Town Hall Meeting
Legislative and Budget Updates

Washington State University
President Elson S. Floyd and
Provost Warwick Bayly
Context: Washington Public Baccalaureate Budget Reductions

• Since the 2007-09 biennium, State funding for Washington’s public baccalaureate institutions has been cut by nearly $500 M or 28%. Our current GF-S funding is at the same level as it was in the 1999-01 biennium.

• The Governor’s proposed 2011-13 budget would cut additional $380 M in state funds (a reduction of nearly 50% in state support since 2007-09) leaving GF-S support of approximately $1B as part of a proposed $32.1 B state budget.

Slide from Council of Presidents presentation to state legislature, 3/9/11
Context: Washington Public Baccalaureate Budget Reductions

• For perspective, the public baccalaureates received a little over $1B in state support in the 1989-91 biennium when total GF-S spending was $12.7 B.

• By the end of the 11-13 biennium, the state share of the cost of educating a student at our institutions will have dropped from around 70% a decade ago to approximately 30%.

• This is despite the fact that state spending will have grown from $12.7 B to $32.4 B and our institutions are serving 32,000 more students.

*Slide from Council of Presidents presentation to state legislature, 3/9/11*
• Result: Washington will invest **LESS** in its public baccalaureate institutions in 2011-13 than it did in 1989-91 (in actual dollars).
WSU State Budget Reductions – Last 20 Months

• 30% reduction in state support; $133.3 million

• Additional $3.7 million reduction to backfill state cuts to State Need Grant which were already distributed to students

• Even after a 14% resident undergraduate tuition increase in each year of the biennium, WSU had an 18% cut to administer for 09-11

• Annual state funding support of students at WSU has reverted to the lowest level since FY1995 before adjusting for general inflation ($7700 per student)

• WSU serves 35% more students than in FY1995 (6,238 additional AAFTE)
Hard Choices for Hard Times

Very difficult decisions were made:

• Eliminated 517 currently filled or recently vacated positions
• Phased out 16 degrees or options and curriculum
• Consolidated or reduced 8 degrees
• Reorganized or phased out 7 academic units
• Eliminated 3 majors/programs of study
• Eliminated 1,080 academic courses from catalog
• Reduced Fall 2010 freshman class due to budget considerations
Innovating For New Efficiency

In response to cuts WSU has:

- Reduced nine administrative units to six, cutting administrative costs
  - Consolidated capital planning and all facilities operations
  - Consolidated local and global media relations
  - Consolidated student services and enrollment activities
- Revised course schedule to eliminate 80-minute-long classes on Mondays and Wednesdays, enabling more classes to be scheduled and students more flexibility to obtain needed courses
- Eliminated mandatory minors in order to graduate with baccalaureate degrees in some majors, opening space for more students seeking to complete their preferred major
- Created an online, three-week-long winter program allowing students to earn three required credits
Innovating For New Efficiency

• Created the University College to consolidate advising for undergraduates with undeclared majors

• Developed a joint mechanical engineering program with Olympic College that could be modeled elsewhere

• In the final stages of revision to the undergraduate general education requirements to streamline path and time to degree:
  • Reduce required credits by ~15%
  • Enabled more general education credits to count toward major
Overall Cost Continues to Shift
(Includes State Funded Research and Service Expenditures in Nominal Dollars)
Adjusted for inflation, the total cost of educating a student at WSU has remained steady during 20 years of declining state investments.
If additional state cuts of this size are adopted, WSU will have lost over 50% of its state appropriations since July 1, 2009.
Requested Scenarios in Context

• Before an offset from tuition increases, the requested budget scenarios are greater than the total core budgets (state + tuition) in:
  – The Colleges of Liberal Arts, Engineering, Nursing, Pharmacy, and Sciences; or
  – The Spokane, Tri-Cities, and Vancouver campuses, plus the College of Veterinary Medicine; or
  – The College of Agriculture, Human and Natural Resource Sciences, and all statewide research stations, programs and extension offices and activities; plus the Colleges of Business, Education and Communication.
Requested Scenarios - Governor

- Up to 1500 student FTE impacted
- ~550 family wage jobs
- Time to degree increased by at least one semester due to less availability of critical courses on the path to graduation
- Decline in number of courses, degrees, options and majors for students
- Elimination of select academic programs/departments
- Access to high demand, high cost areas of study will be reduced
- Ability to meet all accountability measures will be reduced
- Further reduced levels of library services, academic advising and student services
- Further elimination of academic and student support services
- Campus maintenance and safety will decline further, with associated risks increased
Requested Scenarios – Governor + 15%

- Up to 1700 student FTE impacted
- ~ 650 family wage jobs
- Time to degree increased by at least two semesters due to less availability of critical courses on the path to graduation
- Further decline in number of degrees, options and majors for students
- Elimination of select academic programs/departments
- Access to high demand, high cost areas of study will be further reduced
- Jeopardizes state match of Smith Lever/Hatch Federal funds
- Ability to meet all accountability measures will be impaired
- Reduced levels of library services, academic advising and student services
- Elimination of academic and student support services
- Campus maintenance and safety will decline, with associated risks increased
Requested Scenarios – Governor + 30%

• Up to 1900 student FTE impacted
• Ability to offer high cost upper division to transfer students compromised
• ~ 750 family wage jobs
• Time to degree increased by two or more semesters due to less availability of critical courses on the path to graduation
• Significant decline in number of courses, degrees, options and majors for students
• Elimination of select academic programs/departments and student support services
• Access to high demand high cost, areas of study will contract significantly
• Jeopardizes state match of Smith Lever/Hatch Federal funds
• Jeopardizes ability to fulfill matching requirements on grants and contracts
• Ability to meet all accountability measures will be significantly impaired
• Significant reduction in levels of library services, academic advising and student services
• Campus maintenance and safety will decline, with associated risks increased
A Different Idea

• The Legislature establishes a minimum quality standard for higher education at the 2011-13 maintenance funding level (which continues funding and service levels at the reduced 09-11 biennium)

• In exchange, institutions of higher education will provide the same level of student access, degrees, high demand degrees and students, accountability, time to degree and financial aid as they did during 2009-11

• If state funding levels fall below the minimum quality standard, the Legislature will mandate undergraduate resident tuition increases to restore funding back to the minimum quality standard

• Once the minimum quality standard of funding is met, the Board of Regents (Trustees) for each institution will be granted flexibility to increase tuition to further advance critical quality as measured by eight metrics: accountability, performance, time to degree, graduation rate improvement, institutional financial aid, employability, access, STEM production.
## A Different Idea

**Tuition increases above the 11-13 line:**
- Institutional Flexibility
- = Increases in quality as measured by =>

**Accountability**
- Performance
- Time to Degree
- Graduation Rate Improvement
- Institutional Financial Aid
- Employability
- Access
- STEM Degrees

**Minumum Quality Standard**

**Tuition increases to get back to the 11-13 line:**
- Legislatively Mandated
- -Tuition Increases
- -SNG funded by state, not institutions

**Loss of Quality below 11-13 Maintenance Base**

*FY11-13 Funding Baseline (Maintenance Level) = $412.76M*
What Is The Process By Which WSU Will Address Any Cuts?

• Open, consultative process with Deans, Chancellors and Vice Presidents
• Opportunities for discussion via public forums
What Is the Legislative Timeline?

• State revenue forecast update, 3/17/11
• The House, then Senate will produce budgets
• Scheduled adjournment 4/24/11
• New biennial budget goes into effect 7/1/11