



Budget Forum

February 13, 15, 16, 2018

A community of learners improving our world

Up Front Summary



- Budget outlook for FY19 continues to be unsettled
- Key uncertainties: Enrollment and State Appropriation
- FY19 Tuition – Undergraduate 0%, Graduate 0-4%
- \$5.9 Million of base budget reductions have been identified
- FY18 budget is essentially balanced

FY19 Budget Status - Detail



	Worst Case	Likely Case	Best Case
State Appropriation Change	(\$550,000)	(\$550,000)	(\$550,000)
Tuition Rate Inc/Dec(0% UG, 0-4% GR)			
Tuition Revenue from Rate Change	\$0	\$80,000	\$80,000
Change in Enrollment	(\$1,500,000)	(\$1,000,000)	(\$750,000)
Subtotal – New Revenues	(\$2,050,000)	(\$1,470,000)	(\$1,220,000)
All Salary Settlements	\$2,000,000	\$1,700,000	\$1,500,000
Fringe Benefit (Ins, Ret, etc)	\$650,000	\$575,000	\$550,000
Operating Budget Inflation	\$600,000	\$300,000	\$200,000
ISRS Next Gen	\$400,000	\$400,000	\$0
Ed Village Operating Expenses	\$200,000	\$0	\$0
Subtotal – New Expenses	\$4,300,000	\$3,100,000	\$1,875,000
Budget Status	(\$5,900,000)	(\$4,445,000)	(\$3,470,000)

Minnesota State Supplemental Budget Request

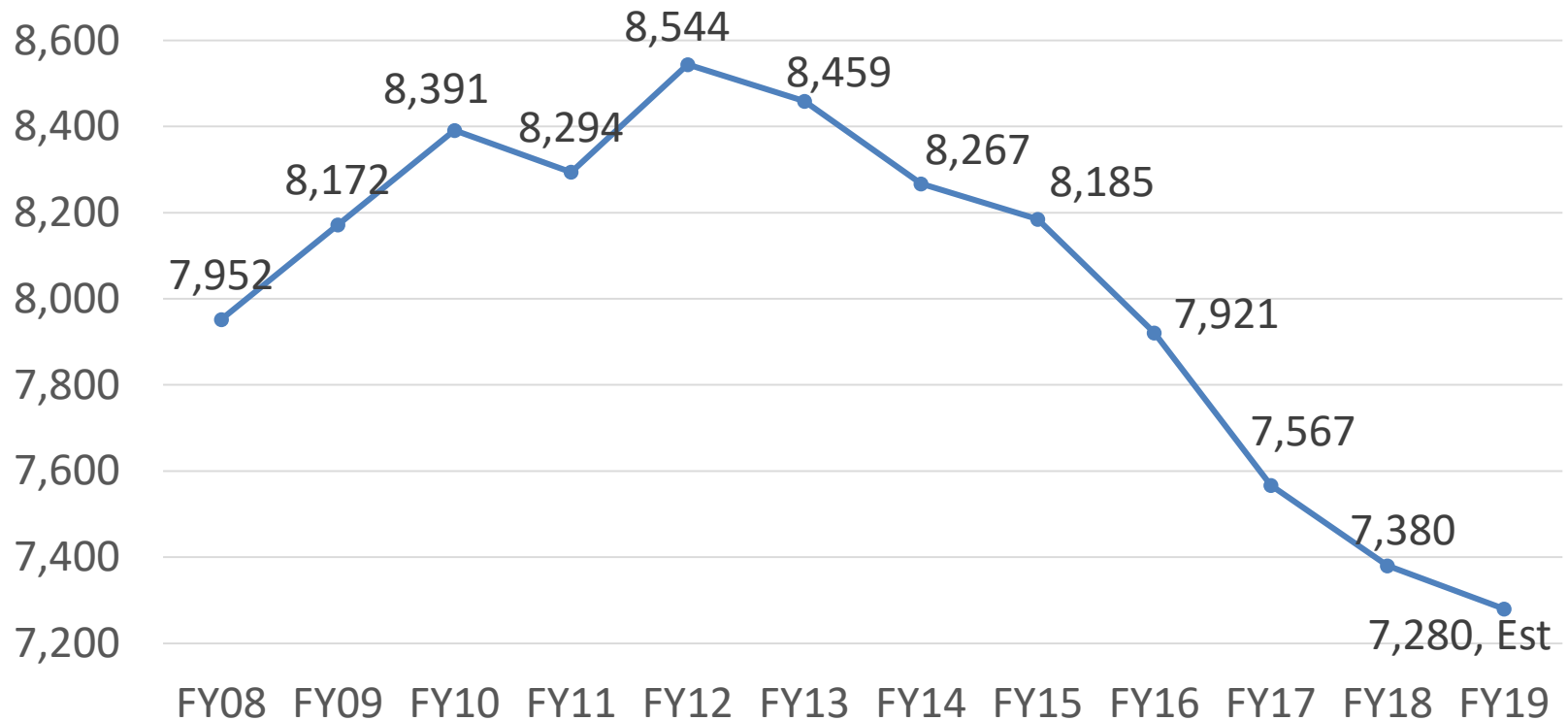


- Minn State Board of Trustees approved: \$31M
- \$10M operating budget (Our share = \$550,000)
- \$21M ISRS Next Gen
- State of MN Economic Forecast - Feb 2018
 - Current forecast is a deficit of \$188 Million
- **We are not using any supplemental funding in our scenarios**

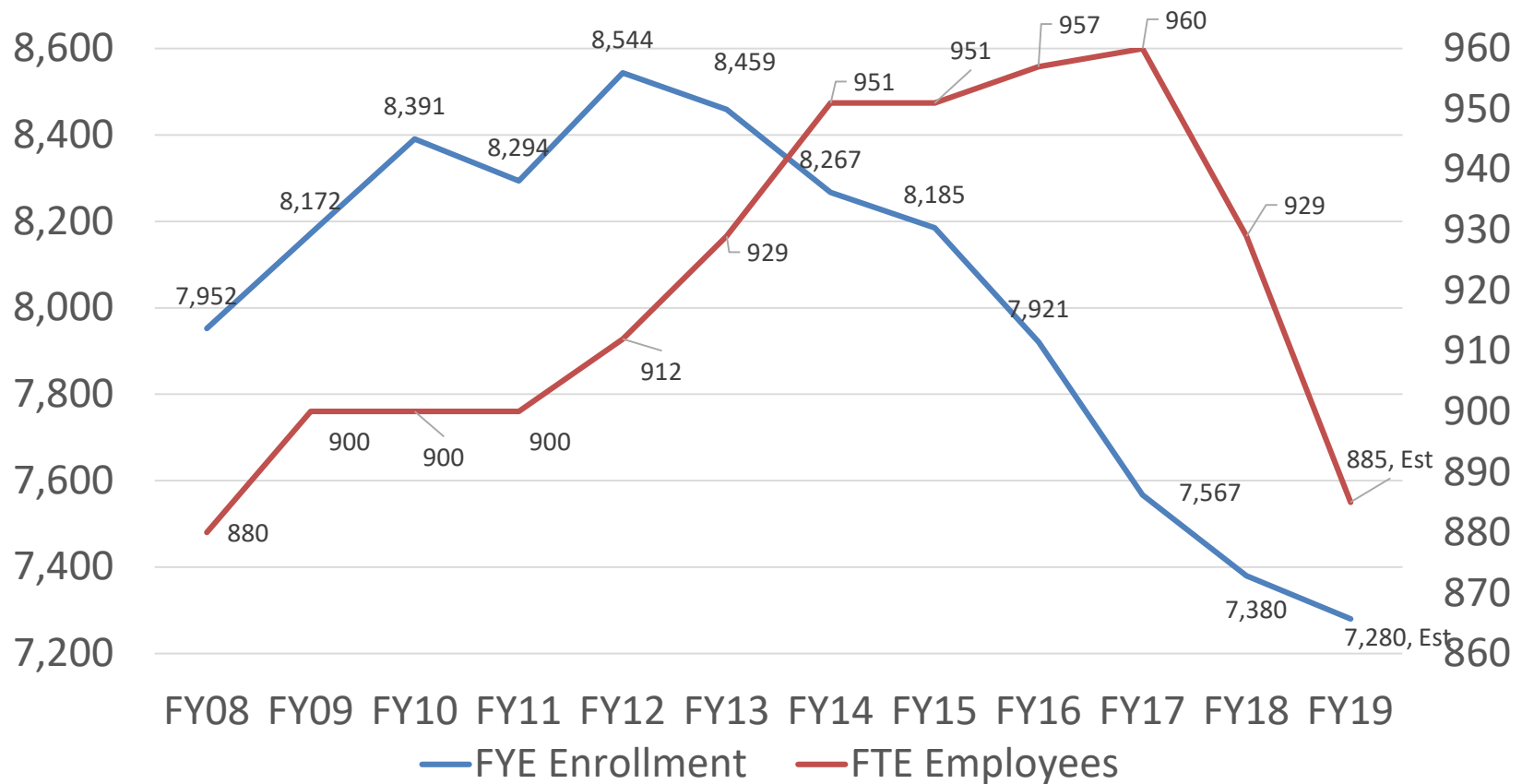
FYE Enrollment



FYE Enrollment



FYE Enrollment v. FTE Employees



Budget Reduction Process



- Cabinet given 5%, 6% and 7% budget reduction targets
- All University Finance and Facilities Committee reviewed the budget principles to help guide the process
- All reductions followed closely to the primary budget principles
 - Protect student experience
 - Maintain commitment to personnel
- 51 Budget suggestions received through budget website

Budget Reduction Process



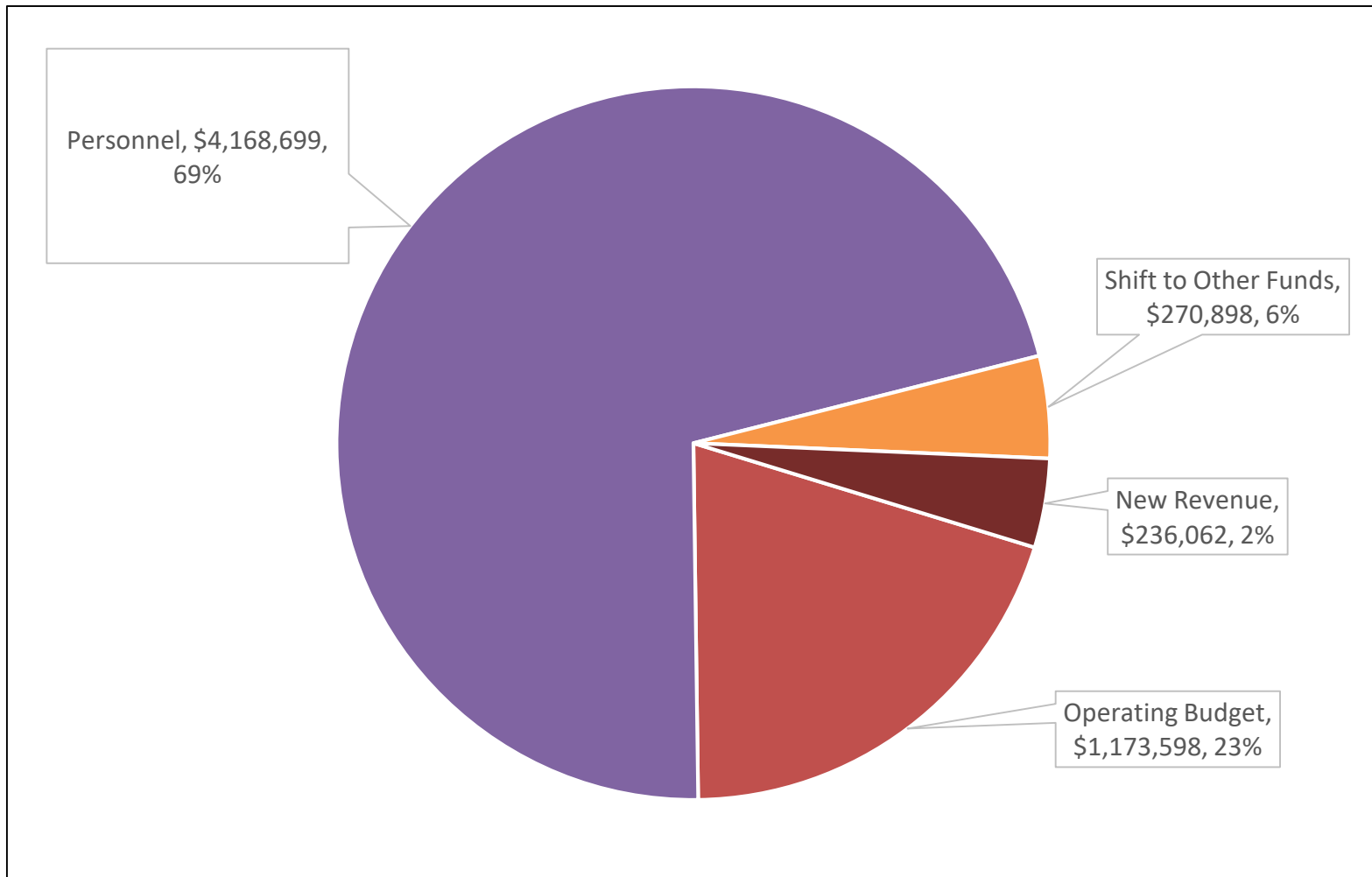
- Final reduction plan is closer to the worst case scenario
- Timing of uncertainties:
 - Enrollment – September
 - State Appropriation – May
 - Approved Bargaining Contracts – May?
- Plan for the worst and hope for the best
- Any amount beyond what would be needed in FY19 could be used for strategic reinvestment in FY20 and beyond

Budget Reductions Summary

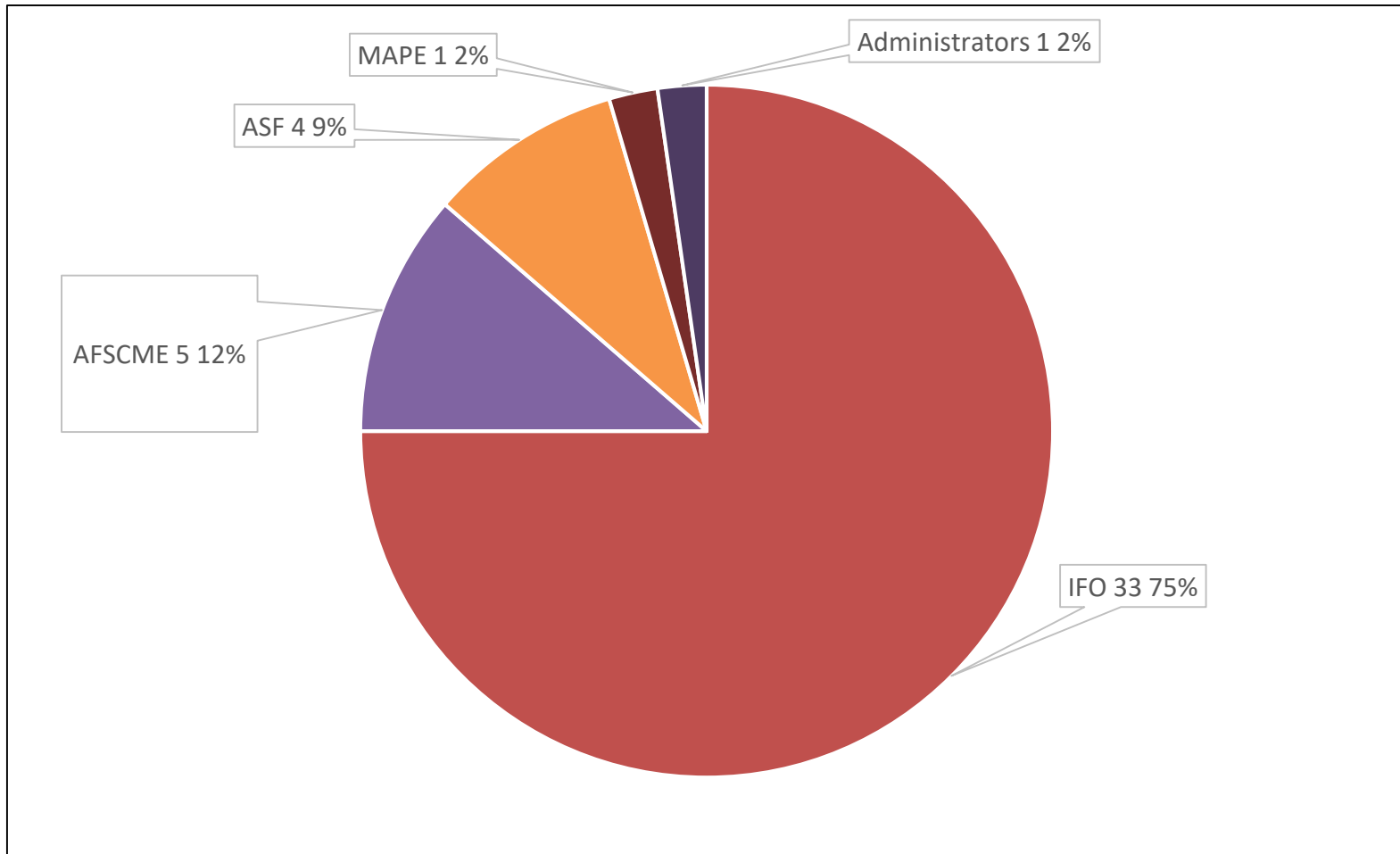


- 0 Layoffs
- 44 vacant positions eliminated
- Total reductions 6.8% or \$5.849M
- Bridge funding used in certain situations
- Cuts were not done across the board at the department level

Budget Actions by Function



Vacant Positions Eliminated by Bargaining Unit



Vacant Positions Eliminated % of Total



Unit	Vacant Positions Eliminated	Headcount	Headcount %	FTE	FTE %
IFO	33	755	4.4%	493	6.7%
AFSCME	5	220	2.3%	188	2.7%
ASF	4	156	2.6%	134	3.0%
MAPE	1	70	1.4%	66	1.5%
Administrators	1	22	4.5%	19	5.3%
MMA	0	16	0%	15	0%
Commissioners	0	11	0%	11	0%
MNA	0	4	0%	3	0%
Total	44	1,255	3.5%	929	4.7%

Budget Reductions Detail



- **Colleges:**
 - Eliminate fixed term and vacant positions (33)
 - Reduce adjunct and overload budget
 - Reduce operating budgets
 - Savings from replacement of faculty positions
- **Library:**
 - Eliminate vacant position
 - Reduce extended duty days
 - Realign Library support at RCTC
- **WSU-Rochester:**
 - Savings/Reduction in WSU/RCTC contract

Budget Reductions Detail



- **Academic Affairs (ex College, IT, Lib, WSU-R):**
 - Eliminate 3 base graduate assistants
 - Change Summer Session model
 - Eliminate remainder of Dean of the Library salary
 - Eliminate vacant position
 - Reduce operating budgets
- **Information Technology:**
 - Eliminate two vacant positions
 - Shift funding of position to other funds
 - Reduce operating budget

Budget Reductions Detail



- **Presidents Office:**
 - Reduce operating budget
- **University Advancement:**
 - Eliminate two vacant positions
 - Reassign staff duties – FY20
 - Eliminate remainder of AVP for Marketing salary
 - Reduce operating budgets
- **Enrollment Mgmt and Student Life:**
 - Eliminate 2 vacant positions
 - Shift funding of 1.5 positions to other funds
 - Implement new fee for counseling services
 - Salary savings from reduced work assignments
 - Reduce operating budgets

Budget Reductions Detail



- **Finance and Administration:**
 - Reduce operating budgets
 - Shift funding of position to other funds
 - Eliminate 2 vacant positions
- **Athletics:**
 - Increase athletic team sizes
 - Reduce salaries
- **All University:**
 - Evaluate the future of the KQAL radio station
 - Administrator reductions through either refusal of salary increases or donation of increase to WSU Foundation or unpaid leave or reduction in professional development

Looking Ahead



- Implement budget reductions by July 1, 2018
- Continue to monitor Legislature and Board of Trustees
- No BESI offerings until at least 2020
- Budget Website
- Future budget communications

Thank You! Any Questions?

