monitor all sponsored projects, identifying PIs with high expense burn rates compared to available funding remaining
- Partner with PIs with diminished funding for expense reduction strategies

Core Funding

- Tailor cuts to retain ability to recover/increase research when state and federal budgets improve
- Plan scenarios for up to 12.00% cut for School of Marine Science expenses and up to 12.75% cut for other expenses to adequately plan for major impacts
- Use carry-forward/one-time money to address:
 - a. current faculty start-up needs (including renovations)
 - b. renovations to gender equity-related research space
- Preserve funds for strategic hires and initiatives

Sources of All Revenue

SOURCES OF REVENUE

\$364.7M

UC San Diego Operational Support

22% (\$80.7M)

Current Use Private Giving

3% (\$12.8M)

Birch Aquarium at Scripps

3% (\$9.6M)

Recharge Unit Revenues

3% (\$11M)

Endowment Yield

2% (\$6.2M)

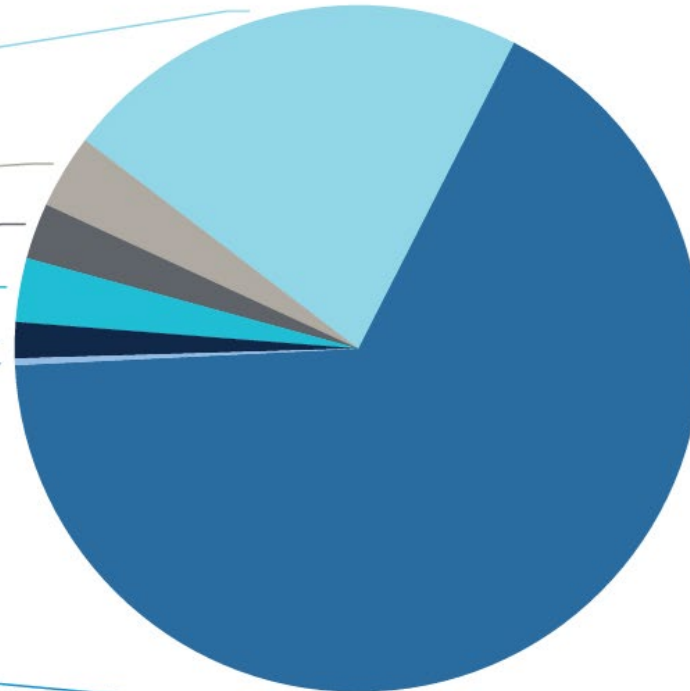
Other Revenue

<1% (\$1.1M)

Sponsored Research

(based on expenditures)

67% (\$243.4M)



Included in the “UC San Diego Operational Support” is \$37M (45%) directly from the State through the UC budget.

Sources of Research Revenue

SPONSORED RESEARCH REVENUE (BASED ON EXPENDITURE)

\$243.4M

DOE

1% (\$2.8M)

UC Sponsored Research

<1% (\$0.2M)

State

11% (\$26.4M)

Private

4% (\$8.7M)

Other Government

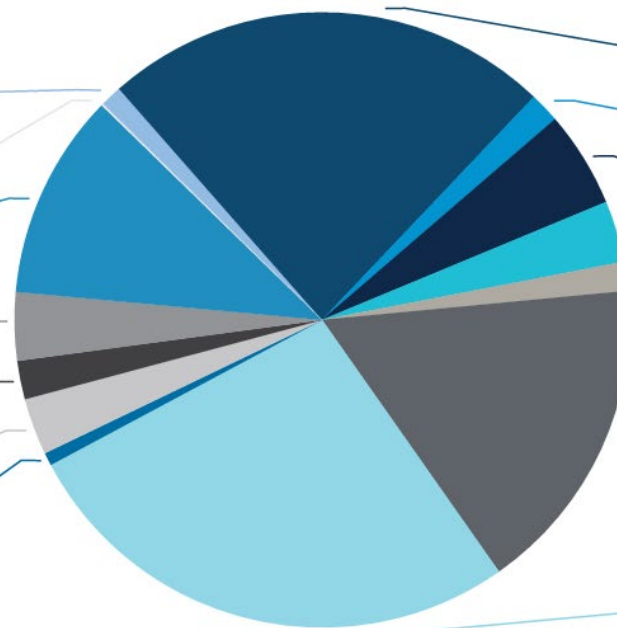
2% (\$4.9M)

Industry

3% (\$7.3M)

Misc Federal

1% (\$1.6M)



Department of Navy

24% (\$57.3M)

Other DOD

1% (\$3.9M)

USACE

5% (\$12.3M)

NASA

3% (\$7.9M)

NIH

1% (\$3.7M)

NOAA

17% (\$40.8M)

NSF

27% (\$65.6M)

Risk

Proposals by Sponsor 4 year YTD Comparison

			FY 2023		FY 2024		FY 2025		FY 2026	
			Proposal Amount	% of Total amount	Proposal Amount	% of Total amount	Proposal Amount	% of Total amount	Proposal Amount	% of Total amount
Federal	DOD	DOD	\$13,036,447	4.68%	\$97,651,311	15.23%	\$7,674,662	2.92%	\$4,057,578	2.83%
		DOD ONR	\$25,629,803	9.20%	\$35,866,373	5.59%	\$39,300,691	14.95%	\$15,241,677	10.61%
		DOD ONR SHIP			\$110,990,706	17.31%				
			\$38,666,250	13.88%	\$244,508,390	38.14%	\$46,975,353	17.87%	\$19,299,255	13.44%
	DOE		\$21,766,491	7.81%	\$7,475,868	1.17%	\$3,332,280	1.27%	\$2,062,458	1.44%
	NASA		\$11,959,052	4.29%	\$14,844,494	2.32%	\$20,398,372	7.76%	\$3,768,398	2.62%
	NIH		\$30,921,152	11.10%	\$11,053,750	1.72%	\$25,195,561	9.58%	\$5,479,667	3.82%
	NOAA	NOAA OTHER	\$15,047,730	5.40%	\$31,853,135	4.97%	\$38,821,335	14.76%	\$1,677,947	1.17%
		NOAA SEAGRANT	\$9,913,292	3.56%	\$21,537,486	3.36%	\$1,445,778	0.55%	\$238,480	0.17%
			\$24,961,022	8.96%	\$53,390,621	8.33%	\$40,267,113	15.31%	\$1,916,427	1.33%
	NSF	NSF	\$61,056,753	21.91%	\$62,736,204	9.79%	\$81,141,817	30.86%	\$58,630,108	40.83%
		NSF SHIP	\$3,041,107	1.09%	\$129,341,990	20.18%	\$17,073,060	6.49%	\$3,579,817	2.49%
			\$64,097,860	23.00%	\$192,078,194	29.96%	\$98,214,877	37.35%	\$62,209,925	43.32%
OTHER FED		\$1,198,930	0.43%	\$17,152,266	2.68%	\$1,138,278	0.43%	\$3,788,147	2.64%	
	Total	\$193,570,757	69.46%	\$540,503,583	84.32%	\$235,521,834	89.57%	\$98,524,277	68.60%	
Non-Federal	INDUSTRY		\$16,085,202	5.77%	\$775,031	0.12%	\$2,698,858	1.03%	\$498,070	0.35%
	OTHER GOV		\$25,928,791	9.30%	\$2,772,161	0.43%	\$3,472,581	1.32%	\$3,610,632	2.51%
	PRIVATE/NON-P..		\$11,264,540	4.04%	\$18,072,424	2.82%	\$13,020,973	4.95%	\$30,609,064	21.31%
	STATE CA		\$31,810,475	11.42%	\$78,923,169	12.31%	\$8,228,406	3.13%	\$10,369,298	7.22%
		Total	\$85,089,008	30.54%	\$100,542,785	15.68%	\$27,420,818	10.43%	\$45,087,064	31.40%
			\$278,659,765	100.00%	\$641,046,368	100.00%	\$262,942,652	100.00%	\$143,611,341	100.00%

- Proposals are down significantly in FY26 (as at March YTD)
- Implications for future IDC revenue in FY27 and beyond

Use of Business Intelligence

IDC Revenue Dashboard

- IDC by source
- IDC by PI
- IDC by Administrative Unit

Sponsored Project Dashboard

- Awarded contracts/grants
- Proposed contracts/grants
- By Agency
- By PI
- By Administrative Unit

FY27 Risks & Opportunities

Scripps Institution of Oceanography just kicked off a strategic planning exercise (5-year horizon) for a **holistic and comprehensive strategic plan**.

- This will give us data-driven metrics to identify our risks and opportunities

Process timeline:

Feb/March 2026

Director's Council and Leadership Team engagement

April/May 2026

Internal stakeholder engagement

June 2026

Launch workshops for strategic initiatives

July/Aug/Sept 2026

Develop plan + external stakeholder engagement

Oct 2026

Rollout