ACADEMIC AFFAIRS
BUDGET UPDATE

2010 Fall Leadership Conference
## The Requirements

<table>
<thead>
<tr>
<th></th>
<th>Date Due to OFM</th>
<th>Required Reduction in State Support</th>
<th>% Reduction (State + tuition)</th>
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</thead>
<tbody>
<tr>
<td>Revised 2010-11 Budget</td>
<td>October 1&lt;sup&gt;st&lt;/sup&gt;</td>
<td>$2,950,000</td>
<td>3.3%</td>
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<td>Note: Gov announcement today may change above to 7-10%</td>
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<tr>
<td>New 2011-13 Budget</td>
<td>September 30&lt;sup&gt;th&lt;/sup&gt;</td>
<td>$11,600,000</td>
<td>10% over two years</td>
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Academic Affairs Budget

- Provost Office
- Colleges and Library
- IT & Scientific and Technical Services
- Undergraduate & Graduate Education, Math Center
- Sponsored Research, Shannon Point, Border Policy
- International Programs, Canadian American Studies
- Institutional Research, Survey Research, Testing
- Space Administration

(Does not include Academic Support Services: Admissions & Enrollment Planning, Registrar, Academic Advising/Tutorial Services, Financial Aid, First Year Programs)
History of Funding Cuts
On a Biennial Basis

- Original Biennial State Cut 2009-11
  - 2009 Legislature for years 2009-10 and 2010-11
  - $44M -- 29% -- Recurring

- 2010-11 Supplemental Round 1 – 2010 Legislature
  - $1.2M -- One Time

- 2010-11 Supplemental Round 2 – 2010 Legislature
  - $6.1M – Recurring

- 2010-11 Print Savings Reduction – from OFM
  - $98,000

- Total Cut   $51M   34%

Active Minds Changing Lives
New 2010-11 Cuts
An Early Cut

- September 2010 Cut – Effective 10/01/10
  - 6.3% of state funds
  - $3.04M
  - 3.4% of state + tuition
  - Recurring
  - Early Cut will equal WWU’s 2010-11 Supplemental Budget
  - Legislature to determine final cut in January
FY10 Academic Affairs budget
= 66% of total University State Operating Budget

- Benefits assigned to AA
- Excluding Academic Support Services from Academic Affairs and adding it to Student Affairs
State Operating Budget by Funding Source (FY10)

Source: UPB 2009-2010 Annual Operating Budget
FY05-10 State Base Budget Trend
Salary & Operating Combined
Including Fringe Benefits Distributed on UPB Estimated Basis to Divisions

Other Divisions: External Affairs, President, Advancement and Institutional Budget
Academic Support Services located in Student Affairs
Budget Reductions

- Our current 10-11 reduction target: 3.3%
  - $2,248,29
College Base Budgets

- 77% of college budgets devoted to faculty lines

![Pie chart showing budget allocation]

- Faculty-TN: 57%
- Faculty-TT: 16%
- Faculty-NT: 4%
- Staff-Exempt: 7%
- Staff-Classified: 12%
- Ops: 4%

Estimated fringe benefits included
76% of Provost budget in faculty and faculty support
Includes estimated fringe benefits
Includes base reductions taken for FY12
Academic Affairs Budget

- Increased reliance on self sustaining funds for:
  - faculty travel
  - faculty start up
  - class sections
  - honoria/speakers
  - state-mandated assessment activities
  - diversity initiatives
  - technology initiatives
  - classified staff support
  - accreditation activities
  - community and P-12 school outreach efforts
  - curriculum materials
  - faculty stipends to support research and service
  - site license renewals
  - clinic supervision
  - equipment calibration
  - recruitment and summer research grants.
WE’RE WATCHING QUALITY, WE’RE WATCHING METRICS
The WWU Brand

- Academic excellence
- Passion for boundless learning and exploration
- Personal engagement in one’s education
- Collaboration between students and faculty
- Welcoming and supportive community
- Developing leaders and global citizens
- Spectacular location and natural environment
Ratio of Number of FTE Students to FTE Faculty by Tenure Status

State-funded students only

- Tenured
- Tenure Track
- Non-Tenure Track
- Total

Active Minds Changing Lives
Student/Staff Ratio

State funded students/state funded AA staff

AA staff excludes Academic Support Services

Active Minds Changing Lives
Retention and Graduation Rates
Percent of First-year Students
State-funded students only

- Retained to 2nd Year
- Graduated within 4 Years
- Graduated within 6 Years

Reporting Year
Active Minds Changing Lives
10-11 BUDGET
Strategies Already Underway

- Postpone hiring into open tenure track lines for two years
  - Use savings to hire NTT with net 25-50% increase in SCH
- Increase TAs that support instruction
- Continue to cancel / combine small sections
- Use new funding to address bottleneck pressures
- Continue examination of new pedagogies
- Accelerate desired curriculum changes
- Implement block scheduling where possible
Latest 10-11 Principles

- Priorities and principles established for the previous 2010-11 Supplemental Budget Reductions remain in effect.
- Focus on quality programs, access, infrastructure.
- We will not suspend enrollment of first year students.
- Assume cuts made now are to the base budget.
- Savings must be realized during 2010-11.
- With the approval of the relevant vice president, budget reductions, savings from efficiencies, or possibilities to increase revenues should be implemented immediately if feasible.
- Transparency, engagement, and accountability with engagement of representative campus groups at key points.
Constraints

- Students already admitted
- Contracts already signed
- Fiscal year in progress
- Expectation of shared governance for 90% of what we do
- Wisdom lies in those who are closest to the work
- Tuition revenue is 53% of University’s budget
- 77% of budget faculty/teaching
WESTERN WASHINGTON UNIVERSITY
Annual State Operating Budget
Percent Share of State Appropriations vs. Net Tuition Operating Fees
1993-94 to 2010-11

State Appropriations
Average 45.5% for the 2009-11 Biennium

Tuition Operating Fee
Federal Stimulus
State Appropriations
Assumptions

- Within a month we would be working on further cuts for 11-13. Reductions—and reallocations--will become way of life.
- Cannot reach our target with base cuts in 10-11
- Will identify base cuts some in 2010-11 and all by 11-13
- May have to cover much of the cut this year largely with one-time dollars
Process

- Begin with review of the evidence of costs and performance—short term and long term focus
  - Institutional performance measures
  - WWU performance on ‘the ratings’
  - Class sizes
  - Number of graduates from programs
  - Program reviews from graduate programs
  - Salaries
  - Relative costs of WWU programs
  - Number of staff relative to national comparisons
Allowed confidential submission of possible budget targets for discussion by unit leaders in academic division. Some examples:

- Lease space consolidated on campus
- Reducing service hours
- Soft funding more positions through fees for service, grants, and expanded activity within EESP
- Greater sharing of technical support and expensive equipment
- Consolidating services to reduce costs/overhead
Strategies

- Respond to cuts as a division
- Protect core mission and quality
- Respond to student need, preserving most funding for bottlenecks
- Avoid stretching too thin. Focus cuts, even if that means deep cuts
- Increase efficiencies (already most efficient system)
- Minimize the effect of layoffs
  - Coordinated timing; move early; provide HR services; do largely internal searches; reserve some $s for retraining
Academic Division Budget Forums

- Monday, September 20  4 - 5pm   SL 120
- Friday, September 24  12 - 1pm   CF 115
IMPORTANT WORK BEFORE US
THANKS.