

## BUILDING THE BUDGET

In retrospect, our budget process included quite a number of steps and communications. To help jog your memory, they included:

- At Western, the 2009-11 the process really began when Bruce initiated his Stakeholder Survey in July 2008;
- After that, there were the 90 Presidential Listening Sessions, Preliminary Findings and Reflections on the Stakeholder Survey, and a special meeting of the Board of Trustees in September focusing on a discussion of budget transparency and openness;
- Many communications and budget updates to the campus community started in October 2008 with a note on Governor Gregoire's 2008-09 one-time budget reductions;
- In November 2008, we invited the campus community to comment on the following draft budget policy/process documents:
  - "Principles and Guidelines Campus Supplemental Budget Reallocations";
  - "Campus-level Supplemental Process for Changing the 2009-11 Budget";
  - "A University-level review of Western's "Strengths, Weaknesses, Opportunities and Challenges";
- Also in November, we informed campus of further developments related to budget reductions, set up an online forum devoted to "Budget Rumors, Debunked", and created an additional online forum asking the WWU community to provide suggestions for budget savings (over 100 suggestions were received);
- The President, in early December, invited campus ideas, brainstorming and feedback in order to solidify insights on the proposed budget processes and to report back to campus;
- In December, a special presentation was made to the Board of Trustees on the new and campus-vetted proposed operating budget process;
- On December 15, an additional draft budget process document was introduced to campus for comment and improvement, entitled "Campus-level Process for Considering program Eliminations or Major Program Reductions";

- On December 18, the Governor's budget recommendation was released and we reported in detail to the campus on the contents and implications of that budget (the Governor's recommendation turned out to be Western's best insofar as only \$21.8M in state appropriation cuts were proposed – of course, it must be kept in mind that state revenue continued to decline after this release).
- In early January, we announced the elimination of the intercollegiate football program;
- Later in January, we updated the Western community on institutional consequences of Senate-contemplated budget reductions (Governor's Reduction Level + 50%);
- A decision was made by the President to use University's reserve funds and formerly unbudgeted "riskier revenues" to cushion the impact of such severe budget reductions.
- At the end of January, budget instructions were sent to Western's 16 Planning Unit Leaders asking them to prepare for March 2009 budget presentations on what were believed then to be worst case budget reductions (Academic units prepared proposals at a 3% level and a 5% level; other units prepared proposals as high as 7% to 10%);
- Throughout the Legislative Session, campus leadership met each Thursday morning at 7:30 am for up-to-date briefings from Western's Government Relations staff in Olympia.
- Throughout February and early March, Planning Units worked on preparation of their budget proposals, including a SCOT Analysis for each unit (Strengths, Challenges, Opportunities and Threats);
- Planning Units were asked to implement a bottom-up, transparent budget discussion process and asked to report back to the university on this process;
- Planning Units were asked to respond to community suggestions for cost savings measures posted to the University Planning and Budgeting website; and asked to prepare two lists of proposed budget reductions: one based on a low cut scenario, and one based on a high cut scenario.
- Planning Units were asked to describe how they planned to reallocate existing resources to meet unit needs in the future; and were asked, despite the dire budget situation, to describe growth agenda opportunities for new investment.

- On February 12, 2009, the President presented his Mid-year Report to Campus, identifying 15 initiatives he heard, through the listening sessions, that the university was interested in pursuing.
- On the same day as the Mid-year Report to Campus, an operating budget update was provided to the Board of Trustees, outlining all of the various budget reduction scenarios;
- On March 18 & 19, budget presentations on proposed budget reductions were made to campus by Planning Unit leaders and carried in a live audio-cast on the Web, a critical function of the presentation process was to allow all impacted Planning Units and campus leaders to fully understand and offer comment on proposals coming from other units.

*.....and there is more...*

- In March and April, legislative versions of the budget were released (Senate-House-Conference). And with each release, we informed the campus of new details such as the possibility that federal stimulus funds would be available to offset cuts in state appropriations, and that the legislature was considering a tuition increase in excess of the Governor's original proposal for a 7% + 7% increase.
- In each new version of the budget, the state appropriation reductions grew deeper:
  - The Senate Budget: - \$38.5M
  - The House Budget: - \$39.3M
  - The Conference Budget: - \$44M.
- In the meantime, Planning Unit budget reduction proposals were posted to the community forum for public comment;
- In April, the President, Vice Presidents and Deans began a series of 7am meetings to discuss and formulate public comment on Planning Unit proposals and to prepare a final 2009-11 budget recommendation for campus review.
- On May 6, a newly formulated and proposed 2009-11 budget was posted on line for community review and comment through May 11;

- On May 14, 2009, the President and Vice Presidents held a public and well-attended (approximately 100 attendees) community forum on the proposed budget. This forum was web-cast to approximately 100 additional listeners.
- On June 12, Bruce will present a proposed 2009-11 budget plan to the Board of Trustees. Because the budget plan relies on a 14% or \$600 per year tuition increase for undergraduate resident students, he will also ask the Board to approve these new tuition levels.