October 5, 2017

The Honorable Jay Inslee
Office of Financial Management
Budget Division
Insurance Building
302 Sid Snyder Avenue NW
PO Box 43113
Olympia, Washington 98504-313

Dear Governor Inslee,

Enclosed you will find Washington State University’s supplemental operating and capital supplemental budget requests for the 2018 legislative session.

The operating budget package most notably includes a funding request to implement Senate Bill 5939, related to renewable energy system tax incentives. This legislation was approved but not funded in the operating budget, leaving WSU with an unfunded mandate to administer the program.

The capital budget package includes only those decision packages that were at least partially funded in the capital budget agreement reached but not yet approved by the Legislature.

Individual decision packages are unaltered in any way from the original versions submitted a year ago as a part of the university’s formal 2017-19 capital budget request. Instead, WSU would like to convey its support for the capital budget agreement reached by legislative negotiators but not yet approved by the Legislature.

That agreement funded the following projects as follows:
- Plant Sciences Building construction, $52.0 million
- Global Animal Health Phase II construction, $23.0 million
- Tri-Cities Academic Building design, $3.0 million
- Minor Capital Preservation, $22.3 million
- STEM Teaching Labs/Building Infrastructure Upgrades, $1.0 million
- Vancouver Life Sciences Building predesign, $0.5 million
- Preventative Maintenance/Building System Repairs, $10.1 million
- JCDREAM equipment purchase, $2.0 million
It is important to highlight two fundamental deviations from WSU’s original 17-19 request. The Global Animal Health phase II project as requested contemplated a two-stage construction strategy over two biennia. The capital budget agreement contemplates shelling the first of those two stages, making meaningful progress on the project but pushing additional work on both stages into the 2019-21 biennial request. Secondly, the capital budget agreement included $2.0 million in equipment to support the JCDREAM advanced materials research collaborative which WSU supports but did not request.

The supporting documentation for these operating and capital budget requests are enclosed. We appreciate your thoughtful consideration and stand ready to answer any questions and provide additional information as requested.

Kirk H. Schulz
President

Enclosures

cc: Daniel J. Bernardo, Provost
    Joan King, Associate Vice President for External Affairs and Government Relations
    Colleen Kerr, Vice President for External Affairs, and Government Relations
    Stacy Pearson, Vice President for Finance and Administration