Overview

Budget Environment and Context
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• State funds – 2012 Supplemental Session Impacts

2011-13 Operating and Capital Budget Changes
• FY2013 Budget Impacts
• Supplemental Operating Budget
• Supplemental Capital Budget

Rebuilding the University - Strategic Plan Implementation
• Inspiring the Future – Strategic Plan Goals
• Use of Additional Operating Fee Revenue
Decline in State Funds

Eastern's level of state funding has declined significantly over the past two biennia.

Eastern used a balanced approach, with significant community input to address reductions and new initiatives focusing resources to move toward fulfillment of university mission and goals.

This approach used a combination of new revenue, campus reductions, and one time reserves.

<table>
<thead>
<tr>
<th>Biennial Reduction in State Funds*</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>2009-11 biennium</td>
<td>($33,424,000)</td>
<td>-26.8%</td>
</tr>
<tr>
<td>2011-13 biennium</td>
<td>($25,751,000)</td>
<td>-27.5%</td>
</tr>
<tr>
<td>Total University Reduction</td>
<td>($59,175,000)</td>
<td></td>
</tr>
</tbody>
</table>

2009-11
- Over $6.5 m in new operating fee revenue used to offset reduction
- Campus reductions of more than $9.6m with over 110 FTE positions impacted
- $2.2m of one time reserve funding used to bridge implementation gap for reductions

2011-13
- Over $9.1m in new operating fee revenue used to offset reduction
- Campus reductions of more than $1.2m
- Over $6.8m of one time reserve funding used to offset 3% salary decreases, and provide one-time bridging funds to minimize campus reductions.

* From maintenance level
GF-State Funding per FTE Student

<table>
<thead>
<tr>
<th>Year</th>
<th>Funding per FTE Student</th>
</tr>
</thead>
<tbody>
<tr>
<td>2008</td>
<td>$6,447</td>
</tr>
<tr>
<td>2009</td>
<td>$6,119</td>
</tr>
<tr>
<td>2010</td>
<td>$5,693</td>
</tr>
<tr>
<td>2011</td>
<td>$4,935</td>
</tr>
<tr>
<td>2012</td>
<td>$3,925</td>
</tr>
<tr>
<td>2013</td>
<td>$3,870</td>
</tr>
</tbody>
</table>

Source: Data based on GFS allocations and OFM budgeted state enrollments.
2012 & 2013 based on final budget and enrollment at 8,734

40% decrease
2012 Legislative Session Budget Impacts

- Minor budget changes in benefits and central charges accompanied by lower costs, so the net impact to the university budget is neutral.

Other New Requirements for FY2013

- **Tuition waivers**: Eastern shall conduct a comprehensive review of its tuition waiver policies by December 1, 2012. The report shall include an overview of tuition waiver uses and costs (foregone revenue) and outcomes and recommendations for changes.

- **STEM enrollments**: Eastern is directed to allocate $479,000 solely on direct costs of instruction for an expansion in enrollments in science, technology, engineering and mathematics. The university must report by June 30, 2012 how these amounts will be spent.

- **Intercollegiate Athletics**: Eastern shall not use funds appropriated (near general fund state) to support intercollegiate athletics programs.
2012 Supplemental Session Campus Impacts

• No new campus budget reductions
• Stabilization of staffing levels
• Increased flexibility on hiring actions
• Increased flexibility on travel and expenditures
• Potential stabilization of economic environment allowing focus on strategic plan goals.
FY2013 Budget Changes
FY2013 Budget Impacts

**Tuition Increases** (Approved June 2011)
- 11% Resident & Nonresident Undergraduate
- 9% Resident and Nonresident Graduate

**S&A Fee Increase**
- 3% increase over FY2012 level

**Enrollment Growth**
- 2% over FY2012 enrollment level of 9,925 FTES

**Operating Fee Revenue**
- Additional $2,700,000 from enrollment growth

**Unit Revisions to Original FY13 Budgets** (Approved June 2011)
- Units were given the opportunity to adjust revenue and expenditure budgets in self-support funds only to reflect:
  - Fee increases
  - Changes in staffing costs
  - Enrollment impacts, and
  - Changes in operating costs
## 2011-13 Supplemental Operating Budget – Proposed

For approval at the June 22, 2012 Board of Trustees meeting:

<table>
<thead>
<tr>
<th>2011-13 Operating Budget</th>
<th>2011-13 (Approved)</th>
<th>FY2013 Net Change</th>
<th>2011-13 (Revised)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Education and General</td>
<td>$282,141,788</td>
<td>($5,012,396)</td>
<td>$277,129,392</td>
</tr>
<tr>
<td>Auxiliary Enterprises</td>
<td>66,127,249</td>
<td>3,490,181</td>
<td>69,617,430</td>
</tr>
<tr>
<td>Scholarships &amp; Fellowships</td>
<td>63,225,000</td>
<td>3,080,000</td>
<td>66,305,000</td>
</tr>
<tr>
<td>Sponsored programs</td>
<td>29,900,000</td>
<td>(2,600,000)</td>
<td>27,300,000</td>
</tr>
<tr>
<td>Fund Balance Draw (149)</td>
<td>6,882,806</td>
<td>0</td>
<td>6,882,806</td>
</tr>
<tr>
<td>Additional FY11 &amp; FY12 Revenue/Expenditure Authority</td>
<td>2,000,000</td>
<td>2,100,000</td>
<td>4,100,000</td>
</tr>
</tbody>
</table>

**Total Operating Budget**: $450,276,843 $1,057,785 $451,334,628
Fulfilling the Goals of the University Strategic Plan
Inspiring the Future

• Student Success
  – Create an environment where student succeed at their highest level

• Institution of Innovation
  – Build an environment that uses research to identify, anticipate and respond to community and societal needs

• Community Engagement
  – Increase community engagement through active participation of students, staff and faculty with community groups, business, organizations and government.

• Visibility
  – Strengthen Eastern’s reputation by raising the visibility of Eastern’s high quality academic programs, community engagement and innovation.
Use of Additional Operating Fee Revenue
Rebuilding the University

Potential Uses of FY2013 Operating Fees
• Student Success
• Learning Commons
• Virtual Learning
• Center for Community Engagement
• Faculty Salaries
• Information Technology Fixed Costs

Process of determining allocations of operating fee revenue:
• Campus and University Budget Committee (UBC) discussions will occur in Summer and Fall 2012. This will allow time for university input into the allocation process
• Final allocation decisions expected by January 2013
Questions or Comments...
EASTERN
WASHINGTON UNIVERSITY

start something big